

THIRD QUARTERLY REPORT 2 0 1 9



Registered Office MCB House, 15-Main Gulberg, Lahore UAN: +92 42 111 000 622 Tel: +92 42 3604 1998-9 www.mcb.com.pk

Our Vision

To be the leading financial services provider, partnering with our customers for a more prosperous and secure future

Our Mission

We are a team of committed professionals, providing innovative and efficient financial solutions to create and nurture long-term relationships with our customers. In doing so, we ensure that our shareholders can invest with confidence in us

Our Values

The standards and principles which determine our behavior and how we interact with our customers and each other

Credit Rating Long-Term AAA (Triple A) Short –Term A1+ (A one plus) By PACRA



Corporate Profile

Board of Directors

Mian Mohammad Mansha	Chairman
Mr. S.M. Muneer	Vice-Chairman
Mr. Muhammad Tariq Rafi	Director
Mian Umer Mansha	Director
Mrs. Iqraa Hassan Mansha	Director
Mr. Muhammad Ali Zeb	Director
Mr. Mohd Suhail Amar Suresh bin Abdullah	Director
Mr. Yahya Saleem	Director
Mr. Salman Khalid Butt	Director
Mr. Masood Ahmed Puri	Director
Mr. Shahzad Hussain	Director
Mr. Shariffuddin Bin Khalid	Director
Mr. Imran Maqbool	President & CEO

Audit Committee

Mr. Shahzad Hussain	Chairman	
Mian Umer Mansha	Member	
Mr. Muhammad Ali Zeb	Member	
Mr. Shariffuddin Bin Khalid	Member	

Chief Financial Officer:	Mr. Hammad Khalid
Company Secretary:	Mr. Fida Ali Mirza
Auditors:	M/s. KPMG Taseer Hadi & Co. Chartered Accountants
Legal Advisors:	M/s. Khalid Anwer & Co. Advocates & Legal Consultants
Registered /Principal Office:	MCB House, 15-Main Gulberg, Jail Road, Lahore Pakistan
• Registrar's and Share Registration Office(s):	Head Office: M/s. THK Associates (Pvt.) Limited 1 st Floor, 40-C, Block 6, P.E.C.H.S., Karachi Pakistan
	Branch Office: M/s. THK Associates (Pvt.) Limited 1 st Floor, DYL Motorcycles Limited Office, 147- Q Block, Behind Emporium Mall, Johar Town, Lahore Pakistan

Directors' Report - September 30, 2019

MCB Bank for Life

On behalf of the Board of Directors, we are pleased to place before you, the unconsolidated condensed interim financial statements of MCB Bank Limited (MCB) for the nine months period ended September 30, 2019;

	Rs. in Million
Profit Before Taxation	27,506
Taxation	11,219
Profit After Taxation	16,287
Un-appropriated Profit Brought Forward	53,532
Re-measurement loss on defined benefit obligations - net of tax	(534)
Surplus realised on disposal of revalued fixed assets – net of tax	10
Transfer in respect of incremental depreciation from surplus on	
revaluation of fixed assets to unappropriated profit - net of tax	40
	53,048
Profit Available for Appropriation	69,335
Appropriations:	
Statutory Reserve	1,629
Final cash dividend at Rs. 4.0 per share - December 2018	4,740
Interim cash dividend at Rs. 4.0 per share - March 2019	4,740
Interim cash dividend at Rs. 4.0 per share - June 2019	4,740
Total Appropriations	15,849
Un-appropriated Profit Carried Forward	53,486

Performance Review

MCB reported profit before tax of Rs 27.51 billion which is 18% higher than the corresponding last period and translated into earnings per share of Rs 13.74 (2018: Rs 12.08). The key highlights of the performance were impressive increase in net interest margins through gradual shift in the maturity profiling of investment base supported by an efficient cost base. Profit after tax (PAT) of the Bank increased by 14% to Rs. 16.29 billion as the bank recorded additional super tax @ 4% for the tax year 2018, as enacted through the Second Supplementary Finance Act, 2019. Effective tax rate for the nine months ended September 30, 2019 came to 41% which is 2% higher than the corresponding period, last year.

Net interest income increased to Rs 42.99 billion, 27% higher than corresponding period of 2018. Volumetric growth in average earning assets, particularly investments, along with effective mix of shorter maturity profiling in a rising interest rate scenario enabled the Bank to post growth in gross mark-up income of Rs. 39.52 billion, up 67% over corresponding last period. The Bank has been riding the yield curve over the last few years, taking the benefit of the significant interest rate hike despite the fact that interests on deposits are repriced earlier than the earning assets.

The non-markup income block of the Bank was reported at Rs 11.45 billion with major contributions coming in from fee commission and foreign exchange income. Fees and commissions generated from core banking businesses increased by 5% to Rs 8.32 billion. Foreign exchange income increased by an impressive 26% to Rs 2.19 billion as a result of better leveraging of market opportunities.

MCB Bank Limited



Despite the inflationary surge during the period and growth in the operational network and infrastructure, operating expenses recorded were contained at 6% growth over corresponding last period excluding pension fund cost. The coverage and gross NPLs to advances ratios are 83.65% and 9.66% respectively.

Total asset base of the Bank on unconsolidated basis was reported at Rs. 1.58 trillion showing an increase of 6% over December 2018. Analysis of the assets mix highlights that net investments have increased by Rs. 115.1 billion (+15%) whereas net advances have decreased by Rs. 13.3 billion over December 31, 2018.

The deposit base of the Bank has registered a healthy increase of Rs. 96.1 billion and stood at Rs. 1,145.14 billion, a growth of 9% over December 2018. Focusing on its low cost deposit base, the Bank was able to increase current deposits at the rate of 4% over December 2018, with overall CASA base of 90% which reflects the customer confidence and the inherent value of a strong brand name.

The Board of Directors has declared 3rd interim cash dividend of Rs 4.00 per share i.e. 40% bringing the total cash dividend for the year ending 2019 to 120%.

Ratings

The Bank enjoys highest local credit ratings of AAA / A1+ categories for long term and short term respectively, based on PACRA notification dated June 27, 2019.

Economy Review

The tough economic measures taken by the government since the commencement of its tenure in 2018 have started showing positive results. However, despite some encouraging signs, the macroeconomic variables showed mixed performance during the third quarter of 2019.

On the external front, Pakistan's current account deficit contracted by 55% to \$1.2bn during the first two months of the current fiscal year as compared to the same period last year, largely owing to a decline in import bill. On a year-on-year basis, imports decreased by 23% during July-Aug FY20 while exports inched upward by 1%. Moreover, monthly deferred oil payments worth \$275mn from Saudi Arabia which started from July, 2019 also provided some support to the current account.

Pakistan's FX reserves showed slight improvement in the third quarter of 2019. SBP reserves increased from \$7.3bn at the end of June 2019 to \$7.7bn at September end. Overall, the country's reserves increased by \$527mn from \$14.5bn to \$15.0bn in the three month period. During the quarter, Pakistan received its first tranche of \$988mn from IMF as part of the 6 billion USD bailout package. The country also received inflows from Qatar and ADB, worth \$500mn each, which lent some support to the country's declining reserves. However, in spite of the inflows, SBP reserves increased merely by \$461mn due to external debt repayments.

Meanwhile, the USD/PKR parity remained largely stable in September, 2019. The Rupee started the quarter against the dollar at PKR 160.052. However, it appreciated by 2.3% during the three month period before closing at PKR 156.3654.

Apart from this, PBS rebased the inflation from year 2007-2008 to 2015-2016 in August and divided the National CPI index into Rural and Urban indices to incorporate the changing consumption patterns of the



population. According to the rebased CPI, Inflation clocked-in at 11.37% in September, 2019 after touching 8.40% and 10.5% in July and August respectively. The average inflation recorded for the third quarter of 2019 stood at 10.09% as compared to 8.23% in the second quarter. For the three month period, the inflation showed a rising trend. Meanwhile, the State Bank of Pakistan raised the policy rate by 100 bps during the quarter from 12.25% to 13.25%. The decision was taken by SBP to combat the inflationary pressures.

As regards to Pakistani stock markets, the KSE-100 fell by 5.38% during the quarter owing to muted business sentiment in the market. The index began the quarter at 33,902 points and stood at 32,079 points at quarter end.

On the fiscal side, the government's budget deficit clocked-in at 8.9% of GDP during Jul-Jun FY2019, 2.1% higher than the IMF's projection of 6.8%. However, the situation has improved slightly since the start of FY20 and the government hopes to collect higher revenues during FY20 as compared to last year.

Future Outlook

The GDP growth rate in Pakistan is expected to slow down in FY20, after clocking in at 3.29% in FY2019. Hence, in spite of improvement in some of the macroeconomic numbers as compared to the last quarter, the country is still operating in a tough environment. Towards the fiscal side, with the first quarterly review of IMF to be held in late October, the challenge for the government remains to increase revenues to meet the quarterly targets set by the IMF.

Moreover, for sustained improvement in current account, Pakistan will have to increase its exports by bringing in structural reforms in the export sector instead of relying on reduction in import bill to reduce the deficit. Pressures arising from the external side will also have to be closely watched to avoid any critical situation along with timely materialization of financial inflows to improve the country's foreign exchange reserves.

Appreciation and Acknowledgements

The Board of Directors of MCB Bank Limited would like to thank the Government of Pakistan, the State Bank of Pakistan, the Securities & Exchange Commission of Pakistan and other regulatory bodies for their continued support, all shareholders and customers of the Bank for their trust, and our employees for their continuous dedication and commitment.

For and on behalf of the Board of Directors,

Turon Magood

Imran Maqbool President & CEO, MCB Bank Limited October 17, 2019



Mian Umer Mansha Director MCB Bank Limited

MCB Bank Limited



کےالیںای - 100 مارکیٹ میں کاروباری جود کے باعث 5.38 فیصد تک گرگئی۔ انڈ ٹیس نے سہابی کا آغاز 33,902 پوائنٹ سے کیا جبکہ سہابی کے اختتام تک اس کا قجم 32,079 پوائنٹ رہا۔ مالی حوالہ سے، حکومت کا بجٹ خسارہ مالی سال 2019 کے جولائی تا جون کے دوران بن ڈی پی کا 8.8 فیصدرما جو کہ آئی ایمانیف کی 6.8 فیصد کی متوقع شرح سے 2.1 فیصدزیادہ تھا۔ تاہم اس صورتحال میں مالی سال 2020 کے آغاز سے قدرے بہتری آئی ہے اور حکومت کو توقع ہے کہ پیچھلے سال کی نبست مالی سال 2000 میں دہ زیادہ آمد نی حاص کر سکے گی۔

مستقبل کی پیش بنی:

پاکتان کی ٹیڈی پی کی نمو کی شرح مالی سال 2019 میں 3.29 فیصد تک رہنے کے بعد مالی سال 2020 میں مزید کم ہونے کی توقع ہے۔ لہذا تچیلی سمادی کی نسبت چند میکردا کنا کم اعداد میں تمام تر بہتری کے باوجود ملک ایک مشکل اور نازک صورتحال سے دوچارہے۔ مالی حوالہ سے، آنی ایمانی کی جانب سے پہلے سمادی تجزیر، جو کہ اکتوبر کے آخر میں کیا جائےگا، کے تناظر میں حکومت کے لیے یہ چیلنی برقرار ہے کہ اپنی آمدنی کو آئی ایمانی کے مقرر کردہ سمادی کے ہوف کے مطاق کی حاص کی ج

علادہازیں کرنٹ اکاؤنٹ میں پائیدار ترقی کے لیے پاکستان کو درآمدات کے بل میں کٹوتی کے ذرابیحہ خسار کے کم کرنے کی بجائے برآمدات کے شعبہ میں تغییری اصلاحات کے ذرایعہ اپنی برآمدات کو فروغ دیتا پڑےگا۔ بیرونی ذرائع سے انجرنےوالے دباؤ پر بھی کٹری نگاہ رکھنے ضرورت ہے تا کہ کسی بھی نازک صورتحال کا تدارک ہو بھے اور اس کے ساتھ ساتھ تمام مالی وصولیوں کی بروفت تقمیل تبھی ضروری ہے تا کہ ملک کے زرمبادلہ کے ذخائر بہتر ہوکیس۔

تحسين وتشكر:

ائیم ی بینک کے بورڈ آف ڈائیر کیٹرز؛ حکومت پاکتان، اسٹیٹ بینک آف پاکتان، سکیور ٹیز ایکی بینک آف پاکتان اور دیگر انضباطی اداروں کا انگی جاری معادنت کے لیے، بینک کے شیر ہولڈرز اور صارفین کا الحے تجربور اعتاد کے لیے، اور اپنے ملازمین کا انگی مسلسل لگن اور مخلصانہ خدمات پر شکر بیرا او کرتے ہیں۔

منجانب و برائ بورد آف دائر یکترز

میاں عمر منشاء

ايم ي بي بيك لميشر

ڈائیریگٹر

عران مقبول پریذیڈینٹ اوری ای او ایم سی بینک کمیٹڈ 17 اکتوبر 2019

Bank for Life ڈائز یکٹرزر پورٹ- ستمبر2019

بورڈآف ڈائر کیٹرز کی جانب سے ہم ایم ایم ایم پیک کمیٹر (ایم می پی) کے 30 ستبر 2019 ء کو اختتام پذیر نوماہ کے غیر مجموعی مالیاتی گوشواروں کا خلاصہ آپ کے سامنے پیش کرتے ہوئے سرت محسوس کرتے ہیں۔

ملين روپ	- -
27,506	منافع قلمي ازتيك
11,219	ېيى
16,287	منافع بعدا ذئيك
53,532	افتتاحى غير شخصيص شده منافع
(534)	ایمپلائز بینیفٹس ملان کی دوبارہ پیائش سے نقصان (خالص از قیکس)
10	یا ئیدارا ثاثوں کے سرچلس پرفروخت سے حاصل آبندن (خالص از نیکس)
	پائیدارا ثاثوں کی از سرنو تخضینہ پر اضافی آمدن
40	ی غیرشخصیص شده منافع میں منتقلی (خالص از نیکس)
53,048	
69,335	تخصيص كبيلية دمة أيغ
	تخصيص:
1,629	قانونی ریزرو
4,740	حتی کیش ڈیوڈینڈ4 روپے فی شیئر۔ برائے دسمبر 2018
4,740	عبورک کیش ڈیوڈ بند4 روپے فی شیئر۔ برائے مارچ 2019
4,740	عبوری کیش ڈیڈ نیڈ4 روپے فی شیئر۔ برائے جون 2019
15,849	كالتخصيص
53,486	- اغلقاً می فیرتخصیص شده منافع

كاركردگى كاجائزە:

ائم ی بن نے 27.51 بلین روپے کا منافع قمل انگیل رپورٹ کیا جو کہ گزشتہ تقابلی عرصہ سے 18 فیصد زائدہے۔جس کے باعث 13.74 روپے (2018: 20.08 روپے) کی فی شیئر آمدنی درج کی گئی۔ اسکارکردگی کے اہم عوال میں موکر لاگت کی بنیاد کے ساتھ ساتھ غالص انٹرسٹ مارجنز میں قابل رقتک اضافہ تھا جو کہ سرما پیکاری کی میچورٹی (بالیدگی) کے خدد وخال کی بتدریج تبدیلی کے ذریعہ حاصل ہوا۔

نگیل سال 2018 کے لیے 4 فیصد کے اضافی سرنگیل کےاندران کے بعد، جس کا اطلاق دوسرے همنی فنانس ایک 2019 کےذریعہ دواتھا، بینک کا منافع بعداز نیک 14 فیصد کے اضافہ کے ساتھ 16.29 ملین روپے پردن کیا گیا۔ 30 ستبر 2019 کو اختتام پذیر نوماہ کی مدت کے لیے بینک کا حقیق کیکس دینے 16.29

خالص انٹرسٹ آمدنی 42.99 ملین روپ تک بڑھ گئی جوگز شتہ تقابلی مدت ۲2 فیصد ذیادہ ہے۔ اوسط پیداداری اثاثہ جات کے قجم میں ترقی خصوصاً سرمایہ کاری میں اور اس کے ساتھ ساتھ بڑھتے ہوئے انٹرسٹ ریٹ کی صورتحال میں مختفر پیجورٹی رکھنے والے پیداواری اثاثہ جات کی موکڑ ترکیب کی بدولت بینک 39.52 ملین روپ کی کل مارک اپ آمدنی حاصل کرنے میں کا میاب رہا جو گزشتہ تقابلی مدت سے 67 فیصد زیادہ ہے۔

اس امرکےبادجود کہ ڈیپارٹس پرقابلادا انٹرسٹ کی قیتوں کادوبارہ تعین، پیداواری اثاثہجات سے پہلےلاگو ہو جاتا ہے، بینک نے گزشتہ کئی سالوں سےانٹرسٹ ریٹ کی نمایاں بڑھوتی کا فائدہ اٹھاتے ہوئے اپنی آمذنی کے خط پر اپنی سبقت برقرار رکھی ہے۔

بینک کی نان،ارک اپ آمدنی 11.45 بلین روپ پر رپورٹ ہوئی جس میں فیں کمیشن اور فارن ایکچیخ آمدنی کا اہم کردار تھا۔ خالص بینکنگ کے کاروبار سے حاصل شدہ فیس اور کمیشن کی آمدنی 5 فیصد کےاضافہ کے ساتھ 8.32 بلین روپ رہی۔ فارن ایکچیخ کی آمدنی مارکیٹ میں موجود بہتر مواقع کے باعث 26 فیصد کے اضافہ کے ساتھ 2.19 بلین روپے پر درج کی گئی۔

MCB Bank Limited



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روال مدت میں افراط زر کی لہر اور اپنے کاروباری نیٹ درک اور انتظامی ڈھانچے میں فروغ کے بادجودکاروباری اخراجات میں، پینشن فنڈ کے اخراجات کےعلادہ، 6 فیصدکا معمولی اضافہ ریکارڈ کیا گیا۔ کوریح اور کل غیرفعال قرضوں کی مجموعی قرضہجاتسے شرح بالتر تیہ 83.65 فیصدادہ 9.66 فیصدرہی۔

بینک کے کل اناشجات، غیر تجوی بنیاد پر 1.58 ٹریلین روپے پردرج ہوئے جو کہ دسمبر 2018 کی شخصے 6 فیصد کے اضافہ کو ظاہر کرتے ہیں۔ اناشجات کی ترکیبکا جائزہ اس امرکو واضح کرتا ہےکہ خالص سرما بیکاری میں 115.1 بلین روپے(%15+) کا اضافہ ہوا ہے جبکہ خالص قرضہجات میں 31 دسمبر 2018 سے 13.3 بلین روپے کی کمی ہوتی ہے۔

بینک کے ڈیپارٹس 6.61 ملین روپے کے نمایاں اضافے کساتھ 1,145.14 ملین روپ رہجا پہنچ جو کہ دسمبر 2018 ہے 9 فیصد کی ترقی کا مظہر ہیں۔ کم لاگت کے ڈیپارٹس کے حصول پر خصوصی توجہ کے باعث بینک اپنے کرنٹ ڈیپارٹس میں دسمبر 2018 کی نبست 4 فیصد کا اضافہ کرنے میں کامیاب رہا۔ جس میں مجموعی کا سا(CASA) کی شرح 90 فیصد پر رہی جو صارفین کے اعتاد اور ایک صغوط شہرت کے حال ادارے کی فطری قدر افزائی کا غماز ہے۔

بورڈ آف ڈائر کیٹرزنے 4 روپے فی شیئر (40%) کے تیسرے عبوری کیش ڈیوڈینڈ کا اعلان کیا ہے جس سے 2019 میں اختتام پذیر سال کے لیے کل کیش ڈیوڈینڈ کی شرح 120 فیصد تک پنچ گئی ہے۔

ريىنگز:

پاکرا (PACRA) کے نوٹیفیشن بتاریخ 27 جون 2019 کی بنیاد پر بینک، طویل اور قلیل مت کی بالتر تیب 🗛 اور +A1 کی بلندترین کریڈٹ رشیگو کے متلفید ہو رہاہے۔

معاشی جائزہ :

سال 2018 میں اپنے دور کے آغاز کے ساتھ ہی تکومت کی جانب سے اٹھائے گئے کڑے معافی اقدامات کے مثبت ثمرات آنا شروع ہو گئے ہیں۔ تاہم چند حوصله افزاء اشاروں کے باوجود، میکروا کنا کمہ لغیرات نے سال 2019 کی تیبری سہ ماہی کے دوران ملی علی کارکردگی دکھانی ہے۔

بیرونی محاذ پر، درآمات کے بل میں نمایاں کمی کے باعث پاکتان کے کرنٹ اکاؤنٹ خمارہ میں رواں مالی سال کے پہلے دوماہ کے دوران گزشتہ سال کے مماثلتی عرصہ کے مقابلہ میں 55 فیصد سے 1.1 ملین امریکی ڈالرزتک کی کم ہوئی ہے۔ سال بسال کی بنیاد پر، مالی سال 2020 (جولائی تا اگت) کے دوران درآمات میں 23 فیصد کی کمی ہوئی جبکہ برآمات میں گھن ا فیصد کا اضافہ ہوا۔ مزید براں، سعودی عرب سے ماہانہ موٹر ادائیکیوں پر 275 ملین امریکی ڈالرزکی مالیت کے تیل کی سولت، جس کا آغاز جولائی 2019 سے 2019 کے اعث بھی کرنے اکاؤنٹ کو کہتے تقویت ملی ہے۔

پاکتان کے زرمبادلہ کے ذخائر میں 2019 کی تیسری سہائی میں قدرے بہتری آئی ہے۔ اسٹیٹ بینک آف پاکتان کے ذخائر جون 2019 کے انتقام تک کے 7.3 بلین امر کی ڈالرز کے تجم سے بڑھکر 30 متبر 2019 تک 7.7 بلین امر کی ڈالرز تک پنچ گئے۔ تین ماہ کے عرصہ میں ملک کے ذخائر مجموعی طور پر 14.5 بلین امر کی ڈالرز کے اضافہ کے ساتھ 15 بلین امر کی ڈالرز پر ریکارڈ ہوئے۔ اس سہائی کے دوران پاکتان کوآئی ایم ایف سے 1888 ملین امر کی ڈالرز کی پہلی قدط بھی وصول ہوئی جو کہ 6 بلین امر کی ڈالرز کے اضافہ کے میتھ 15 بلین امر کی ڈالرز پر ریکارڈ ہوئے۔ اس سہائی کے دوران پاکتان کوآئی ایم ایف سے 1888 میں امر کی ڈالرز کی پہلی قدط بھی وصول ہوئی جو کہ 6 بلین امر کی ڈالرز کے متاز خد چکج کا صد ہے۔ ملک کو قطر اور ایشین ڈیو پینٹ فنڈ سے الگ الگ 500 ملین امر کی ڈالرز کا ضافہ ہوئی جو کہ 6 بلین امر کی ڈالرز کے ہوئے ہو اسٹیٹ بینک آف پاکتان کے ذخائر میں بیرونی قرضوں کی دادائیکیوں کی دوس امر کی ڈالرز کا ضافہ ہوئی

دریں اثناء امر کی ڈالر اور پاکتانی روپے کے مامین شرح تبادار تمثیر 2019 میں زیادہ تر متحکم رہی۔ سہاہی کے آغاز پر ڈالر کے مقابلہ میں روپے کی شرح 160.052 روپے نی ڈالر پر رہی۔ جو کہ تین ماہ *کے عرصہ* میں 2.3 فیصد کے اضافہ کے ساتھ اس کی شرح 156.3654 روپے نی ڈالر پر بندہو کی۔

اس - قطع نظر پی بی ایس (PBS) نے اگست میں سال 2008 - 2007 حـ 2016 ت 2015 تک افراطزر کی ٹی بنیاد اعتیار کی اور میش کی پی آئی انڈیکس کو دیپی اور شہری انڈیکس کو میں است تعتیم کردیا تا کہ آبادی کردیا تا کہ آبادی کے دیتی اور شہری انڈیکس کو دیپی اور دیپی اور دوس میں انڈیکس کو دیپی اور داری اور میٹ کی بند کو دیپی اور داری ای تعتم کردیا تا کہ آبادی کے بہ لیے مصارف کے ربحان کادرست اندراج کیا جائے۔ ی لی آئی کے اس سے معیار کے مطابق افراز دوس کی میں کی 10 میں ان ترتیب 40.00 نیسد پر ایکار کیا گیا۔ شرح کو چھو کر میٹر 2019 میں 13.17 نیسد پردن کیا گیا۔ سال 2019 کی تیٹری سہادی میں اور ط افراز دوسری سہادی کی 2.38 نیسری کی 2.4 کی میں 100 نیسر پر ایکار گیا گیا۔ تین اور کو چھو کر میٹر 2019 میں 13.17 نیسر دیکھا گیا۔ سال 2019 کی تیٹری سہادسا افراط افراز دوسری سہادی کی 2.38 تین اور کو میں افراط زرش بلندی کار بخان دیکھا گیا۔ دریں اثناء الٹیٹ بیک آف پاکسان نے اس سرمان کے دوران پالیسی دیٹ میں 100 بی پی ایس کا اضافہ کی جو 2012 نیف دیسی خور ک



Unconsolidated Condensed Interim Statement of Financial Position As at September 30, 2019

	Note	Unaudited September 30, 2019	Audited December 31, 2018
100570		Rupees	in '000
ASSETS	-	400.000 744	400 474 507
Cash and balances with treasury banks	7 8	106,038,714	103,174,597
Balances with other banks	-	13,881,871	11,878,975
Lendings to financial institutions	9 10	6,102,040	35,106,241
Investments	10	864,429,529	749,368,738
Advances	11	490,255,316	503,581,323
Fixed assets	12	47,614,080	40,811,956
Intangible assets Deferred tax assets	13	912,328	630,141
Other assets	14	- 52,259,359	-
Other assets	14	1,581,493,237	53,578,090 1,498,130,061
		1,001,493,237	1,490,130,001
LIABILITIES			
Bills payable	16	9,314,759	15,699,280
Borrowings	17	200,398,197	216,018,886
Deposits and other accounts	18	1,145,139,650	1,049,037,615
Liabilities against assets subject to finance lease		-	-
Subordinated debt	19	-	3,891,019
Deferred tax liabilities	20	2,327,358	1,532,177
Other liabilities	21	70,626,867	62,673,355
		1,427,806,831	1,348,852,332
NET ASSETS		153,686,406	149,277,729
REPRESENTED BY			
Share capital		11,850,600	11,850,600
Reserves	22	76,968,110	74,147,981
Surplus on revaluation of assets	23	11,382,016	9,747,104
Unappropriated profit		53,485,680	53,532,044
		153,686,406	149,277,729
CONTINGENCIES AND COMMITMENTS	24		

The annexed notes 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.

MCB Bank Limited



Unconsolidated Condensed Interim Profit and Loss Account (Un-audited) For the nine months period ended September 30, 2019

	Note	Quarter ended September 30, 2019	Nine months ended September 30, 2019	Quarter ended September 30, 2018	Nine months ended September 30, 2018
			Rupees	sin '000	
Mark-up / return / interest earned	26	39,317,000	98,449,742	21,210,970	58,925,849
Mark-up / return / interest expensed	27	24,122,769	55,455,751	9,903,226	24,999,654
Net mark-up / interest income		15,194,231	42,993,991	11,307,744	33,926,195
NON MARK-UP / INTEREST INCOME					
Fee and commission income	28	2,756,642	8,323,084	2,590,101	7,939,829
Dividend income		157,003	867,264	242,767	800,760
Foreign exchange income		465,272	2,192,969	566,680	1,740,503
Income from derivatives		6,981	3,045	10,296	43,784
Gain / (loss) on securities	29	51,433	(66,352)	3,162	1,144,815
Other Income	30	55,980	132,645	265,814	439,185
Total non-markup / interest Income		3,493,311	11,452,655	3,678,820	12,108,876
Total Income		18,687,542	54,446,646	14,986,564	46,035,071
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	31	8,347,765	24,626,804	8,052,510	25,168,671
Workers welfare fund		185,147	550,118	146,309	466,305
Other charges	32	40,886	147,741	29,109	103,846
Total non-markup / interest expenses		8,573,798	25,324,663	8,227,928	25,738,822
Profit before provisions		10,113,744	29,121,983	6,758,636	20,296,249
Provisions / (reversals) and write offs - net	33	856,442	1,616,106	(556,836)	(3,019,005)
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		9,257,302	27,505,877	7,315,472	23,315,254
Taxation	34	3,645,587	11,219,168	2,767,598	9,004,264
PROFIT AFTER TAXATION		5,611,715	16,286,709	4,547,874	14,310,990
			Rup	ees	
Basic and diluted earnings per share	35	4.74	13.74	3.84	12.08
-acte and anaton our migo por onaro				0.01	.2.30

The annexed notes 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.



President / CEO

Hammad Khalid **Chief Financial Officer**



Unmorth Mian Umer Mansha Director







Hammad Khalid **Chief Financial Officer**

Un mort Mian Umer Mansha Director

Salman Khalid Butt Director

Masood Ahmed Puri Director

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Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited) For the nine months period ended September 30, 2019

	Quarter ended September 30, 2019	Nine months ended September 30, 2019	Quarter ended September 30, 2018	Nine months ended September 30, 2018
		Ru	pees in '000	
Profit after taxation for the period	5,611,715	16,286,709	4,547,874	14,310,990
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods: Effect of translation of net investment in foreign branches Movement in surplus/ (deficit) on revaluation of investments - net of tax	(425,949) 2,861,012 2,435,063	1,191,458 1,685,424 2,876,882	(103,697) (1,762,451) (1,866,148)	525,680 (4,860,469) (4,334,789)
Items that will not be reclassified to profit and loss account in subsequent periods Remeasurement loss on defined benefit obligations - net of tax	-	(534,194)	<u> </u>	(679,241)
Total comprehensive income	8,046,778	18,629,397	2,681,726	9,296,960

The annexed notes 1 to 42 form an integral part of these unconsolidated condensed interim financial statements.







Un morth Mian Umer Mansha









Freem Magood Imran Maqbool President / CEO

MCB Bank Limited

-11	Un morte
Hammad Khalid	Mian Umer Mansha
Chief Financial Officer	Director

Johnan State	
Salman Khalid Butt Director	



Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited) For the nine months period ended September 30, 2019

Strutter protection Description Expension Expension Expension 23.751.114 cuplit reserve transaction reserve 15.600.000 4.588.120 23.751.114 cuplit reserve 15.600.000 4.588.120 23.751.114 cuplit reserve 15.600.000 4.588.120 23.751.114 cuplit reserve 16.600.000 4.588.120 23.751.114 cuplit reserve 16.600.000 4.588.120 23.751.114 cuplit reserve 1.431.099 cuplit reserve 23.751.114 cuplit reserve <th>n</th> <th></th> <th></th> <th></th> <th>Capital reserve</th> <th></th> <th></th> <th>Revenue reserve</th> <th>Sumbus//deficit) on revaluation of</th> <th>revaluation of</th> <th></th> <th></th>	n				Capital reserve			Revenue reserve	Sumbus//deficit) on revaluation of	revaluation of		
The stand of contract (1, 10) Contract (1, 10) </th <th>la.</th> <th></th> <th>Share capital</th> <th>Share premium</th> <th>Non- distributable</th> <th>Exchange</th> <th>Statutory reserve</th> <th>General reserve</th> <th>in france in the second s</th> <th>Fixed / non-</th> <th>Unappropriated profit</th> <th>Total</th>	la.		Share capital	Share premium	Non- distributable	Exchange	Statutory reserve	General reserve	in france in the second s	Fixed / non-	Unappropriated profit	Total
The contract of the contract on	٩)				capital tesetve	a listano li lasal n			SUIAMINA	banking assets		
Biose at 51,01 Uncompare the follower X,01 Take the monomy of the follower X,01 Take t	ы						Rupe	000' ni sa				
Interaction and signing of the mediation of the med	nl	Balance as at December 31, 2017	11,850,600	23,751,114	908,317	483,993	27,123,049	18,600,000	4,588,120	12,485,087	53,776,057	153,566,337
Control for end of signing and of ond Signing and a control for and Signing and a control for and Signing and a control for a control f		Total comprehensive income for the nine months period ended September 30, 2018										
Operation from writing or new function and from writing or new from writing or new function and from writing or new from w		Profit after taxation for the nine months period ended September 30, 2018 Other commensions income - not of tax				- 575,680			- 14 860 4691		14,310,990	14,310,990 /5 014 030)
Image: contract of the method of a contract of the method of t						525,680			(4,860,469)		13,631,749	9,296,960
(a) (b) (b) (b) (b) (b) (b) (b) (b) (b) (b		Transfer to statutory reserve					1,431,099				(1,431,099)	
all defact is accord.		Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to unappropriated profit - net of tax								(40,148)	40,148	
Condition (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	A	Surplus realized on disposal of revalued fixed assets - net of tax								(99,081)	99,081	
alse - forement 1, 2015 a	Į,	 Transactions with owners, recorded directly in equity 										
and the - March 31, 2018 		Final cash dividend at Rs. 4.0 per share - December 31, 2017	•								(4,740,240)	(4,740,240)
Intervalue 30, 2018 Intervalue 30, 2018 Intervalue 31, 2018 Intervalue 31, 2018		Interim cash dividend at Rs. 4.0 per share - March 31, 2018	'								(4,740,240)	(4,740,240)
1.1300 $2.7361.144$ $9.03.17$ $1.000.673$ $2.2564.448$ 16.00000 $1.272.463.686$ $1.272.463.686$ Interaction period anded December 31, 2010 $2.73.61.144$ $9.08.317$ $1.000.673$ $2.2564.448$ 16.00000 $1.272.463.686$ $1.272.463.686$ Interaction period anded December 31, 2010 $2.73.61.144$ $9.08.317$ $1.000.673$ $2.2564.448$ $1.272.44$ Interaction and December 31, 2010 $2.73.61.144$ $0.08.317$ $1.000.673$ $2.2.266.448$ $1.272.44$ Interaction and betwee 3, 2019 $1.272.44$ $2.2.266.448$ $2.2.266.448$ $1.227.44$ Interaction and betwee 3, 2019 $1.460.600$ $2.2.761.144$ $0.08.317$ $1.680.600$ $(2.226.448)$ $1.2.744$ Interaction and betwee 3, 2019 $1.460.600$ $2.2.761.144$ $2.2.266.448$ $1.2.276$ $1.2.274$ Interaction and betwee and Segmenter 3, 2019 $1.460.600$ $2.2.266.448$ $2.2.266.448$ $1.2.266.448$ $1.2.274$ Interaction and betwee and segmenter 3, 2019 $1.460.600$ $2.2.266.448$ $1.2.266.448$ $1.2.266.448$		Interim cash dividend at Rs. 4.0 per share - June 30, 2018									(4,740,240)	(4,740,240)
B 11,800,000 23,751,114 900,317 1,006,673 28,564,148 16,600,000 12,246,159 12,346,169 12,346,174 12,346,144 12,326,349 12,326,349 12,326,349 12,326,349 12,324,144 12,326,349 12,324,144 12,326,349 12,324,144 12,326,349 12,324,144 12,326,349 12,324,144 12,326,349 12,324,144 12,326,349 12,324,144 12,326,349 12,324,144 12,326,349 12,324,144 12,326,349 12,324,144 12,326,349 12,324,144 12,326,349 12,326,349 12,326,349 12,326,349 12,326,349 12,326,349 12,326,349 12,326,349 12,326,349 12,326,349 12,326,349 12,326,349 12,326,349 12,326,349 12,326,349 12,326,349											(14,220,720)	(14,220,720)
up fold and of deciminar 31, 2016 		Balance as at September 30, 2018	11,850,600	23,751,114	908,317	1,009,673	28,554,148	18,600,000	(272,349)	12,345,858	51,895,216	148,642,577
Interneting pricid whated December 31, 2016 Image: second price whated December 30,		Change in equity for three months period ended December 31, 2018										
on the prined onded Decrimer 31, 2018 												
Amount 613,370 1 1 12,714 12,714 Amount 704,839 1 1 1 1 Amount 1 1 1 1 1 1 Amount 20,751,114 908,317 1 1 1 1 Amount 20,751,114 908,317 1 1 1 1 1 Amount 20,19 2 2 2 2 2 2 2 Amount 20,19 2 2 2 2 2 2 2 Amount 2 2 2 2 2 2 2 2 Amount 2 2 2 2 2 2 2	U	Profit after taxation for the three months period ended December 31, 2018 Other commembersian income - net of tax				- 610.870			- 10 485 705)	- 277 271	7,048,588 10 055	7,048,588
International formulation of the number of name of the number o	0					619,870			(2,485,795)	172,774	7,068,543	5,375,392
dependation from surplus on revaluation of finanti- and displaying equity (1336) red directly incurs/ red directly incurs/ red directly incurs/ in months period ended September 30, 2019 (1336) red directly incurs/ red directly incurs/ in months period ended September 30, 2019 (1360, 600 (1376, 114) (13.660, 244) (13.660, 244) rel are - September 30, 2019 (1360, 600 (23.761, 114) (23.660, 244) (13.660, 244) (13.660, 244) rel are - September 30, 2019 (10.116) (11.61, 148) (11.61, 148) (11.616, 244) (13.660, 244) rel are - Lend September 30, 2019 (11.61, 148) (11.61, 148) (11.616, 148) (12.666, 244) (13.666, 244) rel are - Lend September 30, 2019 (11.611, 148) (11.611, 148) (11.616, 148) (12.666, 244) (13.66	12	Transfer to statutory reserve					704,859				(704,859)	
red directly in equity red directly in equity <thred directly="" equity<="" in="" th=""> red directly in equity<!--</td--><td>~</td><td>Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to unappropriated profit - net of tax</td><td>,</td><td></td><td></td><td></td><td></td><td></td><td></td><td>(13,384)</td><td>13,384</td><td></td></thred>	~	Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to unappropriated profit - net of tax	,							(13,384)	13,384	
are allower 30, 2018 - - - - - - - inter months period anded September 30, 2018 - - - - - - - inter months period anded September 30, 2019 - - - - - - - - inter months period anded September 30, 2019 - - - - - - - - inter months period anded September 30, 2019 -		Transactions with owners, recorded directly in equity										
Internotis period anded September 30, 2015 Internotis period Int		Interim cash dividend at Rs. 4.0 per share - September 30, 2018									(4,740,240)	(4,740,240)
1180.000 23.751,114 908.317 16.29.543 29.269.007 18.600.000 (2.758,144) 12.565.248 onth period anded Septender 30, 2019 2 2 1 11.91,428 2 29.266.007 18.600.000 (2.758,144) 12.565.248 2 onth period anded Septender 30, 2019 2 2 1 1 1 2 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>(4,740,240)</td><td>(4,/40,240)</td></t<>											(4,740,240)	(4,/40,240)
		Balance as at December 31, 2018	11,850,600	23,751,114	908,317	1,629,543	29,259,007	18,600,000	(2,758,144)	12,505,248	53,532,044	149,277,729
	(Total comprehensive income for the nine months period ended September 30, 2019										
· · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · · <td>),</td> <td>Profit after taxation for the nine months period ended September 30, 2019 Other commembership income - net of tex</td> <td></td> <td>•</td> <td></td> <td>- 101 468</td> <td>•</td> <td></td> <td>- 1 685 424</td> <td>•</td> <td>16,286,709 (634.104)</td> <td>16,286,709 2 342 688</td>),	Profit after taxation for the nine months period ended September 30, 2019 Other commembership income - net of tex		•		- 101 468	•		- 1 685 424	•	16,286,709 (634.104)	16,286,709 2 342 688
	L.					1,191,458			1,685,424		15,752,515	18,629,397
(10.569) (10.569) (10.569) 		Transfer to statutory reserve	•				1,628,671		·		(1,628,671)	
. (10.560) 	but	Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to unappropriated profit - net of tax								(39,949)	39,949	
11890.000 23.751.114 20.821.001 20.827.678 11.860.000 12.454.756	1	Surplus realised on disposal of revalued fixed assets - net of tax	•	•	•		•			(10,563)	10,563	•
	_	Transactions with owners, recorded directly in equity										
· · · · · · · · · · · · · · · · · · ·		Final cash dividend at Rs. 4.0 per share - December 31, 2018	•		•	•	•	•		•	(4,740,240)	(4,740,240)
· · · · · · · · · · · · · · · · · · ·		Interim cash dividend at Rs. 4.0 per share - June 30, 2019									(4,740,240)	(4,740,240)
11,850,600 23,751,114 908,317 2,821,001 30,887,678 18,600,000 (1,072,720) 12,454,736											(14,220,720)	(14,220,720)
		Balance as at September 30, 2019	11,850,600	23,751,114	908,317	2,821,001	30,887,678	18,600,000	(1,072,720)	12,454,736	53,485,680	153,686,406
	Ą	For details of dividend declaration and appropriations, please refer note 40 to these unconsolidated condensed interim financial statements.	ese unconsolidat	ed condensed interi	m financial statements.							

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to 42

Masood Ahmed Puri Director



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Unconsolidated Condensed Interim Cash Flow Statement (Un-audited) For the nine months period ended September 30, 2019

	Note	Nine months ended	Nine months ended
		September 30, 2019	September 30, 2018
CASH FLOW FROM OPERATING ACTIVITIES		Rupees	s in '000
Profit before taxation		27,505,877	23,315,254
Less: Dividend income		(867,264)	(800,760)
		26,638,613	22,514,494
Adjustments: Depreciation on fixed assets	31	1,406,333	1,491,163
Depreciation on right of use assets	31	900.212	1,491,103
Depreciation on non-banking assets acquired in satisfaction of claims	31	34,815	37,258
Amortization	31	200,823	192,317
Provisions / (reversals) and write offs - net	33	1,616,106	(3,019,005)
Workers welfare fund		550,118	466,305
Gain on sale of fixed assets and non-banking assets acquired-net	30	(76,785)	(317,445)
Charge for defined benefit plans		9,825	2,082,336
Unrealized loss on revaluation of investments classified as held for trading	29	2,545	8,012
Loss on amalgamation of a subsidiary		7,512	-
Gain on sale of shares in an associate		-	(247,677)
		4,651,504	693,264
Decrease / (increase) in operating assets		31,290,117	23,207,758
Lendings to financial institutions		29,004,201	(137,755,042)
Held-for-trading securities		4,082,940	(2,004,919)
Advances		13,909,008	(16,059,964)
Others assets (excluding advance taxation)		(8,389,479)	1,840,758
Increase / (decrease) in operating liabilities		38,606,670	(153,979,167)
Bills Payable		(6,384,521)	(9,192,992)
Borrowings from financial institutions		(14,219,016)	(77,330,249)
Deposits		96,102,035	86,084,989
Other liabilities (excluding current taxation)		2,542,605	427,972
Defined benefits paid		78,041,103	(10,280)
Income tax paid		(238,381) (2,177,752)	(251,803) (1,497,465)
Net cash flow from operating activities		145,521,757	(132,530,957)
		110,021,101	(102,000,001)
CASH FLOW FROM INVESTING ACTIVITIES Net investments in available-for-sale securities		(119,868,887)	195,089,469
Net investments in held-to-maturity securities		1,038,783	3,574,959
Dividends received		774.508	942.563
Investments in fixed assets		(3,606,208)	(2,879,087)
Investments in Intangible assets		(475,010)	(236,147)
Proceeds from sale of fixed assets		140,819	555,380
Proceeds from sale of non-banking assets acquired in satisfaction of claims		40,000	682,410
Investments in non-banking assets acquired in satisfaction of claims		(64,445)	(307,500)
Investment in a subsidiary		-	(1,200,000)
Proceeds from amalgamation of a subsidiary		40,968	-
Proceeds from divestment in an associate		-	295,448
Net cash outflow on demerger Effect of translation of net investment in foreign branches		- 1,191,458	(22,214,180) 525,680
Net cash flow used in investing activities		(120,788,014)	174,828,995
		(120,100,014)	114,020,000
CASH FLOW FROM FINANCING ACTIVITIES			
Payments of subordinated debt		(3,891,019)	(780)
Payment of lease liability against right-of-use-assets		(465,355)	-
Dividend paid		(14,108,685)	(15,445,121)
Net cash flow used in financing activities		(18,465,059)	(15,445,901)
Effects of exchange rate changes on cash and cash equivalents		3,835,293	2,695,627
Cash and cash equivalents transferred to MIB under the scheme of demerger		-	(722,679)
Increase in cash and cash equivalents		10,103,977	28,825,085
Cash and cash equivalents at beginning of the period		109,346,115	106,847,098
Cash and cash equivalents at end of the period		119,450,092	135,672,183
The annexed notes 1 to 42 form an integral part of these unconsolidated condensed interim f	inancial sta	tements.	

Hammad Khalid

Freem Magood

Imran Maqbool President / CEO **Chief Financial Office**

Salman Khalid Butt



MCB Bank Limited

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019



STATUS AND NATURE OF BUSINESS 1.

MCB Bank Limited (the 'Bank') is a banking company incorporated in Pakistan and is engaged in commercial banking and related services. The Bank's ordinary shares are listed on the Pakistan stock exchange. The Bank's Registered Office and Principal Office are situated at MCB -15 Main Gulberg, Lahore. The Bank operates 1,382 branches (2018: 1,376 branches) within Pakistan and 11 branches (2018: 11 branches) outside Pakistan (including the Karachi Export Processing Zone branch).

BASIS OF PREPARATION 2.

- 2.1 These unconsolidated condensed interim financial statements represent separate financial statements of MCB Bank Limited. The consolidated condensed interim financial statements of the Group are being issued separately.
- 2.2 In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate profit in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these unconsolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon.
- The unconsolidated condensed interim financial statements are presented in Pak Rupees, which is the Bank's functional and 23 presentation currency. The amounts are rounded off to the nearest thousand.
- 24 These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except that certain classes of fixed assets and non-banking assets acquired in satisfaction of claims are stated at revalued amounts and certain investments and derivative financial instruments have been marked to market and are carried at fair value. In addition, obligations in respect of staff retirement benefits are carried at present value.

STATEMENT OF COMPLIANCE 3.

- 3.1 These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
 - International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act. 2017:
 - Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
 - Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IAS 34 or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

- The State Bank of Pakistan has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: 3.2 Recognition and Measurement' and IAS 40, 'Investment Property' for Banking Companies through BSD Circular No. 10 dated August 26, 2002. The Securities and Exchange Commission of Pakistan (SECP) has deferred applicability of IFRS-7 "Financial Instruments: Disclosures" on banks through S.R.O 411(1) /2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.
- 33 The SECP vide its notification SRO 633 (I)/2014 dated 10 July 2014, adopted IFRS 10 effective from the periods starting from June 30, 2014. However, vide its notification SRO 56 (I)/2016 dated January 28, 2016, it has been notified that the requirements of IFRS 10 and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under trust structure.
- 3.4 The disclosures made in these unconsolidated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular Letter No. 05 of 2019 dated March 22, 2019 and IAS 34, Interim Financial Reporting. The condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual unconsolidated financial statements for the financial year ended December 31, 2018.

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Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

Amendments to approved accounting standards that are effective in the current period 3.5

The State Bank of Pakistan (SBP) through its BPRD Circular Letter No. 05 of 2019 dated March 22, 2019 has amended the format of condensed interim financial statements of banks. All banks are directed to prepare their condensed interim financial statements on the revised format effective from the accounting year starting from January 01, 2019. Accordingly, the Bank has prepared these unconsolidated condensed interim financial statements on the new format prescribed by the State Bank of Pakistan. The adoption of new format introduced additional disclosure requirements and required certain reclassification of profit and loss comparative numbers. Under revised format, cost of foreign currency swaps (note 27) amounting to Rs 2,069.364 million (2018: Rs 523.382 million) which was previously shown as part of foreign exchange income has now been shown as part of mark-up / return / interest expense in the unconsolidated condensed interim statement of profit and loss account.

The Bank has adopted "IFRS 15 Revenue from Contracts with Customers" and "IFRS 16 Leases" effective 01 January 2019. IFRS 15 established a comprehensive framework for determining whether, how much and when revenue is recognized. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. The Bank has adopted IFRS 15 from 01 January 2019. The timing or amount of income from contracts with customers was not impacted by the adoption of IFRS 15, accordingly, the adoption of this standard has no material impact in these unconsolidated condensed interim financial statements. The impact of adoption of IFRS 16 on the Bank's unconsolidated condensed interim financial statements is disclosed in note 4 1 1

In addition, there are certain other new standards and interpretations of and amendments to existing accounting standards that have become applicable to the Bank for accounting periods beginning on or after January 1, 2019. These are considered either to not be relevant or not to have any significant impact on the Bank's unconsolidated condensed interim financial statements.

3.6 Standards, interpretations of and amendments to approved accounting standards that are not yet effective

The following new standards and amendments to existing accounting standards will be effective from the dates mentioned below against the respective standard or amendment: Effective date (annual periods

	Effective date (annual perio
	beginning on or after)
IFRS 3, Business Combinations - (Amendments)	January 1, 2020
IAS 1, Presentation of Financial Statements (Amendments)	January 1, 2020
IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors (Amendments)	January 1, 2020

The SECP, through SRO 229(I)/2019 dated February 14, 2019, has notified that IFRS 9, Financial Instruments, is applicable for accounting periods ending on or after June 30, 2019. However, based on the guidance received from SBP, the requirements of IFRS 9 have not been considered for Pakistan operations of the Bank in preparation of these unconsolidated condensed interim financial statements.

IFRS 9, Financial Instruments: Classification and Measurement, addresses recognition, classification, measurement and derecognition of financial assets and financial liabilities. The standard has also introduced a new impairment model for financial assets which requires recognition of impairment charge based on an 'expected credit losses' (ECL) approach rather than the 'incurred credit losses' approach as currently followed. The ECL approach has an impact on all assets of the Bank which are exposed to credit risk. The Bank is in the process of assessing the full impact of this standard.

The Bank expects that adoption of the remaining amendments will not affect its financial statements in the period of initial application.

4. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed 4.1 interim financial statements are consistent with those applied in the preparation of the audited annual unconsolidated financial statements of the Bank for the year ended December 31, 2018 except for the followings:

4.1.1 Change in accounting policies

IFRS 16 replaces existing guidance on accounting for leases, including IAS 17, Leases, IFRIC 4, Determining whether an Arrangement contains a Lease, SIC-15, Operating Leases- Incentive, and SIC-27, Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces an on balance sheet lease accounting model for long term operating leases (short-term leases and leases where the underlying assets are of low value continue to be treated as off-balance sheet operating leases). A lessee recognizes a right-of-use asset representing its right of using the underlying asset and a corresponding lease liability representing its obligations to make lease payments. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as either finance or operating leases.

The Bank has adopted IFRS 16 from January 1, 2019, and has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the Standard.

MCB Bank Limited



On adoption of IFRS 16, the Bank has recognised liabilities in respect of leases which had previously been classified as operating leases under IAS 17. These liabilities were measured as the present value of the remaining lease payments. discounted using the Bank's incremental borrowing rate of 12.49% as of January 1, 2019. The associated right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of prepaid lease payments recognised in the unconsolidated statement of financial position immediately before the date of initial application.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. The right of-use assets are depreciated on a straight line basis over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use assets are reduced by impairment losses, if any, and adjusted for certain remeasurements of lease liability.

The change in accounting policy affected the following items in the statement of financial position as on January 01, 2019:

- Right-of-Use (RoU) assets recognized as Fixed assets - increased by Rs 5,500.910 million which includes prepayments of Rs. 188.598 million; previously, included in advances, deposits, advance rent and other prepayments at December 31, 2018.

- Lease liabilities recognized as Other liabilities - increased by Rs 5,312.312 million

- The impact on profit and loss account for the period January 1, 2019 to September 30, 2019 was a decrease in profit after tax by Rs. 355.240 million and earning per share by Rs. 0.30.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these unconsolidated condensed interim financial statements are the same as that applied in the preparation of the unconsolidated financial statements for the year ended December 31. 2018.

6. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the unconsolidated financial statements for the year ended December 31, 2018.

		Unaudited	Audited
		September 30, 2019	December 31, 2018
_			es in '000
7.	CASH AND BALANCES WITH TREASURY BANKS		
	In hand		
	Local currency	22,550,370	16,462,132
	Foreign currencies	2,329,261	2,529,716
	With State Bank of Pakistan in	24,879,631	18,991,848
	Local currency current accounts	34,550,637	40,305,992
	Foreign currency current accounts	311,629	279,023
	Foreign currency deposit accounts	14,408,509	12,621,991
	With other central banks in	49,270,775	53,207,006
	Foreign currency current accounts	9,928,815	5,197,681
	With National Bank of Pakistan in		
	Local currency current accounts	21,271,136	25,657,815
	Prize bonds	688,357	120,247
		106,038,714	103,174,597
8.	BALANCES WITH OTHER BANKS		
	Outside Pakistan		
	In current accounts	6,980,704	9,232,223
	In deposit accounts	6,901,167	2,646,752
		13,881,871	11,878,975
9.	LENDINGS TO FINANCIAL INSTITUTIONS		
	Call / clean money lendings	1,880,852	2,069,329
	Repurchase agreement lendings (Reverse Repo)	4,221,188	33,036,912
		6,102,040	35,106,241

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019



of IFRS 9.

mber 31, 2018: Rs. 32,921.417

er 31, 2018: Rs 1.675 million) in ted to Rs. 32,234.131 million (Decer

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MCB Bank Limited

	INVESTMENTS			Unaudited September 30, 2019	nber 30, 2019			Audited Dece	Audited December 31, 2018	
10.1		Note	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Value Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
	Held-for-trading securities	-	5 281 280		10 5451	P12 220 2 11	0.010 110		102 07	0.345 664
	reueral Government Securities Shares						3,340,133 18,549		(2,399) 126	9,343,334 18,675
	Available-for-sale securities		5,281,289		(2,545)	5,278,744	9,366,702		(2,473)	9,364,229
	Federal Government Securities		792,387,610		109,885	792,497,495	674,920,983		(3,990,667)	670,930,316
	Shares and units		27,187,973	(9,591,934)	(1,777,694)	15,818,345	26,098,138	(7,371,946)	(236,174)	18,490,018
	Non Government Dept Securities Foreian Securities		1,354,671 3,599.431		(1,047) 18,519	1,353,624 3.617.950	1,096,296 2.545.151		36 (16.492)	1,096,332 2.528.659
	0		824,529,685	(9,591,934)	(1,650,337)	813,287,414	704,660,568	(7,371,946)	(4,243,297)	693,045,325
	Held-to-maturity securities		007 000 00	1000 07		000 000 00	000 000 00	1110 12		100 000 00
	Federal Government Securities Provincial Government Securities		20,083,109 118	(2,280)		20,080,829	20,699,709	(c/o/1) (118)		20,698,034
	Non Government Debt Securities		9,864,668	(497,374)		9,367,294	8,196,110	(490,924)		7,705,186
	Foreign Securities		3,719,035	, - ,	-	3,719,035	5,809,776	-		5,809,776
			33,666,930	(499,772)		33,167,158	34,705,713	(492,717)		34,212,996
	Associates		700,401			700,401	700,401			700,401
	Subsidiaries 29.	29.2	11,996,537	(725)		11,995,812	12,046,512	(725)	ı	12,045,787
	Total Investments		876,174,842	(10,092,431)	(1,652,882)	864,429,529	761,479,896	(7,865,388)	(4,245,770)	749,368,738
										Audited
10.1.1	10.1.1 Investments given as collateral								September 30, [2019	December 31, 2018
									Rupee	Rupees in '000
	- Market Treasury Bills								142,210,159	155,324,815
	- Pakistan Investment Bonds								5,296,840	10,489,134
0.01			-						147,506,999	165,813,949
Z.01	Provision for diminution in value of investments	/estm6	ents							
10.2.1	I Opening balance Exchange adjustments								7,865,388 230	5,985,708 286
	Charge / (reversals)									
	Charge for the period / year								2,391,696	2,790,754
	Reversals for the period / year								(29,964)	(4,620)
	Keversal on disposals								(134,919) 2,226,813	(835,803) 1,950,331
	Amounts written off								. '	(70.937)
	Closing Balance								10,092,431	7,865,388
10.2.2	10.2.2 Particulars of provision against debt securities	ecuriti	ies							
	Category of classification						Unaudited September 30, 2019 NPI Provision	mber 30, 2019 Provision	Audited December 31, 2018 NPI Provision	nber 31, 2018 Provision
	Domestic						00 Y 00	Rupee	Rupees in '000 7 402 401 042	010101
							401,101	401.001	4-01-01	410,101

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Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)



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This represents non-performing portfolio of agricultural, Regulations issued by the State Bank of Pakistan.

11.2.1



Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

11.3 Particulars of provision against advances

	Unaudit	ed September 30	, 2019	Audite	ed December 31, 2	018
	Specific	General	Total	Specific	General	Total
			Rupe	es in '000		
Opening balance	41,943,509	1,266,717	43,210,226	44,586,915	1,115,091	45,702,006
Exchange adjustments	323,591	22,967	346,558	513,168	18,341	531,509
Charge for the period / year	2,472,583	62,746	2,535,329	1,613,562	133,330	1,746,892
Reversals	(2,971,234)	(24,490)	(2,995,724)	(4,618,549)	(45)	(4,618,594)
	(498,651)	38,256	(460,395)	(3,004,987)	133,285	(2,871,702)
Amounts written off	(10,902)	-	(10,902)	(151,587)	-	(151,587)
Closing balance	41,757,547	1,327,940	43,085,487	41,943,509	1,266,717	43,210,226

11.3.1 State Bank of Pakistan vide BSD Circular No. 2 dated January 27, 2009, BSD Circular No. 10 dated October 20, 2009, BSD Circular No. 02 of 2010 dated June 03, 2010 and BSD Circular No.1 of 2011 dated October 21, 2011 has allowed benefit of forced sale value (FSV) of Plant & Machinery under charge, pledged stock and mortgaged residential, commercial & industrial properties (land and building only) held as collateral against NPLs for five years from the date of classification. However, management has not taken the FSV benefit in calculation of specific provision.

11.3.2 General provision against consumer loans represents provision maintained against fully secured performing portfolio and unsecured performing portfolio as required by the Prudential Regulations issued by the SBP. General provision against Small Enterprise Finance represents provision maintained at an amount equal to 1% of unsecured performing portfolio as required by the Prudential Regulations issued by the SBP. General provision pertaining to overseas advances are made in accordance with the requirements of the regulatory authorities of the respective countries in which the overseas branches operate. General provision against all other advances represents provision maintained at around 0.1% of gross advances.

			Unaudited	Audited
		Note	September 30,	December 31,
			2019	2018
12.	FIXED ASSETS		Rupee	s in '000
	Capital work-in-progress	12.1	1,426,768	1,239,422
	Property and equipment	12.2	46,187,312	39,572,534
			47,614,080	40,811,956
12.1	Capital work-in-progress			
	Civil works		1,057,498	622,609
	Equipment		110,601	295,662
	Advances to suppliers		253,031	315,241
	Others		5,638	5,910
			1,426,768	1,239,422

12.2 This includes right-of-use assets amounting to Rs.4,809.430 million due to adoption of IFRS 16 as detailed in note 4.1.1.

12.3	Additions to fixed assets	Unaudited September 30, 2019 Rupee	Unaudited September 30, 2018 s in '000
	The following additions have been made to fixed assets during the period:		
	Capital work-in-progress	187,346	496,303
	Property and equipment		
	Freehold land	821,201	786,979
	Building on freehold land	1,177,011	248,140
	Electrical office and computer equipment	723,361	1,002,776
	Furniture and fixture	144,361	144,647
	Leasehold Improvements	264,542	127,392
	Vehicles	79,654	72,850
	Right-of-use assets	208,732	-
		3,418,862	2,382,784
	Total	3,606,208	2,879,087

MCB Bank Limited

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019



------Rupees in '000------

For	the nine months period ended September 30, 2019			
1 01	the line months period chack september 50, 2017		Unaudited	Unaudited
		Note	September 30,	September 30,
			2019	2018
12.4	Disposal of fixed assets		Rupe	es in '000
	The net book value of fixed assets disposed off during the period is as follows:			
	Freehold land		21,000	253,112
	Building on freehold land		-	52,728
	Vehicles		38,762	13,269
	Furniture and fixture		738	27,654
	Electrical office and computer equipment		3,251	149,334
	Leasehold Improvements		283	-
	Total		64,034	496,097
			Unaudited	Audited
			September 30,	December 31,
			2019	2018
13.	INTANGIBLE ASSETS		Rupe	es in '000
	Capital work-in-progress	13.1	382,302	257,805
	Computer software	13.1	530,026	372,336
	Computer software	10.1		
			912,328	630,141
			Unaudited	Unaudited
			September 30,	September 30,
			2019	2018

13.1 Additions to intangible assets

14.

The following additions have been made to intangible assets during the period:

The to	bilowing additions have been made to intangible assets durin	ng the period:		
Capita	al work-in-progress		124,497	-
Direct	ly purchased		350,513	236,147
			475,010	236,147
			Unaudited	Audited
			September 30,	December 31,
			2019	2018
OTHE	RASSETS		Rupe	es in '000
Incom	ne/ mark-up accrued in local currency		17,312,651	11,232,274
Incom	ne/ mark-up accrued in foreign currencies		153,940	128,921
Advar	nces, deposits, advance rent and other prepayments		3,363,464	2,340,059
Advar	nce taxation (payments less provisions)		-	7,354,020
Comp	ensation for delayed income tax refunds		133,809	133,809
Non-b	panking assets acquired in satisfaction of claims		3,591,950	3,653,840
Branc	h adjustment account		268,828	146,299
Mark	to market gain on forward foreign exchange contracts		3,751,115	3,520,808
Unrea	ilized gain on derivative financial instruments		1,433,793	852,465
Accep	otances	21	14,202,455	15,847,453
Recei	vable from the pension fund		3,256,571	3,815,170
Other	S		6,916,519	6,622,685
			54,385,095	55,647,803
Less:	Provision held against other assets	14.1	2,606,607	2,550,584
Other	Assets (net of provision)		51,778,488	53,097,219
Surplu	us on revaluation of non-banking assets			
ac	quired in satisfaction of claims		480,871	480,871
Other	Assets - total		52,259,359	53,578,090
14.1	Provision held against other assets			
	Non banking assets acquired in satisfaction of claims		99,597	99,597
	Others		2,507,010	2,450,987
			2,606,607	2,550,584



Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

		Unaudited September 30,	Audited December 31,
		2019	2018
14.2.1	Movement in provision held against other assets	Rupe	ees in '000
	Opening balance	2,550,584	3,016,792
	Charge for the period / year	1,494	112,529
	Reversals	(29,409)	(721,119)
		(27,915)	(608,590)
	Amounts written off	(3,615)	(7,180)
	Exchange and other adjustments	87,553	149,562
	Closing balance	2,606,607	2,550,584

15. CONTINGENT ASSETS

There were no contingent assets of the Bank as at September 30, 2019 (2018: NIL).

16. BILLS PAYABLE

In Pakistan Outside Pakistan	9,224,698 90,061	15,644,752 54,528
	9,314,759	15,699,280
17. BORROWINGS Secured Borrowings from State Bank of Pakistan		
Under export refinance scheme Under long term financing facility Under renewable energy performance platform Under financing facility for storage of agricultural produce	28,080,331 17,666,827 88,114 158,471	27,443,517 14,628,994 28,420 165,267
Repurchase agreement borrowings	45,993,743 147,597,735	42,266,198 165,703,249
Total secured	193,591,478	207,969,447
Unsecured		
Borrowings from other financial institution Call borrowings Overdrawn nostro accounts Others	782,392 5,391,547 470,494 162,286	556,939 5,458,050 1,872,164 162,286
Total unsecured	6,806,719	8,049,439
	200,398,197	216,018,886

18. DEPOSITS AND OTHER ACCOUNTS

	Unaudi	ted September 30	0, 2019	Audi	2018	
	In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
			Rupee	es in'000		
Customers					n	
Current deposits	340,050,780	39,961,773	380,012,553	325,800,150	34,643,583	360,443,733
Savings deposits	558,762,413	47,448,354	606,210,767	502,660,835	39,470,374	542,131,209
Term deposits	90,609,431	14,162,638	104,772,069	73,140,915	13,877,453	87,018,368
Others	23,611,069	2,922,389	26,533,458	27,009,821	4,340,402	31,350,223
	1,013,033,693	104,495,154	1,117,528,847	928,611,721	92,331,812	1,020,943,533
Financial Institutions						
Current deposits	8,166,360	1,992,744	10,159,104	7,560,308	2,267,492	9,827,800
Savings deposits	9,248,658	12,717	9,261,375	10,762,643	20,548	10,783,191
Term deposits	750,600	7,222,504	7,973,104	661,580	6,544,203	7,205,783
Others	-	217,220	217,220	-	277,308	277,308
	18,165,618	9,445,185	27,610,803	18,984,531	9,109,551	28,094,082
	1,031,199,311	113,940,339	1,145,139,650	947,596,252	101,441,363	1,049,037,615

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Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

			Ondudited	Addited
19. SUBORDINATED DEE	ят	Note	September 30, 2019	December 31, 2018
			2010	es in '000
Term Finance Certificates	- Listed, Unsecured	19.1	-	3,891,019
Issue amount	Rs. 4,198.035 million			
Issue date	June 19, 2014			
Maturity date	June 19, 2022			
Rating	AAA (triple A)			
Security	The TFCs are unsecured and so deposits	ubordinated to all ot	her indebtedness o	of the Bank including
Profit payment frequency Redemption	Semi-Annually Fifteen equal semi-annual insta months followed by remaining 99			•
Mark-up	Floating (no floor, no cap) rate o the average "Ask Side" rate of th		•	
Call option	The Bank may call the TFCs, in from the last day of public subso to the SBP approval and not les and the Investors.	cription and on all su	ubsequent profit pa	yment dates, subject
Lock-in-clause	Neither profit nor principal can l shortfall in the Banks' Minimurr (CAR) or increase any existing into effect, the Bank will be requ at the time.	n Capital Requirements shortfall in MCR and	ents (MCR) or Cap d CAR. In case the	oital Adequacy Ratio e lock-in clause goes
Loss absorbency clause	The TFCs will be subject to loss Basel III Implementation in Pakis	•	as stipulated unde	r the "Instructions for
191 During the year, the F	ank has exercised the call option i	under the terms of i	ssuance of TECs	after completing the

19.1 During the year, the Bank has exercised the call option under the terms of issuance of TFCs after completing the required regulatory requirements. Accordingly, the outstanding balance of the said TFCs have been redeemed on June 19, 2019, being the option exercise date.

Unaudited	Audited
September 30,	December 31,
2019	2018
Rupee	s in '000

Unaudited

20. DEFERRED TAX LIABILITIES

Taxable Temporary Differences on

- Surplus on revaluation of fixed assets
- Surplus on revaluation of Non-banking assets
- Accelerated tax depreciation
- Receivable from pension fund
- Business combination

Deductible Temporary Differences on

- Provision against advances
- Surplus/deficit on revaluation of investments

971,080	992,684
168,305	168,305
1,668,823	1,607,561
1,139,806	1,335,309
705,218	705,218
4,653,232	4,809,077
(1,748,257)	(1,791,747)
(577,617)	(1,485,153)
(2,325,874)	(3,276,900)
2,327,358	1,532,177



Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

		Note	Unaudited September 30, 2019 Rupee	Audited December 31, 2018
21.	OTHER LIABILITIES		Rupee	5 111 000
	Mark-up/ return/ interest payable in local currency		14,393,762	12,775,306
	Mark-up/ return/ interest payable in foreign currencies		370,354	468,339
	Unearned commission and income on bills discounted		213,221	201,151
	Accrued expenses		5,240,017	5,022,283
	Provision for taxation (provisions less payments)		1,512,113	-
	Workers' welfare fund		7,621,778	7,071,660
	Acceptances	14	14,202,455	15,847,453
	Unclaimed / dividends payable		1,582,441	1,470,406
	Mark to market loss on forward foreign exchange contracts		3,492,682	3,495,971
	Unrealised loss on derivative financial instruments		1,455,524	863,617
	Staff welfare fund		5,631	5,490
	Provision for employees' compensated absences		1,025,598	1,028,129
	Provision for post retirement medical benefits		1,780,254	1,730,409
	Provision for employees' contributory benevolent scheme		201,620	214,252
	Retention money		20,657	20,657
	Insurance payable against consumer assets		725,796	688,107
	Unclaimed balances		1,002,847	1,133,843
	Duties and taxes payable		725,857	577,222
	Provision against off-balance sheet obligations		37,430	37,430
	Security deposits against lease		485,734	479,428
	Lease liability against right of use assets		4,952,004	-
	Others		9,579,092	9,542,202
			70,626,867	62,673,355
22.	RESERVES			
22.	Share premium		23,751,114	23,751,114
	Non- distributable capital reserve - gain on bargain purchase option	22.1	908,317	908,317
	Exchange translation reserve		2,821,001	1,629,543
	Statutory reserve	22.2	30,887,678	29,259,007
	General reserve		18,600,000	18,600,000
			76,968,110	74,147,981

22.1 Under IFRS-3 a bargain purchase represents an economic gain which should be immediately recognized by the acquirer as income. However, the amount of bargain purchase gain was not been taken to the profit and loss account as the SBP, through its letter BPRD(R&PD)/2017/14330 dated June 13, 2017 recommended that the amount of gain may be routed directly into equity as a Non-distributable Capital Reserve (NCR). The NCR may become available for distribution through a stock dividend only with prior approval of the SBP. The Bank, before distribution of the gain as a stock dividend, may adjust any subsequent provisions/deficit, assessed by the Bank or recommended by the Banking Inspection Department of SBP, in the acquired assets and liabilities of NIB Bank Limited against the NCR.

22.2 Statutory reserve represents amount set aside as per the requirements of section 21 of the Banking Companies Ordinance, 1962.

MCB Bank Limited

23.

24.

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019



		Note	Unaudited September 30, 2019	Audited December 31, 2018
SURPLUS ON REVA	SURPLUS ON REVALUATION OF ASSETS			s in '000
Surplus / (deficit) on r	evaluation of			
- Available for sale se	ecurities	10.1	(1,650,337)	(4,243,297)
- Fixed Assets			13,113,250	13,185,366
- Non-banking assets	s acquired in satisfaction of claims		480,871	480,871
Deferred tax on surple	us / (deficit) on revaluation of:		11,943,784	9,422,940
- Available for sale se	()		(577,617)	(1,485,153)
- Fixed Assets			971,080	992,684
- Non-banking assets	s acquired in satisfaction of claims		168,305	168,305
			561,768 11,382,016	<u>(324,164)</u> 9,747,104
CONTINGENCIES A			11,302,010	3,747,104
-Guarantees		24.1	172,138,458	170,138,859
-Commitments		24.2	529,339,350	397,683,110
-Other contingent liab	ilities	24.3	22,358,324	16,612,336
			723,836,132	584,434,305
24.1 Guarantees:				
Financial gua			142,642,746	140,350,012
Performance			28,844,673	29,003,435
Other guarant	lees		651,039 172,138,458	785,412 170,138,859
24.2 Commitment	s:		172,130,430	170,150,059
	credits and short-term trade-related transact	ions		
 letters of cre 			145,942,342	132,940,176
Commitments	•	04.0.4	007 004 000	040 700 407
	gn exchange contracts ernment securities transactions	24.2.1 24.2.2	367,631,226 3,218,929	216,768,127 27,935,661
- derivatives		24.2.2	11,209,931	11,285,103
- operating lea	ases	24.2.4	-	7,223,152
	for acquisition of:			
- operating fix	ed assets		1,235,649	1,420,585
- intangible as	ssets		101,273	110,306
24.2.1 Commitment	s in respect of forward foreign exchange	contracts	529,339,350	397,683,110
Purchase	s in respect of forward foreign exchange	contracts	200,225,532	125,528,129
Sale			167,405,694	91,239,998
			367,631,226	216,768,127
	s in respect of forward government secur	ities transactions	0.040.000	40,000,047
Purchase Sale			3,216,623 2,306	13,660,947
Sale			3,218,929	<u>14,274,714</u> 27,935,661
	s in respect of derivatives		-, -,	, ,
FX options (no Purchase	otional)		675,887	1 279 270
Sale			675,887	1,378,370 1,378,370
	cy Swaps (notional)		1,351,774	2,756,740
Purchase	/		4,717,910	4,026,814
Sale			4,823,747	4,185,049
Interest Rate	Swaps (notional)		9,541,657	8,211,863
Purchase			316,500	316,500
			11,209,931	11,285,103



Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

	Unaudited September 30, 2019 Rupee	Audited December 31, 2018 es in '000
24.2.4 Commitments in respect of operating leases		
Not later than one year	-	1,211,422
Later than one year and not later than five years	-	3,754,916
Later than five years	-	2,256,814
	-	7,223,152
24.2.5 The Bank makes commitments to extend credit in the normal course of its business b do not attract any significant penalty or expense if the facility is unilaterally withdrawn	0	able commitments
	Unaudited	Audited

		Note	September 30, 2019	December 31, 2018
24.3	Other contingent liabilities		Rupee	s in '000
	Claims against the Bank not acknowledged as debts	24.3.1	22,358,324	16,612,336

24.3.1 These represent certain claims by third parties against the Bank, which are being contested in the Courts of law. The management is of the view that these relate to the normal course of business and the possibility of an outflow of economic resources is remote.

24.4 Taxation

For assessment year 1988-89 through tax year 2018, the tax department disputed Bank's treatment on certain issues, where the Bank's appeals are pending at various appellate forums, entailing an additional tax liability of Rs. 1,549 million (2018: Rs. 1,399 million). Such issues inter alia principally include disallowance of expenses for non deduction of withholding tax and non availability of underlying records, provision for non performing loans, attribution of expenses to heads of income other than income from business and disallowance of credit for taxes paid in advance / deducted at source.

The Bank has filed appeals which are pending at various appellate forums. In addition, certain decisions made in favour of the Bank are being contested by the department at higher forums. No provision has been made in the financial statements regarding the aforesaid additional tax demand and already issued favourable decisions where the department is in appeal, as the management is of the view that the issues will be decided in the Bank's favour as and when these are taken up by the Appellate Authorities.

25. DERIVATIVE INSTRUMENTS

_	Unaudited September 30, 2019					
_	Cross Currency Swaps		Interest Rate Swaps		FX Options	
_	Notional Principal	Mark to market gain / loss	Notional Mark to market Principal gain / loss		Notional Principal	Mark to market gain / loss
			Rupee	sin '000		
Total			·			
Hedging	4,717,910	1,409,892	316,500	15,999	675,887	7,902
Market Making	4,823,747	(1,447,622)	-	-	675,887	(7,902)
			Audited Decer	nber 31, 2018		
-			Rupee	s in '000		
Total						
Hedging	4,026,814	725,117	316,500	14,771	1,378,370	48,090
Market Making	4,185,049	(751,040)	-	-	1,378,370	(48,090)

MCB Bank Limited



Nine months period Nine months period

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

					d September	ended September
			Note		30, 2019	30, 2018
			11010		-	s in '000
26	MARK	-UP/RETURN/INTEREST EARNED			Rupee	3 III 000
20.		and advances			41,471,940	26,154,747
	Investr				52,811,604	31,856,317
		gs to financial institutions			3,772,749	754,656
		es with banks			393,449	160,129
	Dalarie				98,449,742	58,925,849
~					,,	,,
27.		-UP/RETURN/INTEREST EXPENSED				
	Depos				45,490,778	21,121,441
	Borrow	8			7,225,415	3,131,694
		linated debt			213,604	223,137
		foreign currency swaps against foreign currency deposit	s / borrowings		2,069,364	523,382
	Unwine	ding cost of liability against right-of-use assets			456,590	-
					55,455,751	24,999,654
28.	FEE &	COMMISSION INCOME				
		n banking customer fees			1,363,391	1,840,184
		mer finance related fees			240,669	193,576
		elated fees (debit and credit cards)			2,209,876	1,903,069
		related fees			166,728	135,137
		nent banking fee ission on trade			113,080	40,651
		ission on guarantees			1,068,702 459,303	1,077,544 315,158
		ission on cash management			455,214	446,576
		ission on remittances including home remittance	s		863,115	730,152
		ission income - Bancassurance			1,000,046	831,655
		n lockers			179,794	176,302
		ission on utility bills			75,544	78,519
		ission on investments services Commission			40,314 87,308	36,682 134,624
	Outer	Commission		_	8,323,084	7,939,829
				_	0,020,004	1,000,020
29.		ON SECURITIES NET			<i></i>	
	Realis	ed	29.1		(63,807)	1,152,827
	Unreal	ised - held for trading	10.1		(2,545)	(8,012)
					(66,352)	1,144,815
	29.1	Realised (loss) / gain on:				
		Federal Government Securities			66,330	122,242
		Subsidiary	29.2		(7,512)	-
		Shares			(122,625)	1,030,585
				_	(63,807)	1,152,827
					(00,007)	1,102,021

29.2 This represents the loss recorded against the amalgamation of a subsidiary into and with the Bank. Pursuant to the scheme of arrangement duly approved by the Board of Directors of Mnet Services (Private) Limited (Transferor Company) and MCB Bank Limited (Transferee Company), as required under section 284(2) of the Companies Act, 2017 for the amalgamation of Transferor Company with and into Transferee Company, the Transferor Company stands merged into Transferee Company with effect from April 30, 2019.

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Nine months period Nine months period

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

		Note	ended September 30, 2019	ended September
				30, 2018 es in '000
30.	OTHER INCOME		•	
	Rent on property		55,860	34,878
	Gain on sale of fixed assets and non-banking assets acquired-net		76,785	317,445
	Compensation on delayed tax refunds		-	86,862
			132,645	439,185
31.	OPERATING EXPENSES			
	Total compensation expense Property expense	31.1	10,996,098	11,842,625
	Rent and taxes		272,176	1,512,177
	Insurance		15,885	19,460
	Utilities cost		849,366	808,461
	Fuel expense generators		391,316	376,164
	Security (including guards)		1,072,785	1,192,898
	Repair and maintenance (including janitorial charges)		683,066	649,843
	Depreciation on right-of-use assets Depreciation		900,212 355,674	331,173
	Depreciation		4,540,480	4,890,176
	Information technology expenses		4,040,400	4,030,170
	Software maintenance		935,498	771,934
	Hardware maintenance		259,612	281,547
	Depreciation		453,751	550,766
	Amortisation		200,823	192,317
	Network charges Insurance		438,826 2,347	432,034 3,315
	lisulaice		2,290,857	2,231,913
	Other operating expenses		2,230,037	2,231,913
	Directors' fees and allowances		37,531	26,919
	Legal and professional charges		239,929	235,338
	Outsourced services costs		509,219	897,624
	Travelling and conveyance		234,056	239,562
	NIFT clearing charges		109,623	111,119
	Depreciation Depreciation on non-banking assets acquired in satisfaction of claims		596,908 34,815	609,224 37,258
	Training and development		31,469	37,597
	Postage and courier charges		211,745	208,120
	Communication		295,788	257,050
	Stationery and printing		512,946	510,359
	Marketing, advertisement & publicity		599,717	466,719
	Donations		100	696
	Auditors' remuneration		23,546	27,000
	Cash transportation charges		566,184	555,827
	Repair and maintenance		271,826	334,913
	Subscription		11,839	14,429
	Entertainment		167,876	174,075
	Remittance charges		182,462	139,537
	Brokerage expenses		22,923	17,291
	Card related expenses CNIC verification charges		694,580 168 755	537,876
	Insurance		168,755 1,077,618	96,806 474,912
	Others		197,914	193,706
	Ouldis		6,799,369	6,203,957
			24,626,804	25,168,671
			24,020,004	20,100,071

31.1 Comparative numbers include pension cost amounting to Rs. 1,903.117 million on account of increase in pension by the Honourable Supreme Court.

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Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

202		Note	Nine months period ended September 30, 2019	Nine months period ended September 30, 2018
32.	OTHER CHARGES		Rupee	es in '000
	Penalties of State Bank of Pakistan VAT & National Building tax & Crop Insurance Levy		15,857 131,884 147,741	5,638 98,208 103,846
33.	PROVISIONS / (REVERSALS) & WRITE OFFS - NET			
	(Reversals) / provisions against balance with Banks Provisions / (reversals) for diminution in value of investments Reversals against loans & advances Reversals against other assets Recovery of written off / charged off bad debts Bad debts written off directly	10.2.1 11.3 14.2.1	209 2,226,813 (460,395) (27,915) (122,606) - 1,616,106	3,568 (219,698) (1,916,610) (714,601) (171,694) <u>30</u> (3,019,005)
34.	TAXATION			
	Current Prior years Deferred	20	10,571,020 450,438 197,710 11,219,168	8,435,920 - 568,344 9,004,264

35. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share

Profit after tax

------Rupees in '000------16,286,709 14,310,990 -----Number-----Weighted average number of ordinary shares 1,185,060,006 1,185,060,006 --Rupees-----13.74 12.08



Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

36. FAIR VALUE MEASUREMENTS

The fair value of traded investments is based on quoted market prices, except for tradable securities classified by the Bank as 'held to maturity'. Quoted securities classified as held to maturity are carried at amortised cost. Fair value of unquoted equity investments other than investments in associates and subsidiaries is determined on the basis of break up value of these investments as per the latest available financial statements.

Fair value of fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments.

In the opinion of the management, the fair value of the financial assets and financial liabilities are not significantly different from their carrying values since assets and liabilities are either short-term in nature or re-priced over short term.

36.1 Fair value of financial assets

The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Valuation techniques used in determination of fair valuation of financial instruments within level 2

Item	Valuation approach and input used
Federal Government securities	The fair values of Federal Government securities are determined using the PKRV rates.
Term Finance and Bonds	Investments in debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Foreign exchange contracts	The valuation has been determined by interpolating the mid rates announced by the State Bank of Pakistan.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currency involved, interest rates, yield curves, volatilities, contracts duration etc.
Operating fixed assets (land and building) & NBA	Land and buildings are revalued every three years using professional valuers on the panel of Pakistan Banker's Association. The valuation is based on their assessment of market value of the properties.

The Bank's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer occurred. There were no transfers between levels 1 and 2 during the year.

(a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in listed ordinary shares and units of mutual funds.

(b) Financial instruments in level 2

Financial instruments included in level 2 comprise of Sukuk Bonds, Pakistan Investment Bonds, Market Treasury Bills, Term Finance certificates, FX options, Cross Currency Swaps, Interest Rate Swaps and Forward Exchange Contracts.

(c) Financial instruments in level 3

Currently, no financial instruments are classified in level 3.

MCB Bank Limited



Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. For financial assets, the Bank essentially carries its investments in debt and equity securities at fair values. Valuation of investments is carried out as per guidelines specified by the SBP. In case of non-financial assets, the Bank has adopted revaluation model (as per IAS 16) in respect of land and building.

· · · · · · · · · · · · · · · · · · ·	·	Unaudit	ed September 30	, 2019	
—	Carrying value	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments		F	Rupeesin '000		
Financial assets - measured at fair value					
Investments					
Federal Government Securities	797,776,239	-	797,776,239	-	797,776,239
Shares	14,426,320	14,426,320	-	-	14,426,320
Non-Government Debt Securities	1,353,624		1,353,624	-	1,353,624
Foreign Securities	3,611,443	-	3,611,443	-	3,611,443
Financial assets - disclosed but not measured at fair v	alue				
Investments (HTM, unlisted ordinary shares,					
subsidiaries and associates)	47,261,903	-	-	-	-
Cash and balances with treasury banks	106,038,714	-	-	-	-
Balances with other banks	13,881,871	-	-	-	-
Lendings to financial institutions	6,102,040	-	-	-	-
Advances	490,255,316	-	-	-	-
Other assets	41,263,463	-	-	-	-
Non - Financial Assets measured at fair value					
Operating fixed assets (land and buildings)	35,500,939	-	35,500,939	-	35,500,939
Non-banking assets	4,072,821	-	4,072,821	-	4,072,821
Off-balance sheet financial instruments - measure	ed				
at fair value					
Forward purchase of foreign exchange	200,225,532	-	442,996	-	442,996
Forward sale of foreign exchange	167,405,694	-	701,429	-	701,429
	E 740 007		4 400 700		4 400 700
Derivatives purchase Derivatives sale	5,710,297 5,499,634	-	1,433,793 1,455,524	-	1,433,793 1,455,524
	0,100,001		1,100,021		1,100,021
		A	d Deservation 04	0040	
—	Carrying value		ed December 31, 2		Total
On balance sheet financial instruments	Carrying value	Level 1	ed December 31, 3 Level 2 Rupeesin '000	Level 3	Total
	Carrying value	Level 1	Level 2	Level 3	Total
Financial assets - measured at fair value	Carrying value	Level 1	Level 2	Level 3	Total
Financial assets - measured at fair value Investments		Level 1	Level 2 Rupeesin '000	Level 3	
Financial assets - measured at fair value	680,275,870	Level 1 F	Level 2	Level 3	680,275,870
Financial assets - measured at fair value Investments Federal Government Securities		Level 1	Level 2 Rupeesin '000	Level 3	
Financial assets - measured at fair value Investments Federal Government Securities Shares	680,275,870 17,105,168	Level 1 F	Level 2 Rupeesin '000 680,275,870 -	Level 3 	680,275,870 17,105,168
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities	680,275,870 17,105,168 1,096,332 2,522,454	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332	Level 3 - - -	680,275,870 17,105,168 1,096,332
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities	680,275,870 17,105,168 1,096,332 2,522,454	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332	Level 3 - - -	680,275,870 17,105,168 1,096,332
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured at fair value	680,275,870 17,105,168 1,096,332 2,522,454	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332	Level 3 - - -	680,275,870 17,105,168 1,096,332
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured at	680,275,870 17,105,168 1,096,332 2,522,454	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332	Level 3 - - -	680,275,870 17,105,168 1,096,332
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured at fair value Investments (HTM, unlisted ordinary shares,	680,275,870 17,105,168 1,096,332 2,522,454 48,368,914	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332	Level 3 - - -	680,275,870 17,105,168 1,096,332
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured at fair value Investments (HTM, unlisted ordinary shares, Cash and balances with treasury banks	680,275,870 17,105,168 1,096,332 2,522,454 48,368,914 103,174,597	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332	Level 3 - - -	680,275,870 17,105,168 1,096,332
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured at fair value Investments (HTM, unlisted ordinary shares, Cash and balances with treasury banks Balances with other banks Lendings to financial institutions Advances	680,275,870 17,105,168 1,096,332 2,522,454 48,368,914 103,174,597 11,878,975 35,106,241 503,581,323	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332	Level 3 - - -	680,275,870 17,105,168 1,096,332
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured at fair value Investments (HTM, unlisted ordinary shares, Cash and balances with treasury banks Balances with other banks Lendings to financial institutions	680,275,870 17,105,168 1,096,332 2,522,454 48,368,914 103,174,597 11,878,975 35,106,241	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332	Level 3 - - -	680,275,870 17,105,168 1,096,332
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured at fair value Investments (HTM, unlisted ordinary shares, Cash and balances with treasury banks Balances with other banks Lendings to financial institutions Advances	680,275,870 17,105,168 1,096,332 2,522,454 48,368,914 103,174,597 11,878,975 35,106,241 503,581,323	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332	Level 3 - - -	680,275,870 17,105,168 1,096,332
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured at fair value Investments (HTM, unlisted ordinary shares, Cash and balances with treasury banks Balances with other banks Lendings to financial institutions Advances Other assets Non - Financial Assets measured at fair value Operating fixed assets (land and buildings)	680,275,870 17,105,168 1,096,332 2,522,454 48,368,914 103,174,597 11,878,975 35,106,241 503,581,323	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332	Level 3 - - -	680,275,870 17,105,168 1,096,332
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured at fair value Investments (HTM, unlisted ordinary shares, Cash and balances with treasury banks Balances with other banks Lendings to financial institutions Advances Other assets Non - Financial Assets measured at fair value	680,275,870 17,105,168 1,096,332 2,522,454 48,368,914 103,174,597 11,878,975 35,106,241 503,581,323 35,753,619	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332 2,522,454 - - - - - - - - - - - - -	Level 3 - - -	680,275,870 17,105,168 1,096,332 2,522,454 - - - - - - - - - - -
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured at fair value Investments (HTM, unlisted ordinary shares, Cash and balances with treasury banks Balances with other banks Lendings to financial institutions Advances Other assets Non - Financial Assets measured at fair value Operating fixed assets (land and buildings) Non-banking assets Off-balance sheet financial instruments - measure	680,275,870 17,105,168 1,096,332 2,522,454 48,368,914 103,174,597 11,878,975 35,106,241 503,581,323 35,753,619 33,715,777 4,035,114	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332 2,522,454 - - - - - - - 33,715,777	Level 3	680,275,870 17,105,168 1,096,332 2,522,454 - - - - - - - 33,715,777
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured at fair value Investments (HTM, unlisted ordinary shares, Cash and balances with treasury banks Balances with other banks Lendings to financial institutions Advances Other assets Non - Financial Assets measured at fair value Operating fixed assets (land and buildings) Non-banking assets	680,275,870 17,105,168 1,096,332 2,522,454 48,368,914 103,174,597 11,878,975 35,106,241 503,581,323 35,753,619 33,715,777 4,035,114	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332 2,522,454 - - - - - - - 33,715,777	Level 3	680,275,870 17,105,168 1,096,332 2,522,454 - - - - - - - 33,715,777
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured at fair value Investments (HTM, unlisted ordinary shares, Cash and balances with treasury banks Balances with other banks Lendings to financial institutions Advances Other assets Non - Financial Assets measured at fair value Operating fixed assets (land and buildings) Non-banking assets Off-balance sheet financial instruments - measure	680,275,870 17,105,168 1,096,332 2,522,454 48,368,914 103,174,597 11,878,975 35,106,241 503,581,323 35,753,619 33,715,777 4,035,114	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332 2,522,454 - - - - - - - 33,715,777	Level 3	680,275,870 17,105,168 1,096,332 2,522,454 - - - - - - - 33,715,777
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured at fair value Investments (HTM, unlisted ordinary shares, Cash and balances with treasury banks Balances with other banks Lendings to financial institutions Advances Other assets Non - Financial Assets measured at fair value Operating fixed assets (land and buildings) Non-banking assets Off-balance sheet financial instruments - measure fair value	680,275,870 17,105,168 1,096,332 2,522,454 48,368,914 103,174,597 11,878,975 35,106,241 503,581,323 35,753,619 33,715,777 4,035,114 ed at	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332 2,522,454 - - - - - - 33,715,777 4,035,114	Level 3	680,275,870 17,105,168 1,096,332 2,522,454 - - - - - - - - - - - - - - - - - -
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured at fair value Investments (HTM, unlisted ordinary shares, Cash and balances with treasury banks Balances with other banks Lendings to financial institutions Advances Other assets Non - Financial Assets measured at fair value Operating fixed assets (land and buildings) Non-banking assets Off-balance sheet financial instruments - measured Forward purchase of foreign exchange Forward sale of foreign exchange	680,275,870 17,105,168 1,096,332 2,522,454 48,368,914 103,174,597 11,878,975 35,106,241 503,581,323 35,753,619 33,715,777 4,035,114 ed at 125,528,129 91,239,998	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332 2,522,454 - - - 33,715,777 4,035,114 3,477,211 3,452,374	Level 3	680,275,870 17,105,168 1,096,332 2,522,454 - - - - - 33,715,777 4,035,114 3,477,211 3,452,374
Financial assets - measured at fair value Investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured at fair value Investments (HTM, unlisted ordinary shares, Cash and balances with treasury banks Balances with other banks Lendings to financial institutions Advances Other assets Non - Financial Assets measured at fair value Operating fixed assets (land and buildings) Non-banking assets Off-balance sheet financial instruments - measure fair value Forward purchase of foreign exchange	680,275,870 17,105,168 1,096,332 2,522,454 48,368,914 103,174,597 11,878,975 35,106,241 503,581,323 35,753,619 33,715,777 4,035,114 ed at 125,528,129	Level 1 F	Level 2 Rupeesin '000 680,275,870 - 1,096,332 2,522,454 - - - - 33,715,777 4,035,114 3,477,211	Level 3	680,275,870 17,105,168 1,096,332 2,522,454 - - - 33,715,777 4,035,114 3,477,211



Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

37 SEGMENT INFORMATION

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37.1 Segment details with respect to business activities

The segment analysis with respect to business activity is as follows:

				a nine months perio	od ended Septembe	51 30, 2019	,	-
	Retail Banking	Consumer banking	Corporate Banking	Treasury	others	Sub-total	Eliminations	Total
			<u> </u>	Rupe	s in '000			
Profit & Loss								
Net mark-up/return/profit	(34,490,737)	2,885,940	27,474,071	47,124,717	-	42,993,991	-	42,993,99
Inter segment revenue - net	69,577,999	(1,890,012)	(22,984,879)	(50,444,377)	5,741,269	-	-	-
Non mark-up / return / interest income	4,660,583	1,493,471	3,102,397	1,682,229	513,975	11,452,655		11,452,6
Total Income	39,747,845	2,489,399	7,591,589	(1,637,431)	6,255,244	54,446,646	-	54,446,6
Segment direct expenses	15,915,278	995,574	1,392,277	229,179	6,792,355	25,324,663	-	25,324,6
Inter segment expense allocation		-	-		-	-	-	-
Total expenses	15,915,278	995,574	1,392,277	229,179	6,792,355	25.324.663	<u> </u>	25,324,6
Provisions			511.130	2.219.990	(988.717)	1.616.106		1.616.1
Provisions	(101,780)	(24,517)			(,)		-	
Profit before tax	23,934,347	1,518,342	5,688,182	(4,086,600)	451,606	27,505,877	-	27,505,8
Balance Sheet								
Cash & Bank balances	51,191,029	36,138	22,119,861	45,406,858	1,166,699	119,920,585	-	119,920,5
Investments	-	-	19,600,841	844,828,688	-	864,429,529	-	864,429,5
Net inter segment lending	935,440,599	-	-		147,140,820	1,082,581,419	(1,082,581,419)	
Lendings to financial institutions	· · · ·		236,308	5,865,732		6,102,040		6,102,0
Advances - performing	101,097,655	24,549,973	354,859,641	-		480,507,269		480,507,2
- non performing	1,307,200	56,284	8,136,521	-	248,042	9,748,047		9,748,0
Others	46,277,005	1,700,335	26,143,199	6,974,584	19,690,644	100,785,767	-	100,785,7
Total Assets	1,135,313,488	26,342,730	431,096,371	903,075,862	168,246,205	2,664,074,656	(1,082,581,419)	1,581,493,2
Borrowings	39,995,865		9,083,274	151,319,058		200,398,197		200,398,1
Subordinated debt	11,500,000		1,100,217	,		,500,101		,
		-	-	-	-	-	-	
Deposits & other accounts	1,052,195,653	41,771	92,876,077	-	26,149	1,145,139,650	-	1,145,139,6
Net inter segment borrowing	-	24,084,747	308,949,322	749,547,350	-	1,082,581,419	(1,082,581,419)	
Others	43.121.970	2.216.212	20,187,698	2,209,454	14.533.650	82.268.984	-	82.268.9
Total liabilities	1,135,313,488	26,342,730	431,096,371	903,075,862	14,559,799	2,510,388,250	(1,082,581,419)	1,427,806,8
	1,135,515,400	20,342,730	431,030,371	505,075,002			(1,002,001,419)	
Equity Total Equity & liabilities	- 1,135,313,488	- 26,342,730	431,096,371	- 903,075,862	153,686,406	153,686,406	- (1,082,581,419)	153,686,4
		20,342,730					(1,002,001,419)	
Contingencies & Commitments	102,948,379	-	221,296,382	375,022,434	24,659,250	723,926,445		723,926,4
			Un audite	d nine months perio	od ended Septembe	er 30, 2018	-	
	Retail Banking	Consumer banking	Corporate Banking	Treasury	others	Sub-total	Eliminations	Total
	I L	Danking	Bairking	Runa	s in '000			
Des Ch. D. Lassa				itupe				
Profit & Loss				itupe				
Profit & Loss Net mark-up/return/profit	(12,617,572)	1,725,086	15,665,854	29,152,827	-	33,926,195	-	33,926,1
	(12,617,572) 34,441,515	1,725,086 (496,713)	15,665,854 (11,740,734)		- 4,095,435	33,926,195 -	-	33,926,1
Net mark-up/return/profit inter segment revenue - net		.,. ==,===	,	29,152,827	-	33,926,195 - 12,108,876	-	
Net mark-up/return/profit nter segment revenue - net Non mark-up / return / interest income	34,441,515	(496,713)	(11,740,734)	29,152,827 (26,299,503)	- 4,095,435	-	- - -	12,108,8
Net mark-up/return/profit nter segment revenue - net Non mark-up / return / interest income Fotal Income	34,441,515 5,173,323 26,997,266	(496,713) 1,244,222 2,472,595	(11,740,734) 2,869,155 6,794,275	29,152,827 (26,299,503) 2,911,123 5,764,447	4,095,435 (88,947) 4,006,488	- 12,108,876 46,035,071		<u>12,108,8</u> 46,035,0
Net mark-up/return/profit inter segment revenue - net Non mark-up / return / interest income Total Income Segment direct expenses	34,441,515 5,173,323	(496,713) 1,244,222	(11,740,734) 2,869,155	29,152,827 (26,299,503) 2,911,123	- 4,095,435 (88,947)	- 12,108,876		<u>12,108,8</u> 46,035,0
Net mark-up/return/profit	34,441,515 5,173,323 26,997,266	(496,713) 1,244,222 2,472,595	(11,740,734) 2,869,155 6,794,275	29,152,827 (26,299,503) 2,911,123 5,764,447	4,095,435 (88,947) 4,006,488	- 12,108,876 46,035,071		12,108,8 46,035,0 25,738,8
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income Total Income Segment direct expenses Inter segment expense allocation	34,441,515 5,173,323 26,997,266 15,627,985	(496,713) 1,244,222 2,472,595 1,017,572	(11,740,734) 2,869,155 6,794,275 1,184,797	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110	- 4,095,435 (88,947) 4,006,488 7,690,358 -	- <u>12,108,876</u> 46,035,071 25,738,822 -		12,108,8 46,035,0 25,738,8 25,738,8 (3,019,0
Vet mark-up/return/profit tnter segment revenue - net son mark-up / return / interest income fotal Income Segment direct expenses nter segment expense allocation fotal expenses rovisions	34,441,515 5,173,323 26,997,266 15,627,985 	(496,713) 1,244,222 2,472,595 1,017,572 - 1,017,572	(11,740,734) 2,869,155 6,794,275 1,184,797 - 1,184,797	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 - 218,110	4,095,435 (88,947) 4,006,488 7,690,358 - 7,690,358	- 12,108,876 46,035,071 25,738,822 - 25,738,822		12,108,8 46,035,0 25,738,8 25,738,8 (3,019,0
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income fotal Income Segment direct expenses Inter segment expense allocation fotal expenses Provisions Profit before tax	34,441,515 5,173,323 26,997,266 15,627,985 - 15,627,985 (503,660)	(496,713) 1,244,222 2,472,595 1,017,572 - 1,017,572 (43,687)	(11,740,734) 2,869,155 6,794,275 1,184,797 - 1,184,797 (1,166,605)	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 218,110 (218,572)	4,095,435 (88,947) 4,006,488 7,690,358 7,690,358 (1,086,481) (2,597,389)	12,108,876 46,035,071 25,738,822 - 25,738,822 (3,019,005)		12,108,8 46,035,0 25,738,8 25,738,8 (3,019,0
Vet mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses Profit before tax Balance Sheet	34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941	(496,713) 1,244,222 2,472,595 1,017,572 - 1,017,572 (43,687) 1,498,710	(11,740,734) <u>2,869,155</u> 6,794,275 1,184,797 <u>-</u> 1,184,797 (1,166,605) 6,776,083	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen	4,095,435 (88,947) 4,006,488 7,690,358 - 7,690,358 (1,086,481) (2,597,389) nber 31, 2018	12,108,876 46,035,071 25,738,822 25,738,822 (3,019,005) 23,315,254		12,108,8 46,035,0 25,738,8 (3,019,0 23,315,2
Vet mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses Profit before tax Salance Sheet Cash & Bank balances	34,441,515 5,173,323 26,997,266 15,627,985 - 15,627,985 (503,660)	(496,713) 1,244,222 2,472,595 1,017,572 - 1,017,572 (43,687)	(11,740,734) 2,869,155 6,794,275 1,184,797 	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 218,110 (218,572) 5,764,909 Audited Decen 46,395,674	4,095,435 (88,947) 4,006,488 7,690,358 7,690,358 (1,086,481) (2,597,389)	12,108,876 46,035,071 25,738,822 (3,019,005) 23,315,254 115,053,572		12,108,8 46,035,0 25,738,8 (3,019,0 23,315,2 115,053,5
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax Salance Sheet Cash & Bank balances Newstiments	34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673	(496,713) 1,244,222 2,472,595 1,017,572 - 1,017,572 (43,687) 1,498,710	(11,740,734) <u>2,869,155</u> 6,794,275 1,184,797 <u>-</u> 1,184,797 (1,166,605) 6,776,083	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) nber 31, 2018 2,135,883	- - - - - - - - - - - - - -	-	12,108,6 46,035,0 25,738,6 25,738,6 (3,019,0 23,315,2 115,053,6
Vet mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income fotal Income Segment direct expenses Inter segment expense allocation fotal expenses Profit before tax Balance Sheet Zash & Bank balances Net Inter segment lending	34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941	(496,713) 1,244,222 2,472,595 1,017,572 - 1,017,572 (43,687) 1,498,710	(11,740,734) 2.869,155 6,794,275 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen 46,395,674 730,863,407	4,095,435 (88,947) 4,006,488 7,690,358 - 7,690,358 (1,086,481) (2,597,389) nber 31, 2018	12,108,876 46,035,071 25,738,822 (3,019,005) 23,315,254 115,053,572 749,368,738 972,404,045	- - - - - - - - - - - - - - - - - - -	12,108,6 46,035,0 25,738,6 25,738,6 (3,019,0 23,315,2 115,053,5 749,368,7
Vet mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses Profit before tax Salance Sheet Cash & Bank balances nvestments Vet inter segment lending endings to financial institutions	34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 838,293,767	(496,713) 1,244,222 2,472,595 1,017,572 - 1,017,572 (43,687) 1,498,710 33,515 - -	(11,740,734) 2,869,155 6,794,275 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 - 1,502,544	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 218,110 (218,572) 5,764,909 Audited Decen 46,395,674	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) nber 31, 2018 2,135,883	12,108,876 46,035,071 25,738,822 25,738,822 (3,019,005) 23,315,254 115,053,572 749,368,738 972,404,045 35,106,241	-	12,108,6 46,035,0 25,738,6 (3,019,0 23,315,2 115,053,5 749,368,7 35,106,2
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income fotal Income Segment direct expenses Inter segment expense allocation fotal expenses Provisions Profit before tax Salance Sheet Cash & Bank balances Next Inter segment lending Lendings to financial institutions dvances - performing	34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 838,293,767 121,784,772	(496,713) <u>1,244,222</u> 2,472,595 <u>1,017,572</u> <u>1,017,572</u> <u>(43,687)</u> <u>1,498,710</u> <u>33,515</u> <u>-</u> <u>-</u> <u>22,525,967</u>	(11,740,734) 2,869,155 6,794,275 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 - 1,502,544 352,258,545	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen 46,395,674 730,863,407	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) nber 31, 2018 2,135,883 - 134,110,278	12,108,876 46,035,071 25,738,822 (3,019,005) 23,315,254 115,053,572 749,368,738 972,404,045 35,106,241 496,650,284	-	12,108,8 46,035,0 25,738,8 25,738,8 (3,019,0 23,315,2 115,053,5 749,368,7 35,106,2 496,569,2
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income fotal Income Segment direct expenses Inter segment expense allocation fotal expenses Provisions Profit before tax Balance Sheet Zash & Bank balances Net inter segment lending Lendings to financial institutions Advances - performing - non performing	34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 838,293,767 121,784,772 1,214,697	(496,713) 1,244,222 2,472,595 1,017,572 (43,687) 1,498,710 33,515 - - - 22,525,967 39,757	(11,740,734) 2,869,155 6,794,275 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 - 1,502,544 352,288,545 5,728,381	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen 46,395,674 730,863,407 	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) nber 31, 2018 2,135,883 - 134,110,278 - 29,204	12,108,76 46,035,071 25,738,822 (3,019,005) 23,315,254 115,053,572 749,368,738 972,404,045 35,106,241 496,659,214 496,659,214	-	12,108,8 46,035,0 25,738,6 25,738,6 25,738,6 25,738,6 25,738,6 25,738,6 25,738,6 25,738,6 23,738,6 7,49,368,7 35,106,2 496,669,2 7,012,0
Net mark-up/return/profit ther segment revenue - net son mark-up / return / interest income fotal Income Segment direct expenses Inter segment expense allocation Total expenses Profit before tax Balance Sheet Zash & Bank balances nvestments Wet inter segment lending .endings to financial institutions dvances - performing - non performing 2thers	34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 838,293,767 121,784,772	(496,713) <u>1,244,222</u> 2,472,595 <u>1,017,572</u> <u>1,017,572</u> <u>(43,687)</u> <u>1,498,710</u> <u>33,515</u> <u>-</u> <u>-</u> <u>22,525,967</u>	(11,740,734) 2,869,155 6,794,275 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 - 1,502,544 352,258,545	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen 46,395,674 730,863,407	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) nber 31, 2018 2,135,883 - 134,110,278	12,108,876 46,035,071 25,738,822 (3,019,005) 23,315,254 115,053,572 749,368,738 972,404,045 35,106,241 496,650,284	-	12,108,6 46,035,0 25,738,6 (3,019,0 23,315,2 115,053,6 749,368,7 35,106,2 35,106,2 95,020,7
let mark-up/return/profit ther segment revenue - net lon mark-up / return / interest income otal Income segment direct expenses ther segment expense allocation otal expenses rorotis before tax Balance Sheet Cash & Bank balances rvestments let inter segment lending endings to financial institutions dvances - performing - non performing 2thers	34,441,515 5,177,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 49,001,673 838,293,767 121,784,772 1,214,697 31,327,269 1,041,622,178	(496,713) 1,244,222 2,472,595 1,017,572 - (43,687) 1,498,710 - - - - - - - - - - - - - - - - - - -	(11,740,734) 2,869,155 6,794,275 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 - 1,502,544 352,258,545 5,728,381 18,828,346 414,309,974	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen 46,395,674 730,863,407 - - 33,603,697 - - 8,127,064 818,989,842	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) nber 31, 2018 2,135,883 - 134,110,278 - 29,204 34,849,574	12,108,5071 46,038,071 25,738,822 (3,019,005) 23,315,254 115,053,572 749,368,738 972,404,045 35,108,241 496,659,284 47,012,039 95,020,187 2,470,534,106	- (972,404,045) - - - -	12,108,6 46,035,0 25,738,6 25,738,6 (3,019,0 23,315,2 749,368,7 749,368,7 7,012,0 95,020,1 1,498,130,0
Net mark-up/return/profit Inter segment revenue - net Non mark-up/ return / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax Balance Sheet Cash & Bank balances Net inter segment lending Lendings to financial institutions divances - performing - non performing Dthers Total Assets	34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 838,293,767 121,784,772 1,214,697 31,327,269	(496,713) 1,244,222 2,472,595 1,017,572 - (43,687) 1,498,710 - - - - - - - - - - - - - - - - - - -	(11,740,734) 2,869,155 6,794,275 1,184,797 (1,166,605) 17,486,827 18,505,331 - 1,502,544 352,258,545 5,728,381 18,828,346	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen 46,395,674 730,863,407 - 33,603,697 - 8,127,064	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) nber 31, 2018 2,135,883 - 134,110,278 - 29,204 34,849,574	12,108,77 46,035,071 25,738,822 (3,019,005) 23,315,254 115,053,572 749,368,73 972,404,045 35,106,241 496,569,284 7,012,039 95,020,187	- (972,404,045) - - - -	12,108,6 46,035,0 25,738,6 25,738,6 (3,019,0 23,315,2 749,368,7 749,368,7 7,012,0 95,020,1 1,498,130,0
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses Profit before tax Balance Sheet Zash & Bank balances nivestments Vet inter segment lending endings to financial institutions Advances - performing Dithers Total Assets Borrowings	34,441,515 5,177,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 49,001,673 838,293,767 121,784,772 1,214,697 31,327,269 1,041,622,178	(496,713) 1,244,222 2,472,595 1,017,572 - (43,687) 1,498,710 - - - - - - - - - - - - - - - - - - -	(11,740,734) 2,869,155 6,794,275 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 - 1,502,544 352,258,545 5,728,381 18,828,346 414,309,974	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen 46,395,674 730,863,407 - - 33,603,697 - - 8,127,064 818,989,842	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) nber 31, 2018 2,135,883 - 134,110,278 - 29,204 34,849,574	12,108,5071 46,038,071 25,738,822 (3,019,005) 23,315,254 115,053,572 749,368,738 972,404,045 35,108,241 496,659,284 47,012,039 95,020,187 2,470,534,106	- (972,404,045) - - - -	12,108,6 46,035,0 25,738,6 25,738,6 23,316,2 33,16,2 35,106,2 35,106,2 35,106,2 95,020,7 1,498,130,0 216,018,6
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses Profit before tax Balance Sheet Cash & Bank balances Investments Vet Inter segment lending Lendings to financial institutions Variance - performing - non performing Dithers Total Assets Balance Sheet Cost Assets Support of the sector of th	34,441,515 5,177,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 49,001,673 838,293,767 121,784,772 1,214,697 31,327,269 1,041,622,178	(496,713) 1,244,222 2,472,595 1,017,572 - (43,687) 1,498,710 - - - - - - - - - - - - - - - - - - -	(11,740,734) 2,869,155 6,794,275 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 - 1,502,544 352,258,545 5,728,381 18,828,346 414,309,974	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen 46,395,674 730,863,407 - 33,603,697 - 8,127,064 818,989,842 171,553,288	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) nber 31, 2018 2,135,883 - 134,110,278 - 29,204 34,849,574 171,124,939	12,108,876 46,035,071 25,738,822 25,738,822 23,315,254 115,053,572 749,368,738 972,404,045 35,106,241 496,569,284 7,7012,039 95,022,187 2,470,534,106 216,018,886 3,891,019	- (972,404,045) - - - -	12,108,6 46,035,0 25,738,6 (3,019,0 23,315,2 115,053,6 749,368,7 35,106,2 7,012,0 95,020,1 1,498,130,0 216,018,6 3,891,0
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income fotal Income Segment direct expenses Inter segment expense allocation fotal expenses Provisions Provisions Profit before tax Salance Sheet Cash & Bank balances Newstiments Net inter segment lending endings to financial institutions divances - performing - non performing Dthers Fotal Assets Sorrowings Subordinated debt Deposits & other accounts	34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 838,293,767 121,784,772 1,214,697 31,327,269 1,041,622,178 35,293,396	(496,713) 1,244,222 2,472,595 1,017,572 (43,687) 1,498,710 33,515 - - 22,525,967 39,757 1,887,934 24,487,173 - 16,556	(11,740,734) 2,869,155 6,794,275 1,184,797 1,166,605) 6,776,083 17,486,827 18,505,331 - 1,502,544 352,258,545 5,728,381 18,828,346 414,309,974 9,172,202 - 79,196,248	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen 46,395,674 730,863,407 - - 33,603,697 - - 8,127,064 818,989,842 171,553,288 -	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) nber 31, 2018 2,135,883 - 134,110,278 - 29,204 34,849,574 171,124,939	12,108,876 46,035,071 25,738,822 (3,019,005) (3,019,005) 23,315,254 115,053,572 749,368,738 972,404,045 35,106,241 496,569,284 7,012,039 95,002,187 2,470,534,106 216,018,886 3,3891,019 1,049,037,615	(972,404,045) - - (972,404,045) - - - -	12,108,6 46,035,0 25,738,6 (3,019,0 23,315,2 115,053,6 749,368,7 35,106,2 7,012,0 95,020,1 1,498,130,0 216,018,6 3,891,0
let mark-up/return/profit ther segment revenue - net lon mark-up / return / interest income otal Income Segment direct expenses ther segment expense allocation otal expenses rooking trobit before tax Balance Sheet Let her segment lending endings to financial institutions dvances - performing - non performing thers otal Assets borrowings subordinated debt peopsits & other accounts let inter segment lorowing	34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 838,293,767 121,784,772 1,214,697 31,327,269 1,041,622,178 35,293,396 969,799,371	(496,713) 1,244,222 2,472,595 1,017,572 - - - - - - - - - - - - - - - - - - -	(11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 1,184,797 (1,166,607) 17,486,827 18,505,331 	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen 46,395,674 730,863,407 - - 33,603,697 - - 8,127,064 818,989,842 171,553,288 - - 642,523,588	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) nber 31, 2018 2,135,883 - 134,110,278 - 29,204 34,849,574 171,124,939 3,891,019 25,440	12,108,76 46,035,071 25,738,822 (3,019,005) 23,315,254 115,053,572 749,368,738 972,404,045 35,106,241 496,569,284 7,012,039 95,020,187 2,470,534,106 216,018,886 3,891,019 1,049,037,615 972,404,045	- (972,404,045) - - - -	12,108,1 46,035(25,738,1 25,738,1 23,315,1 115,053,1 749,368,1 35,106,2 35,106,2 496,569,1 7,7012(95,020,1 1,498,130,0 216,018,1 3,891,1 1,049,037,6
Aet mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses Profit before tax Balance Sheet Zash & Bank balances nvestments Wet inter segment lending .endings to financial institutions dvances - performing .non performing Dthers Total Assets Sorrowings Subordinated debt Deposits & other accounts Wet inter segment borrowing Dthers	34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 	(496,713) 1,244,222 2,472,595 1,017,572 (43,687) 1,498,710 	(11,740,734) 2,869,155 6,794,275 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 17,486,827 18,505,331 1,502,544 352,288,545 5,728,381 18,828,346 414,309,974 9,172,202 - 79,196,248 307,402,415 18,539,109	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen 46,395,674 730,863,407 	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) nber 31, 2018 2,135,883 - 134,110,278 - 29,204 34,849,574 171,124,939 3,891,019 25,440 - 17,930,751	12,108,876 46,035,071 25,738,822 25,738,822 23,315,254 115,053,572 749,240,455 35,106,241 496,569,284 7,012,039 95,020,187 2,470,534,106 216,018,886 3,891,019 1,049,037,615 97,240,455	(972,404,045)	12,108,1 46,035,0 25,738,1 25,738,1 25,738,1 23,315,1 115,053,1 749,368,1 35,106,1 496,669,3 7,012,0 95,020,1 1,498,130,0 216,018,4 3,891,0 1,049,037,6 79,904,1
Net mark-up/return/profit Inter segment revenue - net Non mark-up/ return / interest income Total Income Segment direct expenses Inter segment expense allocation fotal expenses Provisions Profit before tax Balance Sheet Cash & Bank balances Nextimet Sear Sheet Inter Segment lending Lendings to financial institutions dvances - performing - non performing Others Stotal Assets Borrowings Subordinated debt Deposits & other accounts Vet inter segment borrowing Dithers Fotal liabilities	34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 838,293,767 121,784,772 1,214,697 31,327,269 1,041,622,178 35,293,396 969,799,371	(496,713) 1,244,222 2,472,595 1,017,572 - - - - - - - - - - - - - - - - - - -	(11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 1,184,797 (1,166,607) 17,486,827 18,505,331 	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen 46,395,674 730,863,407 - - 33,603,697 - - 8,127,064 818,989,842 171,553,288 - - 642,523,588	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) nber 31, 2018 2,135,883 134,110,278 134,110,278 134,110,278 134,110,279 34,849,574 171,124,939 3,891,019 25,440 	12,108,876 46,035,071 25,738,822 (3,019,005) 23,315,254 115,053,572 749,368,738 972,40,405 35,106,241 496,569,284 7,012,039 95,020,187 2,470,534,106 216,018,886 3,891,019 1,049,037,615 972,904,812 2,321,256,377	(972,404,045) - - (972,404,045) - - - -	12,108,6 46,035,0 25,738,6 (3,019,0 23,315,2 33,15,2 496,569,2 7,012,0 95,020,1 1,498,130,0 216,018,6 3,891,0 1,049,037,6 7,9904,8 1,348,852,3
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses Profit before tax Balance Sheet Cash & Bank balances Net inter segment lending endings to financial institutions Advances - performing - non performing - non performing Dthers Total Assets Subordinated debt Deposits & other accounts Net inter segment borrowing Dthers Total liabilities Equity	34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 838,293,767 121,784,772 1,214,697 31,327,269 1,041,622,178 35,293,396 969,799,371 36,529,411 1,041,622,178	(496,713) 1,244,222 2,472,595 1,017,572 (43,687) 1,498,710 33,515 - - 22,525,967 33,515 - - 22,525,967 1,887,934 24,487,173 - - - - - - - - - - - - -	(11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 - 1,502,544 362,258,545 5,728,381 18,828,346 414,309,974 9,172,202 - 79,166,248 307,402,415 18,539,194 414,309,974	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen 46,395,674 730,863,407 - 33,603,697 - 33,603,697 - 8,127,064 818,989,842 171,553,288 4,912,966 818,989,842	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) hber 31, 2018 2,135,883 - 134,110,278 2,204 34,849,574 171,124,939 3,891,019 25,440 - 17,930,751 21,847,210	12,108,876 46,035,071 25,738,822 (3,019,005) 23,315,254 115,053,572 749,368,738 972,404,045 35,106,241 496,569,284 7,012,039 95,020,187 2,470,534,106 216,018,886 3,891,019 1,049,037,615 79,2940,445 79,2940,445 79,2940,457 79,2940,4517	(972,404,045) - - (972,404,045) - (972,404,045) - (972,404,045) -	12,108,8 12,108,8 46,035,0 25,738,8 25,738,8 (3,019,0) 23,315,2 115,053,5 749,368,7 749,368,7 7,012,0 95,020,1 1,498,130,0 216,018,8 3,891,0 1,049,037,6 1,348,852,3 1,348,852,3 1,492,752,6 1,492,752,6 1,492,752,6 1,994,8 1,994,852,3 1,492,752,6 1,994,852,3 1,994,952,952,1 1,994,952,952,1 1,994,1 1,994,1 1,9
Aet mark-up/return/profit Inter segment revenue - net Sogment direct expenses Inter segment expenses allocation Total expenses Profit before tax Balance Sheet Zash & Bank balances Newstiments Aet inter segment lending Lendings to financial institutions Variances - performing - non performing Dithers Total Assets Subordinated debt Deposits & other accounts Vet inter segment borrowing Dithers Total Labelities Cotal liabilities Guity Dithers	34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 	(496,713) 1,244,222 2,472,595 1,017,572 (43,687) 1,498,710 	(11,740,734) 2,869,155 6,794,275 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 17,486,827 18,505,331 1,502,544 352,288,545 5,728,381 18,828,346 414,309,974 9,172,202 - 79,196,248 307,402,415 18,539,109	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen 46,395,674 730,863,407 	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) nber 31, 2018 2,135,883 134,110,278 134,110,278 134,110,278 134,110,279 34,849,574 171,124,939 3,891,019 25,440 	12,108,876 46,035,071 25,738,822 (3,019,005) 23,315,254 115,053,572 749,368,738 972,40,405 35,106,241 496,569,284 7,012,039 95,020,187 2,470,534,106 216,018,886 3,891,019 1,049,037,615 972,904,812 2,321,256,377	(972,404,045)	12,108,6 46,035,(25,738,6 25,738,6 25,738,6 23,315,2 1115,053,(3,019,2 3,315,2 1115,053,(3,019,2 3,315,2 115,053,(3,019,2 3,315,2 1,506,569,2 7,012,(29,50,20,1) 1,498,130,(20,10,20,1) 2,16,018,6 3,891,(1,0,19,0,1) 1,049,037,6 7,9904,8 1,348,852,2 1,492,872,1
Net mark-up/return/profit Inter segment revenue - net Non mark-up/ return / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax Balance Sheet Cash & Bank balances Net inter segment lending endings to financial institutions Advances - performing - non performing Others Total Assets Borrowings Subordinated debt Deposits & other accounts Vet inter segment borrowing Others Total Isabilities	34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 838,293,767 121,784,772 1,214,697 31,327,269 1,041,622,178 35,293,396 969,799,371 36,529,411 1,041,622,178	(496,713) 1,244,222 2,472,595 1,017,572 (43,687) 1,498,710 33,515 - - 22,525,967 33,515 - - 22,525,967 1,887,934 24,487,173 - - - - - - - - - - - - -	(11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 - 1,502,544 362,258,545 5,728,381 18,828,346 414,309,974 9,172,202 - 79,166,248 307,402,415 18,539,194 414,309,974	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 Audited Decen 46,395,674 730,863,407 - 33,603,697 - 33,603,697 - 8,127,064 818,989,842 171,553,288 4,912,966 818,989,842	4,095,435 (88,947) 4,006,488 7,690,358 (1,086,481) (2,597,389) hber 31, 2018 2,135,883 - 134,110,278 2,204 34,849,574 171,124,939 3,891,019 25,440 - 17,930,751 21,847,210	12,108,876 46,035,071 25,738,822 (3,019,005) 23,315,254 115,053,572 749,368,738 972,404,045 35,106,241 496,569,284 7,012,039 95,020,187 2,470,534,106 216,018,886 3,891,019 1,049,037,615 79,2940,445 79,2940,445 79,2940,457 79,2940,4517	(972,404,045) - - (972,404,045) - (972,404,045) - (972,404,045) -	12,108,8 46,035,0 25,738,6 (3,019,0 23,315,2 115,053,5 749,368,7 749,368,7 7,012,0 95,020,1 1,498,130,0 216,018,6 3,3891,0 1,049,037,6 1,348,652,3

37.2 Transactions between reportable segments are based on an appropriate transfer pricing mechanism using agreed rates. Furthermore, segment assets and liabilities include inter segment balances. Costs which are not allocated to segments are included in the Head office. Income taxes are managed at bank level and are not allocated to operating segments.

MCB Bank Limited

TRANSACTIONS

RELATED PARTY

8

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019



The Banks enters into transactions with related parties									:	
	in the ordinary o benefit plans ar	course of busir e made in acc	ness and on sub ordance with th	ostantially the s e actuarial valu	related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and nefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in timent.	r comparable tr the contributior.	ransactions wit. plan. Remun∈	r person of simi. ration to the exe	lar standing. Cc ecutives / officer	ontributions to ar s is determined
Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements are as follows:	eriod, other than	those which I	ave been discl	osed elsewhere	in these uncon:	solidated conde	ensed interim fi	nancial stateme	ints are as follo	.sv
		Unaudit	Unaudited September 30, 2019	30, 2019			Audite	Audited December 31, 2018	, 2018	
	Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties	Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties
 Lendings to Financial Institutions					(Rupees	(000' ni				
Opening balance		•	631,351					524,590		
Addition during the period/ year	•		22,355,349	•	'	•		40,942,611		,
Repaid during the period/ year			(22,105,847)			'		(40,835,850)		
Closing balance	•	•	880,853	•				631,351		
Investments										
Opening balance		•	12,046,512	700,401	254,253	'		10,846,512	748,172	254,253
investment made during the period/ year	•		•	•	,	•		1,200,000	•	'
Investment disposed off during the period/ year	•	•	•	•	•				(47,771)	'
Adjustment under amalgamation scheme	•		(49,975)	•	•	•	•			
Closing balance	•	•	11,996,537	700,401	254,253			12,046,512	700,401	254,253
Provision for diminution in value of investments			725		5,000			725		5,000
Advances										
Opening balance	658	141,390	366,872	ı	1,050,277	946	84,167	293,837	·	2,324,608
Addition / exchange adjustment during the period/ year	24,251	71,010	633,281	•	1,633,281	14,723	73,571	73,035	•	6,640,565
Repaid during the period/ year	(22,545)	(38,359)	•	•	(1,606,267)	(15,011)	(39,288)		•	(7,357,817)
Transfer in / (out)	•	(5,689)	•	•	(794,802)	•	22,940	•		(557,079)
Closing balance	2,363	168,351	1,000,153	•	282,488	658	141,390	366,872	•	1,050,277
Provision held against advances						,				

Direc

Directors

Assets

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019



	Personnel			Parties		Personnel			Parties
				-(Bunees in '000)	(000' ui				
					600				
•	3,852	11,888		5,049		3,101	16,725	•	25,538
	•	10,337	35,375	37,221			8,820	86,579	30,620
	•	•		58,661	'	'			25,387
•	ı	,	,	3,256,571			'	,	3,815,170
•	•			•					
	'	19,146		•			39,993	,	993,755
	,	310,966	,	69,603	'	'	92,529	,	'
	•	(323,019)	•	•	'	'	(113,377)		(993,755)
	-	7,092		69,603			19,146		
3 746 467	168 578	65 Q33	7 330 847	3 212 620	3 953 730	148 080	51.048	0 7AA 430	3 800 050
D+'0+ 1'0	070,001	000,000	10,000,0	0,414,040	0,000,000	00000	01010	101(11)	000,000,0
6,405,442		2,823,679	10,095,154	76,576,088	4,259,454	849,270	1,917,297	17,580,902	55,702,326
(9,573,179)	(755,759)	(2,785,997)	(10,576,376)	(76,955,192)	(4,457,255)	(851,481)	(1,902,412)	(16,985,487)	(56,301,430)
(7,324)	(53,324)	(9,229)		(21,385)	(10,472)	22,659			10,765
570,396	179,982	94,386	2,858,625	2,812,131	3,745,457	168,528	65,933	3,339,847	3,212,620
10,225	396	457	35,593	44,864	32,342	282	134	15,968	36,943
6,765	•	13,107	61,565	30,170	7,299	'	17,966	78,922	884
	•	20,000	•	•	'	'	20,000		
•	,	(16,264)	,	(1,783)			10,196	,	,
					,			,	ı
,			10,465	247,155				10,227	12,679,481
		1,997,818	1	3,842,252			2,121,196	1	
•	•	26,973	•	•	•	•			

during 1 / (out) -

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	Un-audit	ed nine mor	Un-audited nine months period ended September 30, 2019	ed September 3	0, 2019	Un-ai	udited nine mor	Un-audited nine months period ended September 30, 2018	ed September :	30, 2018
	Directors M	Key Management Personnel	Subsidiaries	Associates	Other Related Parties	Directors	Key Management Personnel	Subsidiaries	Associates	Other Related Parties
		0000	0000		saadnu)	foon III	007			100.40
Markup / retum / interest earned		9,293	180,2/3		10,000	38	6,100	121,878		C57,10 - 230
Fee and commission income	•	•	40,408	901,335	9,167			27,464	795,831	5,977
Dividend income	•	•	•	105,000	6,800	,		•	140,000	6,800
(Loss) /gain on forward foreign exchange contracts matured during the period	•	•	•	•	(75,278)		'		'	325,234
Net (loss) / gain on sale of securities	•	•	•	(57)	10,993	'	0	'	52	44,755
Gain on sale of fixed assets Rent income and reimbursement of ofther expenses		141	30.197	- 6.646	3.038		- 71	- 23.913	2.736	2.430
Expense	110 000	1		140 004	001	100 E01			011 01	001
	110,332	1,133	600'1	140,024	1 77'007	167,101	-,440	007'1	10,110	103,/40
Other Operating expenses Clearing expenses paid to NIFT					109,623					111,119
Contribution to provident fund	•	•	'	•	276,302				'	263,335
Rent expenses	•	•	7,128	'	29,385	'	•	6,480	'	38,212
Cash sorting expenses		•	•	•	115,291	'			'	116,867
Stauonery expenses					775 530					103,951
Remuneration to key executives and non-executive directors fee	127,663	367,190				112,995	359,659			
Outsourcing service expenses	•	•	•	150,885	•	'	•	•	154,142	•
	•	•	•	•		'		9,885	'	
E-dividend processing tee and CDC charges					4,658 25 160					30.952
Hotel stav expenses					1.170					13.882
Repair & Maintenance Charges	,	•	,	,	1,594	,	,	,	,	1,700
Advertisement Expenses	,	•	'	'	8,352	,	,		'	'
Miscellaneous expenses and payments	•	•	•	•	1,739			•		577
insurance premium-net of refund Insurance claim settled		• •		616,308 53.178					539,822 199,920	
Other Transportions										
Payment against scheme of demember	,						,	22 214 180		
Proceeds from sale of fixed assets		141	'	,	,	1,999	3,202			'
Purchase of fixed assets	•	•	•	26.373	20.003	. '		•	9.687	
Sale of foreign currency			21,674,079	. '	. 1		,	13,130,782		
Purchase of foreign currency			14,873,173					8,131,651		
Payments against home remittances	,		2,245,910	,		,	,	1,086,675	'	'
Sale of government securities	72,522	72,777	. '	4,603,481	21,693,423	•	20,876	'	3,418,206	213,941,809
Purchase of government securities		58,956	,	5,412,133	13,183,004	•	19,993	,	4,756,004	



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Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

	Unaudited	Audited
39 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS	September 30, 2019 Rupee	December 31, 2018 s in '000
39.1 Capital Adequacy		
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	11,850,600	11,850,600

Capital Adequacy Ratio (CAR): Eligible Common Equity Tier 1 (CET 1) Capital Eligible Additional Tier 1 (ADT 1) Capital **Total Eligible Tier 1 Capital** Eligible Tier 2 Capital Total Eligible Capital (Tier 1 + Tier 2)

Risk Weighted Assets (RWAs):

Credit Risk		617,147,10
Market Risk		90,093,75
Operational Risk		112,882,44
Total		820,123,30

Common Equity Tier 1 Capital Adequacy ratio Tier 1 Capital Adequacy Ratio Total Capital Adequacy Ratio

39.2 Leverage Ratio (LR):

Eligible Tier-1 Capital	132,582,071	
Total Exposures	1,972,110,611	1
Leverage Ratio	6.72%	

39.3 Liquidity Requirements

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets Total Net Cash Outflow Liquidity Coverage Ratio

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding Total Required Stable Funding Net Stable Funding Ratio

, = = = , = = =	
132,582,071	128,999,274
-	-
132,582,071	128,999,274
16,291,107	16,987,978
148,873,178	145,987,252
617,147,107	637,480,582
90,093,757	54,814,473
112,882,444	112,882,444
820,123,308	805,177,499
16.17%	16.02%
16.17%	16.02%
18.15%	18.13%
132,582,071	128,999,274
1,972,110,611	1,820,404,530
6.72%	7.09%
000 000 744	
690,689,741	609,585,939
352,961,230	341,044,576
195.68%	178.74%
961,479,526	
501,475,520	895,570,558
661,051,188	895,570,558 685,678,115

MCB Bank Limited

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019



40 EVENTS AFTER THE REPORTING DATE

The Board of Directors in its meeting held on October 17, 2019 has announced a cash dividend in respect of nine months period ended September 30, 2019 of Rs. 4.00 per share (September 30, 2018: Rs. 4.00 per share). These unconsolidated condensed interim financial statements for the period ended September 30, 2019 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

41 GENERAL

Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

42 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue by the Board of Directors of the Bank in their meeting held on October 17, 2019.

President / CEO





Consolidated Condensed Interm Statement of Financial Position As at September 30, 2019



A 114 1

		Unaudited	Audited
	Note	September 30,	December 31,
		2019	2018
		Rupees	s in '000
ASSETS		·	
Cash and balances with treasury banks	7	114,646,150	110,165,006
Balances with other banks	8	18,385,679	13,338,117
Lendings to financial institutions	9	14,192,852	39,149,890
Investments	10	873,248,599	754,385,775
Advances	11	548,253,680	566,792,265
Fixed assets	12	53,098,861	43,531,396
Intangible assets	13	1,764,703	1,452,462
Deferred tax assets		-	-
Other assets	14	56,961,420	56,395,096
		1,680,551,944	1,585,210,007
LIABILITIES			
Bills payable	16	10,414,465	17,003,272
Borrowings	17	208,331,928	223,216,115
Deposits and other accounts	18	1,226,178,901	1,122,306,535
Liabilities against assets subject to finance lease		-	-
Subordinated debt	19	-	3,891,019
Deferred tax liabilities	20	2,538,060	1,983,145
Other liabilities	21	77,500,092	65,487,042
		1,524,963,446	1,433,887,128
NET ASSETS		155,588,498	151,322,879
REPRESENTED BY			
Share capital		11,850,600	11,850,600
Reserves	22	77,281,816	74,374,573
Surplus on revaluation of assets	23	11,945,862	10,417,875
Unappropriated profit		53,791,119	53,971,079
		154,869,397	150,614,127
Non-controlling interest		719,101	708,752
		155,588,498	151,322,879

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CONTINGENCIES AND COMMITMENTS

24

The annexed notes 1 to 43 form an integral part of these consolidated condensed interim financial statements.



MCB BANK LIMITED

(Consolidated Condensed Interim Financial Statements for the nine months period ended September 30, 2019)

Imran Maqbool President / CEO

Hammad Khalid Chief Financial Officer





Masood Ahmed Puri Director



Consolidated Condensed Interm Profit and Loss Account (Un-audited) For the nine months period ended September 30, 2019

	Note	Quarter ended September 30, 2019	Nine months ended September 30, 2019	Quarter ended September 30, 2018	Nine months ended September 30, 2018
			Rupees	sin '000	
Mark-up / return / interest earned	26	42,115,036	105,533,314	22,268,800	61,541,250
Mark-up / return / interest expensed	27	25,669,970	59,508,698	10,444,238	26,392,134
Net mark-up / interest income		16,445,066	46,024,616	11,824,562	35,149,116
NON MARK-UP / INTEREST INCOME					
Fee and commission income	28	2,979,481	9,048,543	2,811,039	8,620,082
Dividend income		173,890	828,495	194,307	724,689
Foreign exchange income		427,733	2,214,113	588,888	1,836,386
Income from derivatives		6,981	3,045	5,232	43,784
(Loss) / gain on securities	29	(9,197)	(186,879)	(31,956)	941,237
Other Income	30	58,390	115,393	241,928	415,989
Total non-markup / interest Income		3,637,278	12,022,710	3,809,438	12,582,167
Total Income		20,082,344	58,047,326	15,634,000	47,731,283
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	31	9,575,778	28,385,235	9,131,006	27,709,325
Workers welfare fund		185,741	551,441	144,309	466,305
Other charges	32	65,002	171,882	32,289	107,027
Total non-markup / interest expenses		9,826,521	29,108,558	9,307,604	28,282,657
Share of profit of associates		174,382	374,289	119,501	477,014
Profit before provisions		10,430,205	29,313,057	6,445,897	19,925,640
Provisions / (reversals) and write offs - net	33	915,594	1,823,093	(313,042)	(2,524,688)
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		9,514,611	27,489,964	6,758,939	22,450,328
Taxation	34	3,773,430	11,327,158	2,606,656	8,826,823
PROFIT AFTER TAXATION		5,741,181	16,162,806	4,152,283	13,623,505
Profit attributable to non-controlling interest		(9,508)	(10,326)	(264)	(47,817)
PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE BANK		5,731,673	16,152,480	4,152,019	13,575,688
			Rup	bees	
Basic and diluted earnings per share	35	4.84	13.63	3.50	11.46

The annexed notes 1 to 43 form an integral part of these consolidated condensed interim financial statements.



President / CEO



Hammad Khalid **Chief Financial Officer**







Freem Magood

President / CEO







Imran Maqbool



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Consolidated Condensed Interm Statement of Comprehensive Income (Un-audited) For the nine months period ended September 30, 2019

MCB Bank Limited & Subsidiary Companies

	Quarter ended September 30, 2019	Nine months ended September 30, 2019	Quarter ended September 30, 2018	Nine months ended September 30, 2018
Profit after taxation for the period		Ru pees	s in '000	
Other comprehensive income	5,741,181	16,162,806	4,152,283	13,623,505
Items that may be reclassified to profit and loss				
account in subsequent periods:				
Effect of translation of net investment in foreign branches and subsidiaries				
 Equity shareholders of the bank 	(433,316)	1,228,006	(98,388)	552,156
- Non-controlling interest	(4)	23	3	34
	(433,320)	1,228,029	(98,385)	552,190
Share of exchange translation reserve of associate Movement in surplus/ (deficit) on revaluation of investments	32,857	50,566	5,663	7,237
- net of tax				
- Equity shareholders of the bank	2,913,398	1,683,289	(2,043,869)	(5,020,581)
	2,913,398	1,683,289	(2,043,869)	(5,020,581)
Movement in share of surplus / deficit on revaluation of				
associated undertaking- net of tax	(77,388)	(104,157)	(57,860)	(177,807)
	2,435,547	2,857,727	(2,194,451)	(4,638,961)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement loss on defined benefit obligations - net of tax	-	(534,194)	-	(679,241)
	-	(534,194)	-	(679,241)
Total comprehensive income	8,176,728	18,486,339	1,957,832	8,305,303
Attributable to:				
- Equity shareholders of the bank	8,165,534	18,475,990	1,957,565	8,257,452
- Non-controlling interest	11,194	10,349	267	47,851
	8,176,728	18,486,339	1,957,832	8,305,303

The annexed notes 1 to 43 form an integral part of these consolidated condensed interim financial statements.

Consolidated Condensed Interm Statement of Changes in Equity (Un-audited) For the nine months period ended September 30, 2019



										ſ	Ī	Ī	ſ	ſ
th				Capital reserve		Statutory	Kevenue reserve	Surplus/(de	Surplus/(deficit) on revaluation of	n of	Inannonriated		Non	
~		Share capital	Share premium	Non- distributable	Exchange	reserve	General reserve			Fixed / non-	profit	Sub total	controlling	Total
u				capital reserve	translation reserve			Investments	Associate	banking assets			interest	
./		010 010	100 010 00	110 000	010 100	001 011 20		100000	100 000	10.010.000	1001 000	111 001 011	FOL FOF	
h	Dalarice as al Decernicer 31, 2017	000'000'11	23,313,024	110'006	610'160	21, 148,482	10,000,000	4,332,004	1443,300	076'808'71	600'I 77'00	#/0'000'0CI	101,401	100,646,001
	Total comprehensive income for the nine months period ended September 30, 2018													
v	Profit after taxation for the nine months period ended September 30, 2018 Other commrehensive income - net of tax				-			- (5.020.581)	- (177.807)		13,575,688 (679.241)	13,575,688 (5.318,236)	47,817 34	13,623,505 (5.318,202)
-77			.	•	559,393	•		(5,020,581)	(177,807)		12,896,447	8,257,452	47,851	8,305,303
L	Transfer to statutory reserve				•	1,431,099					(1,431,099)	•		
	Transfer in respect of incremental depreciation from surplus on revaluation of									FOT OF	(FOL OF)			
_	Inxed assess to unappropriated profit - their of tax						•			40,761	(40,701)			
	Surplus realized on disposal of revalued fived assets - net of tax	•	•			•				(99,081)	99,081	•	•	•
	Transactions with owners, recorded directly in equity													
6	Final cash dividend at Rs. 4.0 per share - December 31, 2017	•				•			•	•	(4.740.240)	(4.740.240)	•	(4.740.240)
ľ	Inherim cash dividend at Rs. 4.0 per share - March 31, 2018	•					,				(4.740.240)	(4.740.240)		(4.740.240)
¥.	Interim cash dividend at Rs. 4.0 per share - June 30, 2018	•					,				(4.740.240)	(4.740.240)		(4.740.240)
				•		•	•				(14,220,720)	(14,220,720)		(14,220,720)
	Balance as at September 30, 2018	11,850,600	23,973,024	908,317	956,472	28,580,591	18,600,000	(687,977)	265,754	12,901,628	52,523,997	149,872,406	755,258	150,627,664
_	Change in equity for three months period ended December 31, 2018													
-	Total commonanciae income for the three months nation and all been the c'1. 2018													
	ruai cumprenensive muonerur un ennee morieris pervurenzeu pecennar 31, 2010 Dooffi after favetion for fina finza monfile nacioni andad Daram har 31, 2018				,						8 777 088	6 777 068	882 V8	6 701 770
4		• •			651,310			(2,124,638)	(14,508)	172,774	19,955	0,111,000 (1,295,107)	109	0,/91,//9 (1,294,998)
1				•	651,310	•		(2,124,638)	(14,508)	172,774	6,797,023	5,481,961	14,820	5,496,781
n	Transfer to statutory reserve					704,859					(704,859)			
'n														
h	Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to unappropriated profit - net of tax			,						(95,158)	95,158			
	Transactions with owners, recorded directly in equity													
_	Interim cash dividend at Rs. 4.0 per share - September 30, 2018										(4,740,240)	(4,740,240)		(4,740,240)
		•		•	•	•			•	•	(4,740,240)	(4,740,240)	•	(4,740,240)
	Share of dividend attrbutable to Non-controlling interest	•		•		•	•		•	•	•		(61,326)	(61,326)
5	Balanos as at December 31, 2018	11,850,600	23,973,024	908,317	1,607,782	29,285,450	18,600,000	(2,812,615)	251,246	12,979,244	53,971,079	150,614,127	708,752	151,322,879
Jul.	Total comprehensive income for the nine months period ended September 30, 2019													
ne											10 120 100	101101	00007	101000
-	Profit after taxaton for the nine months period ended September 30, 2019 Other comprehensive income - net of tax				1,278,572			1,683,289	(104,157)		16,152,480 (534,194)	16,152,480 2,323,510	10,326 23	16,162,806 2,323,533
2		•	•	•	1,278,572	•		1,683,289	(104,157)	•	15,618,286	18,475,990	10,349	18,486,339
la	Transfer to statutory reserve	•	•	•	•	1,628,671	•	•	•		(1,628,671)	•	•	•
-	Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to unappropriated profit - net of tax		,							(40.582)	40.582	,		
	Sumhus maailaad on disnosal of ravaiuad finand assarts , mat of tav									(10 563)	10 563			
	Transactions with owners, recorded directly in equity									(non'ni)	000 ¹ 01			
_	Final cash dividend at Rs. 4.0 per share - December 31, 2018	•	•	•	•	•		•	•		(4,740,240)	(4,740,240)	•	(4,740,240)
	Interim cash dividend at Rs. 4.0 per share - March 31, 2019	•		•	•	•		•	•	•	(4,740,240)	(4,740,240)	•	(4,740,240)
/	Interim cash dividend at KS. 4.0 per share - June 30, 2019										(4,740,240)	(4,740,240)		(4,740,240)
	A.										(14,220,120)	(14,220,120)	.	(14,220,120)
14	Balance as at September 30, 2019	11,850,600	23,973,024	908,317	2,886,354	30,914,121	18,600,000	(1,129,326)	147,089	12,928,099	53,791,119	154,869,397	719,101	155,588,498
et.	For details of dividend declaration and appropriations, please refer note 41 to these consolidated condensed interim financial statements.	ese consolidated c	ondensed interim fir	nancial statements.										
~	For details of reserves, please refer note 22 to these consolidated condensed interim financial statements	tterim financial state	lements.											
	The annexed notes 1 to 43 form an integral part of these consolidated condensed interim financial statements	ed interim financial	statements.											

Mian Umer Mansha

Director

Salman Khalid Butt

Director

Masood Ahmed Puri Director

MCB Bank Limited & Subsidiary Companies

Consolidated Condensed Interm Cash Flow Statement (Un-audited) For the nine months period ended September 30, 2019



	Note	Nine months ended September 30, 2019 Rupees	Nine months ended September 30, 2018 s in '000
CASH FLOW FROM OPERATING ACTIVITIES		Kupee	
Profit before taxation Less: Dividend income and share of profit of associates		27,489,964 (1,202,784)	22,450,328 (1,201,703)
Adjustments:		26,287,180	21,248,625
Depreciation on fixed assets	31	1,642,213	1,657,485
Depreciation on right of use assets	31	1,193,657	-
Depreciation on non-banking assets acquired in satisfaction of claims	31	34,815	37,258
Amortization	31	290,609	264,476
Provisions / (reversals) and write offs - net	33	1,823,093	(2,524,688)
Workers welfare fund Gain on sale of fixed assets and non-banking assets acquired-net	30	551,441 (76,803)	466,305 (317,445)
Charge for defined benefit plans	50	9,825	2,082,336
Unrealized loss on revaluation of investments classified as held for trading	29	41,815	8,236
Gain on sale of shares in an associate		-	(51,360)
		5,510,665	1,622,603
Decrease / (increase) in operating assets		31,797,845	22,871,228
Lendings to financial institutions		24,957,038	(137,998,281)
Held-for-trading securities		3,977,983	(2,461,600)
Advances		19,110,736	(42,445,471)
Others assets (excluding advance taxation)		(9,060,999)	1,257,990
Increase in operating liabilities		38,984,758	(181,647,362)
Bills Payable		(6,588,807)	(9,562,117)
Borrowings from financial institutions		(13,451,483)	(78,228,878)
Deposits		103,872,366	95,542,843
Other liabilities (excluding current taxation)		2,912,467	760,032
		86,744,543	8,511,880
Defined benefits paid		(238,381)	(251,803)
Income tax paid		(2,375,252)	(1,557,309)
Net cash flow from operating activities		154,913,513	(152,073,366)
CASH FLOW FROM INVESTING ACTIVITIES		(400,000,000)	404 740 000
Net investments in available-for-sale securities Net investments in held-to-maturity securities		(122,338,902) (329,608)	191,719,362 3,719,631
Dividends received		(329,008) 840,739	1,006,492
Investments in fixed assets		(4,083,725)	(3,390,046)
Investments in Intangible assets		(578,679)	(236,147)
Proceeds from sale of fixed assets		141,417	555,380
Proceeds from sale of non-banking assets acquired in satisfaction of claims		40,000	682,410
Investments in non-banking assets acquired in satisfaction of claims		(64,445)	(307,500)
Proceeds from divestment in an associate		-	295,448
Effect of translation of net investment in foreign branches and subsidiaries		1,228,029	552,190
Net cash flow used in investing activities		(125,145,174)	194,597,220
CASH FLOW FROM FINANCING ACTIVITIES		(0.004.040)	(700)
Payments of subordinated debt Payment of lease liability against right-of-use-assets		(3,891,019)	(780)
Dividend paid		(807,025)	- (15 445 121)
Net cash flow used in financing activities		(14,108,885) (18,806,929)	(15,445,121) (15,445,901)
Effects of exchange rate changes on cash and cash equivalents		3,835,293	2,695,627
		14,796,703	29,773,580
Increase in cash and cash equivalents			
Cash and cash equivalents at beginning of the period Cash and cash equivalents at end of the period		<u>117,721,724</u> 132,518,427	<u>113,049,614</u> 142,823,194
		102,010,427	172,020,107

The annexed notes 1 to 43 form an integral part of these consolidated condensed interim financial statements.

Freem Magood

Imran Maqbool President / CEO

6X Hammad Khalid Chief Financial Officer

Unmoh Mian Umer Mansha Salman Khalid Butt Director

Director

Masood Ahmed Puri Director

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Imran Maqbool

President / CEO

Hammad Khalid

Chief Financial Officer



Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

1. STATUS AND NATURE OF BUSINESS

The Group consists of:

- Holding Company - MCB Bank Limited

Subsidiary Companies	"Percentage holding of MCB Bank Limited"	
- MCB Financial Services Limited	100%	
- MCB - Arif Habib Savings and Investments Limited	51.33%	
-MCB Non-Bank Credit Organization " Closed Joint Stock Company"		
(formely MCB Leasing CJSC, Azerbaijan)	99.94%	
- MCB Islamic Bank Limited	100%	
 Financial Management Services (Private) Limited 	95.90%	

MCB Bank Limited (the 'Bank') is a banking company incorporated in Pakistan and is engaged in commercial banking and related services. The Bank's ordinary shares are listed on the Pakistan stock exchange. The Bank's Registered Office and Principal Office are situated at MCB -15 Main Gulberg, Lahore. The Bank operates 1,382 branches (2018: 1,376 branches) within Pakistan and 11 branches (2018: 11 branches) outside Pakistan (including the Karachi Export Processing Zone branch).

- 1.1 The board of directors of the Bank has approved the winding up of Financial & Management Services (Private) Limited. The Bank holds 95.90% shareholding of the Company.
- 1.2 Pursuant to the scheme of arrangement duly approved by the Board of Directors of Mnet Services (Private) Limited (Transferor Company) and MCB Bank Limited (Transferee Company), as required under section 284(2) of the Companies Act, 2017 for the amalgamation of Transferor Company with and into Transferee Company, the Transferor Company stands merged into Transferee Company with effect from April 30, 2019.
- 1.3 The Bank is in the process of disposal of its wholly owned subsidiary "MCB Financial Services Limited" subject to all regulatory and shareholders approvals.

2. BASIS OF PREPARATION

- 2.1 These consolidated financial statements include the financial statements of MCB Bank Limited and its subsidiary companies.
 - a. Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date when control ceases. The assets and liabilities of subsidiary companies have been consolidated on a line by line basis based in the financial statements for the nine months ended September 30, 2019 and the carrying value of investments held by the Group is eliminated against the subsidiaries' shareholders' equity in these consolidated condensed interim financial statements. Material intra-Group balances and transactions have been eliminated.
 - b. Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for under the equity method of accounting and are initially recognised at cost, thereafter adjusted for the post-acquisition change in the Group's share of net assets of the associates. The cumulative post-acquisition movements are adjusted in the carrying amount of the investment. Accounting policies of the associates have been changed where necessary to ensure consistency with the policies adopted by the Group. The Group's share in associates have been accounted for based on the financial statements for the nine months ended September 30, 2019.
 - c. Non-controlling interest is that part of the net results of operations and of net assets of subsidiary companies attributable to interests which are not owned by the Group.
- 2.2 In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate profit in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these consolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon.

The financial results of the Group's Islamic Banking business have been consolidated in these financial statements for reporting purposes, after eliminating material inter-group transactions / balances. Key financial figures of the Islamic Banking business are disclosed in note 40 to these consolidated condensed interim financial statements.

MCB Bank Limited & Subsidiary Companies

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019



- 2.3 The consolidated condensed interim financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency. The amounts are rounded off to the nearest thousand.
- 2.4 These consolidated condensed interim financial statements have been prepared under the historical cost convention except that certain classes of fixed assets and non-banking assets acquired in satisfaction of claims are stated at revalued amounts and certain investments and derivative financial instruments have been marked to market and are carried at fair value. In addition, obligations in respect of staff retirement benefits are carried at present value.

3. STATEMENT OF COMPLIANCE

3.1 These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;

- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and

- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IAS 34 or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

- 3.2 The State Bank of Pakistan has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and IAS 40, 'Investment Property' for Banking Companies through BSD Circular No. 10 dated August 26, 2002. The Securities and Exchange Commission of Pakistan (SECP) has deferred applicability of IFRS-7 "Financial Instruments: Disclosures" on banks through S.R.O 411(1) /2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.
- 3.3 The SECP vide its notification SRO 633 (I)/2014 dated 10 July 2014, adopted IFRS 10 effective from the periods starting from June 30, 2014. However, vide its notification SRO 56 (I)/2016 dated January 28, 2016, it has been notified that the requirements of IFRS 10 and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under trust structure.
- 3.4 The disclosures made in these consolidated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular Letter No. 05 of 2019 dated March 22, 2019 and IAS 34, Interim Financial Reporting. The consolidated condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual consolidated financial statements for the financial year ended December 31, 2018.

3.5 Amendments to approved accounting standards that are effective in the current period

The State Bank of Pakistan (SBP) through its BPRD Circular Letter No. 05 of 2019 dated March 22, 2019 has amended the format of condensed interim financial statements of banks. All banks are directed to prepare their condensed interim financial statements on the revised format effective from the accounting year starting from January 01, 2019. Accordingly, the Group has prepared these consolidated condensed interim financial statements on the new format prescribed by the State Bank of Pakistan. The adoption of new format introduced additional disclosure requirements and required certain reclassification of profit and loss comparative numbers. Under revised format, cost of foreign currency swaps (note 27) amounting to Rs 2,069.364 million (2018: Rs 523.382 million) which was previously shown as part of foreign exchange income has now been shown as part of mark-up / return / interest expense in the consolidated condensed interim statement of profit and loss account.

The Group has adopted "IFRS 15 Revenue from Contracts with Customers" and "IFRS 16 Leases" effective 01 January 2019. IFRS 15 established a comprehensive framework for determining whether, how much and when revenue is recognized. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. The Bank has adopted IFRS 15 from 01 January 2019. The timing or amount of income from contracts with customers was not impacted by the adoption of IFRS 15, accordingly, the adoption of this standard has no material impact in these consolidated condensed interim financial statements. The impact of adoption of IFRS 16 on the Bank's consolidated condensed interim financial statements is disclosed in note 4.1.1.

In addition, there are certain other new standards and interpretations of and amendments to existing accounting standards that have become applicable to the Group for accounting periods beginning on or after January 1, 2019. These are considered either to not be relevant or not to have any significant impact on the Group's consolidated condensed interim financial statements.



Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

Standards, interpretations of and amendments to approved accounting standards that are not yet effective 3.6

The following new standards and amendments to existing accounting standards will be effective from the dates mentioned below against the respective standard or amendment: Effective date (annual periods

	beginning on or after)
IFRS 3, Business Combinations - (Amendments)	January 1, 2020
IAS 1, Presentation of Financial Statements (Amendments)	January 1, 2020
IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors (Amendments)	January 1, 2020

The SECP, through SRO 229(I)/2019 dated February 14, 2019, has notified that IFRS 9, Financial Instruments, is applicable for accounting periods ending on or after June 30, 2019. However, based on the guidance received from SBP, the requirements of IFRS 9 have not been considered for Pakistan operations of the Bank in preparation of these consolidated condensed interim financial statements.

IFRS 9, Financial Instruments: Classification and Measurement, addresses recognition, classification, measurement and derecognition of financial assets and financial liabilities. The standard has also introduced a new impairment model for financial assets which requires recognition of impairment charge based on an 'expected credit losses' (ECL) approach rather than the 'incurred credit losses' approach as currently followed. The ECL approach has an impact on all assets of the Group which are exposed to credit risk. The Group is in the process of assessing the full impact of this standard.

The Group expects that adoption of the remaining amendments will not affect its financial statements in the period of initial application.

There are new and amended standards and interpretations that are that are not yet effective. These new and amended standards and interpretations are considered not to be relevant or do not have any significant effect on the Group's operations and are therefore not detailed in these consolidated condensed interim financial statements.

SIGNIFICANT ACCOUNTING POLICIES 4.

4.1 The significant accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the audited annual consolidated financial statements of the Group for the year ended December 31, 2018 except for the followings:

4.1.1 Change in accounting policies

IFRS 16 replaces existing guidance on accounting for leases, including IAS 17, Leases, IFRIC 4, Determining whether an Arrangement contains a Lease, SIC-15, Operating Leases- Incentive, and SIC-27, Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 introduces an on balance sheet lease accounting model for long term operating leases (short-term leases and leases where the underlying assets are of low value continue to be treated as off-balance sheet operating leases). A lessee recognizes a right-of-use asset representing its right of using the underlying asset and a corresponding lease liability representing its obligations to make lease payments. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as either finance or operating leases.

The Group has adopted IFRS 16 from January 1, 2019, and has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the Standard.

On adoption of IFRS 16, the Group has recognised liabilities in respect of leases which had previously been classified as operating leases under IAS 17. These liabilities were measured as the present value of the remaining lease payments, discounted using the Bank's incremental borrowing rate of 12.49% as of January 1, 2019. The associated right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of prepaid lease payments recognised in the consolidated statement of financial position immediately before the date of initial application.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. The right of- use assets are depreciated on a straight line basis over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use assets are reduced by impairment losses, if any, and adjusted for certain remeasurements of lease liability.

The change in accounting policy affected the following items in the statement of financial position as on January 01, 2019:

- Right-of-Use (RoU) assets recognized as Fixed assets - increased by Rs 7,979.647 million which includes prepayments of Rs. 134.623 million; previously, included in advances, deposits, advance rent and other prepayments at December 31, 2018.

- Lease liabilities recognized as Other liabilities - increased by Rs 7,845.024 million

- The impact on profit and loss account for the period January 1, 2019 to September 30, 2019 was a decrease in profit after tax by Rs. 465.245 million and earning per share by Rs. 0.393.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss.

MCB Bank Limited & Subsidiary Companies

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019



5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these consolidated condensed interim financial statements are the same as that applied in the preparation of the consolidated financial statements for the year ended December 31. 2018.

6. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Group are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2018.

7.	CASH AND BALANCES WITH TREASURY BANKS	Unaudited September 30, 2019 Rupee	Audited December 31, 2018 es in '000
	In hand		·
		25,012,815	18,425,271
	Foreign currencies	2,329,261	3,091,560
	With Otata Dauly of Daliatan in	27,342,076	21,516,831
	With State Bank of Pakistan in	20 114 141	40 705 550
	Local currency current accounts	39,114,141 678,775	43,735,552 571,438
	Foreign currency current accounts Foreign currency deposit accounts	14,769,665	12,841,393
	Foreign currency deposit accounts	54,562,581	57,148,383
	With other central banks in	04,002,001	57,140,505
	Foreign currency current accounts	9,928,815	5,197,681
	With National Bank of Pakistan in		
	Local currency current accounts	22,124,321	26,181,864
	Prize bonds	688,357	120,247
		114,646,150	110,165,006
8.	BALANCES WITH OTHER BANKS	,,	
	In Pakistan		
	In current account	1,814	3,812
	In deposit account	1,481,867	1,011,404
	Outside Pakistan	1,483,681	1,015,216
	In current accounts	10,000,826	9,676,073
	In deposit accounts	6,901,172	2,646,828
		16,901,998	12,322,901
		18,385,679	13,338,117
9.	LENDINGS TO FINANCIAL INSTITUTIONS		
	Call / clean money lendings	1,000,000	1,437,978
	Repurchase agreement lendings (Reverse Repo)	4,221,188	33,036,912
	Musharaka arrangements	5,600,000	4,675,000
	Bai Muajjal receivable - with State Bank of Pakistan	3,371,664	-
		14,402,852	20,140,900

39.149.890

14,192,852



Bank for Life

,984,983 286

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

	Carrying Value		9.345.554	1,048,421	10,393,975	679,341,232	19,396,370	2,528,081	2,528,659	703,794,342	21,857,970	'	8,510,186	5,809,776	36,177,932	4,019,526	754,385,775	naudited Audited tember 30, December 31, 2018 2019 Rupees in '000	10,489,134
Audited December 31, 2018	Surplus / (Deficit)		(2.599)	(45,167)	(47,766)	(4,031,830)	(279,499)	4,452	(16,492)	(4,323,369)			ı			ı	(4,371,135)	Unaudited September 30, 2019 Rup	5,296,840 147 506 999
Audited Dece	Provision for diminution					'	(8,253,849)		•	(8,253,849)	(1,675)	(118)	(490,924)	ı	(492,717)		(8,746,566)		
	Cost / Amortised cost	Rupees in '000	9.348.153	1,093,588	10,441,741	683,373,062	27,929,718	2,523,629	2,545,151	716,371,560	21,859,645	118	9,001,110	5,809,776	36,670,649	4,019,526	767,503,476		
	Carrying Value	Rupee	5.278.744	1,095,433	6,374,177	803,387,420	16,729,567	2,572,066	3,617,950	826,307,003	22,781,656	'	9,999,794	3,719,035	36,500,485	4,066,934	873,248,599		
mber 30, 2019	Surplus / (Deficit)		(2.545)	(39,270)	(41,815)	86,679	(1,841,453)	2,561	18,519	(1,733,694)	•	'	ı	1	,	,	(1,775,509)		
Unaudited September 30, 2019	Provision for diminution					,	(10,669,995)		•	(10,669,995)	(2,280)	(118)	(497,374)	1	(499,772)	·	(11,169,767)		
	Cost / Amortised cost		5.281.289	1,134,703	6,415,992	803,300,741	29,241,015	2,569,505	3,599,431	838,710,692	22,783,936	118	10,497,168	3,719,035	37,000,257	4,066,934	886,193,875		

4,452 (16,492) (4,323,369)	(16,492) 323,369)	323,369)					,				(4,371,135)	Unaudited September 30, Decen 2019	Rupees in '0	142,210,159 5,296,840	147,506,999		8,746,566	230		2,625,108	(29,964)	(1/2,1/3)	2,422,971	•	11,169,767	
			(8,253,849) (4,		(1,675)	(118)	(490,924)		(492,717)	,	(8,746,566) (4,	Una Septer 2(1	142	147,		8			2			N		11,	
	2,523,629	2,545,151	716,371,560 (8		21,859,645	118	9,001,110	5,809,776	36,670,649	4,019,526	767,503,476 (8															
	2,572,066	3,617,950	826,307,003		22,781,656	•	9,999,794	3,719,035	36,500,485	4,066,934	873,248,599															
	2,561	18,519	(1,733,694)			•	ı		•		(1,775,509)															
	,		(10,669,995)		(2,280)	(118)	(497,374)		(499,772)	,	(11,169,767)															
	2,569,505	3,599,431	838,710,692		22,783,936	118	10,497,168	3,719,035	37,000,257	4,066,934	886,193,875					estments										
	Non Government Debt Securities	Foreign Securities		Held-to-maturity securities	Federal Government Securities	Provincial Government Securities	Non Government Debt Securities	Foreign Securities		Associates	Total Investments	Investments given as collateral		- Market Treasury Bills - Pakistan Investment Bonds		Provision for diminution in value of investments	Opening balance	Exchange adjustments	Charge / (reversals)	Charge for the period / year	Reversals for the period / year	Keversal on disposals	:	Amounts written off	Closing Balance	

10.1.1

10.2

MCB Bank Limited & Subsidiary Companies



Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

10.2.2 Particulars of provision against debt securities

Category of classification	Unaudited Septer	mber 30, 2019	Audited Decem	ber 31, 2018
	NPI	Provision	NPI	Provision
Domestic		Rupee	s in '000	
Loss	497,492	497,492	491,042	491,042

- 10.2.3 In addition to the above, overseas branches hold a general provision of Rs 2.280 million (December 31, 2018: Rs 1.675 million) in accordance with the requirements of IFRS 9.
- 10.3 The market value of securities classified as held-to-maturity as at September 30, 2019 amounted to Rs.32,873.20 million (December 31, 2018: Rs. 34,895.775 million).
- 10.4 Investment of the Group in Adamjee Insurance Company Limited has been accounted for under the equity method of accounting in accordance with the treatment specified in International Accounting Standard 28, (IAS 28) 'Accounting for Investments in Associates'. The market value of the investment in Adamjee Insurance Company Limited as at September 30, 2019 amounted to Rs. 1,963.500 million (2018: Rs. 2,941.400 million).

Investment in Adamjee Insurance Company Limited under equity method - holding 20.00% (2018: 20.00%)

	Unaudited September 30, 2019 Rupee	Audited December 31, 2018 s in '000
Opening balance	3,959,039	4,385,602
Share of profit for the period / year before tax	361,113	446,121
Dividend from associate	(105,000)	(140,000)
Share of tax	(131,469)	(208,759)
	124,644	97,362
Share of other comprehensive income	(82,450)	(222,761)
Disposal during the period / year	-	(301,164)
Closing balance	4,001,233	3,959,039
Share of other comprehensive income		
Share of unrealized surplus on assets -net of tax	(133,016)	(239,821)
Share of exchange translation reserve of associate	50,566	17,060
	(82,450)	(222,761)

10.5 Investment of the Group in Euronet Pakistan Private Limited Has Been Accounted for the equity method of accounting in accordance with treatment specified in international Accounting Standard 28, (IAS 28) ' Accounting for Investments in Associates.

Investment in Euronet Pakistan Private Limited under equity method - holding 30% (2018: 30.00%)

	Unaudited September 30, 2019 Rupee	Audited December 31, 2018 s in '000
Opening balance	60,487	70,637
Share of profit for the period / year before tax	13,176	136
Share of tax	(7,962)	(10,286)
Closing balance	5,214	(10,150)
	65,701	60,487

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NVESTMENTS

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r-trading Governm

<mark>Held-for</mark> Federal



Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

	Perfo	Performing	Non P	Non Performing	F	Total
	Unaudited September 30, 2019	Audited December 31, 2018	Unaudited September 30, 2019	Audited December 31, 2018	Unaudited September 30, 2019	Audited December 31, 2018
Loans, cash credits, running finances, etc.	462,748,882	480,263,372		Ru pees in '000	513,489,932	528,239,649
Islamic financing and related assets Bills discounted and purchased	57,259,740 19,501,360	62,911,298 17,887,661	362,835 764,544	10,766 979,271	57,622,575 20,265,904	62,922,064 18,866,932
Advances - gross	539,509,982	561,062,331	51,868,429	48,966,314	591,378,411	610,028,645
Provision against advances						
- Specific - General	- (1,365,287)	- (1,292,113)	(41,759,444) -	(41,944,267) -	(41,759,444) (1,365,287)	(41,944,267) (1,292,113)
	(1,365,287)	(1,292,113)	(41,759,444)	(41,944,267)	(43,124,731)	(43,236,380)
Advances - net of provision	538,144,695	559,770,218	10,108,985	7,022,047	548,253,680	566,792,265
					Unaudited September 30, 2019	Audited December 31, 2018
11.1 Particulars of advances (Gross)					Rupe	Rupees in '000
					542,505,822	565,091,153
In toreign currencies					48,8/2,589	44,937,492 610.000.646
					J91,3/0,411	010,020,040
11.2 Advances include Rs. 51,868.429 million (2018: Rs. 48,966.314 million) which have been placed under the non-performing status as detailed below:	(2018: Rs. 48,966.31	4 million) which have b	een placed under the	e non-performing status	as detailed below:	
		Note	Unaudited Sep	Unaudited September 30, 2019	Audited Dece	Audited December 31, 2018
Category of Classification			Non Performing Loans	Provision Runee	n Non Performing Loans -Runees in '000	Provision
Domestic						
Other Assets Especially Mentioned		11.2.1	1,660,137	4,817 676 604	59,044	2,591
Substandard			2,704,148 1 152 887	307 775	1,141,973	204,372 866 061
Loss			38,024,551	37,222,390	38,336,785	37,706,704
			43,541,723	38,300,606	41,271,880	38,860,628
Overseas Not past due but impaired			70,463	70,463	62,287	62,287
Overdue by:						
Upto 90 days			108,149	98,921	624,403	433,424
31 to 365 davs			406.865	406.137	7.473	3.736
> 365 days			7,733,155	2,878,827	6,859,948	2,548,987
			8,326,706	3,458,838	7,694,434	3,083,639
Total			51,868,429	41,759,444	48,966,314	41,944,267
11.2.1 This represents non-performing portfolio of agricultural, small enterprise and Infrastructure Project Financing classified as OAEM as per the requirements of respective Prudential Regulations issued by the State Bank of Pakistan.	ilio of agricultural, sm state Bank of Pakistar	all enterprise and Infra '.	structure Project Fir	nancing classified as O.	AEM as per the requ	uirements of respective

MCB Bank Limited & Subsidiary Companies



Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

11.3 Particulars of provision against advances

12.4

	Unaudit	ed September 30), 2019	Audite	Audited December 31, 2018			
	Specific	General	Total Rupe	Specific es in '000	General	Total		
Opening balance	41,944,267	1,292,113	43,236,380	44,587,644	1,118,256	45,705,900		
Exchange adjustments	323,514	25,390	348,904	513,168	19,014	532,182		
Charge for the period / year	2,474,013	77,824	2,551,837	1,613,591	158,663	1,772,254		
Reversals	(2,971,343)	(30,040)	(3,001,383)	(4,618,549)	(3,820)	(4,622,369)		
	(497,330)	47,784	(449,546)	(3,004,958)	154,843	(2,850,115)		
Amounts written off	(11,007)	-	(11,007)	(151,587)	-	(151,587)		
Closing balance	41,759,444	1,365,287	43,124,731	41,944,267	1,292,113	43,236,380		

11.3.1 State Bank of Pakistan vide BSD Circular No. 2 dated January 27, 2009, BSD Circular No. 10 dated October 20, 2009, BSD Circular No. 02 of 2010 dated June 03, 2010 and BSD Circular No.1 of 2011 dated October 21, 2011 has allowed benefit of forced sale value (FSV) of Plant & Machinery under charge, pledged stock and mortgaged residential, commercial & industrial properties (land and building only) held as collateral against NPLs for five years from the date of classification. The Bank (holding company) has not taken the FSV benefit in calculation of specific provision. However, one of the subsidiary of the Bank has availed benefit of forced sale values amounting to Rs.178.77 million (December 31, 2018: Nil) in determining the provisioning against non-performing Islamic financing and related assets as at September 30, 2019. The additional benefit on the Bank's statement of profit and loss arising from availing the FSV benefit - net of tax amounts to Rs 115.943 million as at September 30, 2019 (December 31, 2018: Nil). However, the additional impact on profitability arising from availing the benefit of forced sales value is not available for payment of cash or stock dividends to shareholders.

11.3.2 General provision against consumer loans represents provision maintained against fully secured performing portfolio and unsecured performing portfolio as required by the Prudential Regulations issued by the SBP. General provision against Small Enterprise Finance represents provision maintained at an amount equal to 1% of unsecured performing portfolio as required by the Prudential Regulations issued by the SBP. General provisions pertaining to overseas advances are made in accordance with the requirements of the regulatory authorities of the respective countries in which the overseas branches operate. General provision against all other advances represents provision maintained at around 0.1% of gross advances. Unaudited Audited

		Note	September 30, 2019	December 31, 2018
12.	FIXED ASSETS			s in '000
	Capital work-in-progress	12.1	1,881,138	1,501,801
	Property and equipment	12.2	51,217,723	42,029,595
12.1	Capital work-in-progress		53,098,861	43,531,396
	Civil works		1,208,537	719,229
	Equipment		110,601	295,662
	Advances to suppliers		476,981	452,188
	Others		85,019	34,722
			1,881,138	1,501,801

12.2 This includes right-of-use assets amounting to Rs.7,321.534 million due to adoption of IFRS 16 as detailed in note 4.1.1.

		Unaudited September 30, 2019	Unaudited September 30, 2018
		Rupee	s in '000
12.3	Additions to fixed assets		
	The following additions have been made to fixed assets during the period:		
	Capital work-in-progress	387,467	730,908
	Property and equipment		
	Freehold land	822,582	788,360
	Building on freehold land	1,183,982	255,111
	Electrical office and computer equipment	945,350	1,224,136
	Furniture and fixture	165,863	166,149
	Leasehold Improvements	290,095	152,532
	Vehicles	79,654	72,850
	Right-of-use assets	208,732	-
		3 696 258	2 659 138

•	3,696,258	2,659,138
Total	4,083,725	3,390,046
Disposal of fixed assets		
The net book value of fixed assets disposed off during the period is as follows:		
Freehold land	21,000	253,112
Building on freehold land	-	52,728
Vehicles	38,762	13,269
Furniture and fixture	792	27,708
Electrical office and computer equipment	3,777	149,621
Leasehold Improvements	283	-
Total	64,614	496,438

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ADVANCES

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Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

TOTI	ne mile months period ended September 50, 2019			
		Note	Unaudited September 30, 2019	Audited December 31, 2018
13.	INTANGIBLE ASSETS		Rupee	s in '000
10.	Capital work-in-progress	13.1	385,982	257,805
	Computer software	15.1	1,104,594	920,530
	Goodwill		82,127	82,127
	Management rights		192,000	192,000
			1,764,703	1,452,462
			Unaudited	Unaudited
			September 30, 2019	September 30, 2018
				s in '000
13.1	Additions to intangible assets			
	The following additions have been made to intangible assets d	uring the period:	124,497	
	Capital work-in-progress Directly purchased		454,182	- 236,147
	Directly purchased		578,679	236,147
		-	010,010	200,147
			Unaudited	Audited
			September 30,	December 31,
			2019 Rupee	2018 es in '000
14.	OTHER ASSETS		·	
	Income/ mark-up accrued in local currency		19,536,493	12,291,231
	Income/ mark-up accrued in foreign currencies		142,052	134,709
	Advances, deposits, advance rent and other prepayments		3,658,473	2,737,424
	Advance taxation (payments less provisions)		-	7,464,966
	Compensation for delayed income tax refunds		133,809	133,809
	Non-banking assets acquired in satisfaction of claims		3,591,950 175,117	3,653,840
	Branch adjustment account Mark to market gain on forward foreign exchange contracts		3,732,584	- 3,690,505
	Unrealized gain on derivative financial instruments		1,433,793	852,465
	Acceptances	21	15,961,277	16,256,882
	Receivable from the pension fund		3,256,571	3,815,170
	Others		7,465,038	7,433,809
			59,087,157	58,464,810
	Less: Provision held against other assets	14.1	2,606,608	2,550,585
	Other Assets (net of provision)		56,480,549	55,914,225
	Surplus on revaluation of non-banking assets		400.074	400.074
	acquired in satisfaction of claims Other Assets - total	-	<u>480,871</u> 56,961,420	<u>480,871</u> 56,395,096
	Other Assets - total	-	50,901,420	50,595,090
14.1	Provision held against other assets			
	Non banking assets acquired in satisfaction of claims		99,597	99,597
	Others	-	2,507,011	2,450,988
		-	2,606,608	2,550,585
14.2.1	Movement in provision held against other assets			
	Opening balance		2,550,585	3,016,793
	Charge for the period / year Reversals		1,494 (29,409)	112,529 (721,119)
		L	(29,409)	(608,590)
	Amounts written off		(3,615)	(7,180)
	Exchange and other adjustments		87,553	149,562
	Closing balance		2,606,608	2,550,585
		-		

15. CONTINGENT ASSETS

There were no contingent assets of the Group as at September 30, 2019 (2018: NIL).

MCB Bank Limited & Subsidiary Companies

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019



16. BILLS PAYABLE	Unaudited September 30, 2019 Rupe	Audited December 31, 2018 es in '000
In Pakistan	10,324,404	16,948,744
Outside Pakistan	90,061	54,528
	10,414,465	17,003,272
17. BORROWINGS		
Secured		
Borrowings from State Bank of Pakistan		
Under export refinance scheme	29,892,331	29,430,925
Under long term financing facility	17,666,827	14,628,994
Under renewable energy performance platform	88,114	28,420
Under financing facility for storage of agricultural produce	158,471	165,267
	47,805,743	44,253,606
Repurchase agreement borrowings	154,478,588	165,703,249
Total secured	202,284,331	209,956,855
Unsecured		
Borrowings from other financial institution	861,214	6,324,169
Call borrowings	4,510,695	4,826,699
Overdrawn nostro accounts	513,402	1,946,106
Others	162,286	162,286
Total unsecured	6,047,597	13,259,260
	208,331,928	223,216,115

18. DEPOSITS AND OTHER ACCOUNTS

	Unaudited September 30, 2019			Audited December 31, 2018		
	In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
			Rupe	es in'000		
Customers			-			
Current deposits	359,712,936	42,439,898	402,152,834	346,298,054	36,242,971	382,541,025
Savings deposits	592,596,191	50,187,115	642,783,306	532,295,382	41,139,150	573,434,532
Term deposits	99,573,284	14,314,656	113,887,940	78,181,102	13,981,644	92,162,746
Others	26,622,921	2,922,389	29,545,310	30,699,847	4,340,402	35,040,249
	1,078,505,332	109,864,058	1,188,369,390	987,474,385	95,704,167	1,083,178,552
Financial Institutions						
Current deposits	8,208,894	1,994,096	10,202,990	7,633,474	2,268,698	9,902,172
Savings deposits	15,618,040	14,257	15,632,297	16,647,671	20,548	16,668,219
Term deposits	4,534,500	7,222,504	11,757,004	5,736,081	6,544,203	12,280,284
Others	-	217,220	217,220	-	277,308	277,308
	28,361,434	9,448,077	37,809,511	30,017,226	9,110,757	39,127,983
	1,106,866,766	119,312,135	1,226,178,901	1,017,491,611	104,814,924	1,122,306,535



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Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

19.	SUBORDINATED DEBT		Note	Unaudited September 30, 2019 Rupee	Audited December 31, 2018 es in '000
	Term Finance Certificates - Listed, Ur	secured	19.1	-	3,891,019
	Issue amount	Rs. 4,198.035 million			
	Issue date	June 19, 2014			
	Maturity date	June 19, 2022			
	Rating	AAA (triple A)			
	Security	The TFCs are unsecured and subordina deposits	ted to all othe	r indebtedness of	the Bank including
	Profit payment frequency	Semi-Annually			
	Redemption	Fifteen equal semi-annual installments months followed by remaining 99.70% on			,
	Mark-up	Floating (no floor, no cap) rate of return a the average "Ask Side" rate of the six mo		`	
	Call option	The Bank may call the TFCs, in part or f from the last day of public subscription ar the SBP approval and not less than forty the Investors.	nd on all subse	quent profit payme	ent dates, subject to
	Lock-in-clause	Neither profit nor principal can be paid shortfall in the Banks' Minimum Capital (CAR) or increase any existing shortfall in effect, the Bank will be required to comply time.	Requirement	ts (MCR) or Capit R. In case the lock	al Adequacy Ratio -in clause goes into
	Loss absorbency clause	The TFCs will be subject to loss absorbe Basel III Implementation in Pakistan".	ency clause as	s stipulated under t	the "Instructions for

19.1 During the year, the Group has exercised the call option under the terms of issuance of TFCs after completing the required regulatory requirements. Accordingly the outstanding balance of the said TFCs have been redeemed on June 19, 2019, being the option exercise date.

	Unaudited September 30, 2019	Audited December 31, 2018
20. DEFERRED TAX LIABILITIES	Rupe	es in '000
Taxable Temporary Differences on		
- Surplus on revaluation of fixed assets	996,557	1,018,502
- Surplus on revaluation of Non-banking assets	168,305	168,305
- Accelerated tax depreciation	1,858,371	1,810,834
- Receivable from pension fund	1,139,806	1,335,309
- Business combination	705,218	705,218
- Investments in associated undertaking	1,173,673	1,158,906
	6,041,930	6,197,074
Deductible Temporary Differences on		
- Provision against advances	(1,748,694)	(1,791,768)
- Tax losses carried forward	(948,633)	(818,652)
- Surplus/deficit on revaluation of investments	(606,792)	(1,510,754)
- Others	(199,751)	(92,755)
	(3,503,870)	(4,213,929)
	2,538,060	1,983,145

MCB Bank Limited & Subsidiary Companies



Audited

Unaudited

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

Note	September 30,	December 31,
	2019	2018
OTHER LIABILITIES	Rupe	es in '000
Mark-up/ return/ interest payable in local currency	15,063,740	13,166,020
Mark-up/ return/ interest payable in foreign currencies	362,128	478,001
Unearned commission and income on bills discounted	261,029	231,516
Accrued expenses	5,771,331	5,415,975
Provision for taxation (provisions less payments)	1,380,112	
Workers' welfare fund	7,652,897	7,099,086
Acceptances 14	15,961,277	
Unclaimed / dividends payable	1,586,651	1,474,816
Mark to market loss on forward foreign exchange contracts	3,500,413	
Unrealised loss on derivative financial instruments	1,455,524	
Staff welfare fund	5,631	
Branch adjustment account	-	44,770
Provision for employees' compensated absences	1,025,598	
Provision for post retirement medical benefits	1,780,254	
Provision for employees' contributory benevolent scheme	201,620	
Retention money	20,657	
Insurance payable against consumer assets Unclaimed balances	725,796 1,002,847	
Duties and taxes payable	1,002,047	
Charity fund balance	37,958	
Provision against off-balance sheet obligations	37,430	
Security deposits against lease	1,490,188	
Lease liability against right of use assets	7,546,423	
Others	9,531,412	
	77,500,092	65,487,042
RESERVES		
Share premium	23,973,024	23,973,024
Non- distributable capital reserve - gain on bargain purchase option 22.1	908,317	908,317
Exchange translation reserve	2,886,354	1,607,782
Statutory reserve 22.2	30,914,121	
General reserve	18,600,000	
	77,281,816	74,374,573

22.1 Under IFRS-3 a bargain purchase represents an economic gain which should be immediately recognized by the acquirer as income. However, the amount of bargain purchase gain was not been taken to the profit and loss account as the SBP, through its letter BPRD(R&PD)/2017/14330 dated June 13, 2017 recommended that the amount of gain may be routed directly into equity as a Non-distributable Capital Reserve (NCR). The NCR may become available for distribution through a stock dividend only with prior approval of the SBP. The Group, before distribution of the gain as a stock dividend, may adjust any subsequent provisions/deficit, assessed by the Group or recommended by the Banking Inspection Department of SBP, in the acquired assets and liabilities of NIB Bank Limited against the NCR.

22.2 Statutory reserve represents amount set aside as per the requirements of section 21 of the Banking Companies Ordinance, 1962.



Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

			Note	Unaudited September 30, 2019	Audited December 31, 2018
23.		LUS ON REVALUATION OF ASSETS s / (deficit) on revaluation of		Rupee	s in '000
		able for sale securities	10.1	(1,733,694)	(4,323,369)
		Assets		13,609,666	13,685,180
		banking assets acquired in satisfaction of claims		480,871	480,871
		ociated undertaking		311,011 12,667,854	444,027 10,286,709
		ed tax on surplus / (deficit) on revaluation of:			
		able for sale securities Assets		(606,792) 996,557	(1,510,754) 1,018,502
		banking assets acquired in satisfaction of claims		168,305	168,305
	- Asso	ociated undertaking		163,922	192,781
				721,992	(131,166)
				11,945,862	10,417,875
24.	-Guara	INGENCIES AND COMMITMENTS	24.1	177,237,539	173,231,396
		hitments	24.2	536,218,908	412,067,935
	-Other	contingent liabilities	24.3	22,788,644	17,038,156
				736,245,091	602,337,487
	24.1	Guarantees:			
		Financial guarantees		142,642,746	140,350,012
		Performance guarantees		30,823,960	30,103,382
		Other guarantees		3,770,833 177,237,539	2,778,002 173,231,396
	24.2	Commitments:		111,201,000	110,201,000
		Documentary credits and short-term trade-related transactions			
		- letters of credit		151,434,021	144,579,352
		Commitments in respect of:			
		 forward foreign exchange contracts forward government securities transactions 	24.2.1 24.2.2	367,961,545 3,218,929	217,219,090 27,935,661
		- derivatives	24.2.2	11,209,931	11,285,103
		- operating leases	24.2.4	-	7,256,479
		- other commitments	24.2.5	1,036,531	2,221,317
		Commitments for acquisition of:			
		- operating fixed assets		1,242,376	1,430,980
		- intangible assets		115,575	139,953
	24.2.4	Commitments in respect of females and females and have		536,218,908	412,067,935
	24.2.1	Commitments in respect of forward foreign exchange contracts Purchase		202,076,166	126,872,293
		Sale		165,885,379	90,346,797
				367,961,545	217,219,090
	24.2.2	Commitments in respect of forward government securities transactions			
		Purchase		3,216,623	13,660,947
		Sale		2,306 3,218,929	14,274,714 27,935,661
	24.2.3	Commitments in respect of derivatives		0,210,020	21,000,001
		FX options (notional)			
		Purchase		675,887	1,378,370
		Sale		675,887 1,351,774	1,378,370 2,756,740
		Cross Currency Swaps (notional)			
		Purchase Sale		4,717,910 4,823,747	4,026,814 4,185,049
				9,541,657	8,211,863
		Interest Rate Swaps (notional) Purchase		316,500	316,500
				11,209,931	11,285,103

MCB Bank Limited & Subsidiary Companies



Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

		Unaudited September 30, 2019 Rupee	Audited December 31, 2018 es in '000
24.2.4	Commitments in respect of operating leases		
	Not later than one year	-	1,219,754
	Later than one year and not later than five years	-	3,779,911
	Later than five years	-	2,256,814
		-	7,256,479
24.2.5	Other commitments		
	Commitments to extent credit	1,036,531	2,221,317

Other than those mentioned above, the group makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.

24.3	Other contingent liabilities	Note	Unaudited September 30, 2019 Rupee	Audited December 31, 2018 es in '000
	Claims against the Bank not acknowledged as debts	24.3.1	22,788,644	17,038,156

24.3.1 These represent certain claims by third parties against the Group which are being contested in the Courts of law. The management is of the view that these relate to the normal course of business and the possibility of an outflow of economic resources is remote.

24.4 Taxation

For assessment year 1988-89 through tax year 2018, the tax department disputed Bank's treatment on certain issues, where the Bank's appeals are pending at various appellate forums, entailing an additional tax liability of Rs. 1,549 million (2018: Rs. 1,399 million). Such issues inter alia principally include disallowance of expenses for non deduction of withholding tax and non availability of underlying records, provision for non performing loans, attribution of expenses to heads of income other than income from business and disallowance of credit for taxes paid in advance / deducted at source.

The Bank has filed appeals which are pending at various appellate forums. In addition, certain decisions made in favour of the Bank are being contested by the department at higher forums. No provision has been made in the financial statements regarding the aforesaid additional tax demand and already issued favourable decisions where the department is in appeal, as the management is of the view that the issues will be decided in the Bank's favour as and when these are taken up by the Appellate Authorities.

25. DERIVATIVE INSTRUMENTS

DERIVATIVE INST	RUMENTS					
			Unaudited Septe	ember 30, 2019		
	Cross Curr	ency Swaps	Interest R	ate Swaps	FX Op	otions
	Notional Principal	Mark to market gain / loss	Notional Principal	Mark to market gain / loss	Notional Principal	Mark to market gain / loss
Total			Rupees	s in'000		
Hedging	4,717,910	1,409,892	316,500	15,999	675,887	7,902
Market Making	4,823,747	(1,447,622)	-	-	675,887	(7,902)
			Audited Decen	nber 31, 2018		
			Rupees	s in'000		
Total	4 000 044	705 447	040 500	44 774	1 070 070	40.000
Hedging Market Making	4,026,814 4,185,049	725,117 (751,040)	316,500 -	14,771 -	1,378,370 1,378,370	48,090 (48,090)



Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

			Vine months period ended September 30, 2019	Nine months period ended September 30, 2018
		Note	Rupee	es in '000
26 .	MARK-UP/RETURN/INTEREST EARNED			
	Loans and advances		47,017,183	28,314,008
	Investments		54,078,594	32,309,858
	Lendings to financial institutions		3,966,818	715,950
	Balances with banks		470,719	201,434
			105,533,314	61,541,250
27.	MARK-UP/RETURN/INTEREST EXPENSED			
	Deposits		49,047,775	22,118,703
	Borrowings		7,485,997	3,526,912
	Subordinated debt		213,604	223,137
	Cost of foreign currency swaps against foreign currency deposits / bo	orrowings		
	Unwinding cost of liability against right-of-use assets	Jiromiigo	2,069,364	523,382
	onwinding cost of hability against right-or-use assets		691,958	-
			59,508,698	26,392,134
28.	FEE & COMMISSION INCOME			
	Branch banking customer fees		1,372,760	1,845,481
	Consumer finance related fees		255,436	197,626
	Card related fees (debit and credit cards)		2,266,082	1,935,707
	Credit related fees Investment banking fee		166,728 631,867	135,137 576,290
	Commission on trade		1,123,661	1,111,394
	Commission on guarantees		474,953	326,899
	Commission on cash management		455,214	446,576
	Commission on remittances including home remittances		868,780	731,277
	Commission income - Bancassurance		1,049,005	844,653
	Rent on lockers		186,711	178,038
	Commission on utility bills		75,544	78,519
	Commission on investments services		40,314	36,682
	Other Commission		81,488	175,803
			9,048,543	8,620,082
29.	GAIN ON SECURITIES, NET			
	Realised	29.1	(145,064)	976,041
	Unrealised - held for trading	10.1	(41,815)	(34,804)
			(186,879)	941,237
	29.1 Realised (loss) / gain on:			
	Federal Government Securities		(11,684)	120,981
	Shares		(133,380)	855,060
			(145,064)	976,041
30	OTHER INCOME			
	Rent on property		38,590	11,682
	Gain on sale of fixed assets and non-banking assets acquired	-net	76,803	317,445
	Compensation on delayed tax refunds		-	86,862
			115,393	415,989

MCB Bank Limited & Subsidiary Companies



Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

	Note		e months period led September 30, 2019	Nine months period ended September 30, 2018
31. OPERATING EXPENSES	Note		Rupee	s in '000
Total compensation expense	31.1		12,862,709	12,999,179
Property expense				
Rent and taxes			434,206	1,808,480
Insurance			42,592	55,687
Utilities cost			943,437	877,092
Fuel expense generators			391,316	376,164
Security (including guards)			1,219,627	1,285,705
Repair and maintenance (including janitorial charge	c)		772,240	693,774
	5)			033,774
Depreciation on right-of-use assets			1,193,657	407 507
Depreciation			463,551	407,587
Information to share low avalance			5,460,626	5,504,489
Information technology expenses Software maintenance			1,004,683	815,328
Hardware maintenance			315,422	300,965
Depreciation			540,765	623,840
Amortisation			290,609	264,476
Network charges			526,016	500,353
Insurance			3,852	4,706
			2,681,347	2,509,668
Other operating expenses			_,,.	_,,
Directors' fees and allowances			37,531	26,919
Remuneration to shariah board members			6,136	7,322
Legal and professional charges			274,976	266,295
Outsourced services costs			625,063	998,842
Travelling and conveyance			292,018	322,159
NIFT clearing charges			121,995	123,231
Depreciation			637,897	626,058
Depreciation on non-banking assets acquired in sat	isfaction of claim	s	34,815	37,258
Training and development			41,390	45,546
Postage and courier charges			247,133	240,565
Communication			302,952	262,481
Stationery and printing			557,039	546,682
Marketing, advertisement & publicity			636,017	526,946
Donations			100	696
Auditors' remuneration			33,351	37,761
Cash transportation charges			566,184	555,827
Repair and maintenance			272,685	336,237
Subscription			20,306	29,669
Entertainment			197,530	196,041
Remittance charges			182,462	139,537
Brokerage expenses			32,225	22,942
Card related expenses			694,580	537,876
CNIC verification charges			168,755	96,806
Insurance Others			1,130,507	485,962
			266,906 7,380,553	226,331
			28,385,235	<u>6,695,989</u> 27,709,325
			20,000,200	21,109,325

31.1 Comparative numbers include pension cost amounting to Rs. 1,903.117 million on account of increase in pension by the Honourable Supreme Court.



Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

	Nine months period	Nine months period
Note	ended September	ended September
	30, 2019	30, 2018

------Rupees in '000------

32. OTHER CHARGES

Penalties of State Bank of Pakistan VAT & National Building tax & Crop Insurance Levy	39,998 131,884 171,882	8,819 98,208 107,027
33. PROVISIONS / (REVERSALS) & WRITE OFFS - NET		
(Reversals) / provisions against balance with Banks	188	2,684
Provisions / (reversals) for diminution in value of investments 10.2.1	2,422,971	295,800
Reversals against loans & advances 11.3	(449,546)	(1,910,064)
Reversals against other assets 14.2.1	(27,915)	(714,499)
Recovery of written off / charged off bad debts	(122,605)	(198,639)
Bad debts written off directly	-	30
	1,823,093	(2,524,688)
34. TAXATION		
Current	10,739,355	8,529,570
Prior years	450,124	-
Deferred	(1,752)	103,294
Share of tax of associates	139,431	193,959
	11,327,158	8,826,823

35. BASIC AND DILUTED EARNINGS PER SHARE

Profit after tax attributable to Equity Shareholders of the B	lank
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Weighted average number of ordinary shares

Basic and diluted earnings per share

Rupeee	
16,152,480	13,575,688
Num	ber
1,185,060,006	1,185,060,006
Rup	ees
13.63	11.46

------Rupees in '000------

MCB Bank Limited & Subsidiary Companies



Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

36. FAIR VALUE MEASUREMENTS

The fair value of traded investments is based on quoted market prices, except for tradable securities classified by the Group as 'held to maturity'. Quoted securities classified as held to maturity are carried at amortised cost. Fair value of unquoted equity investments other than investments in associates is determined on the basis of break up value of these investments as per the latest available financial statements.

Fair value of fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments.

In the opinion of the management, the fair value of the financial assets and financial liabilities are not significantly different from their carrying values since assets and liabilities are either short-term in nature or re-priced over short term.

36.1 Fair value of financial assets

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Valuation techniques used in determination of fair valuation of financial instruments within level 2

ltem	Valuation approach and input used
Federal Government securities	The fair values of Federal Government securities are determined using the PKRV rates.
Term Finance and Bonds	Investments in debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Foreign exchange contracts	The valuation has been determined by interpolating the mid rates announced by the State Bank of Pakistan.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currency involved, interest rates, yield curves, volatilities, contracts duration etc.
Operating fixed assets (land and building) & NBA	Land and buildings are revalued every three years using professional valuers on the panel of Pakistan Banker's Association. The valuation is based on their assessment of market value of the properties.

The Group's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer occurred. There were no transfers between levels 1 and 2 during the year.

(a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in listed ordinary shares and units of mutual funds.

(b) Financial instruments in level 2

Financial instruments included in level 2 comprise of Sukuk Bonds, Pakistan Investment Bonds, Market Treasury Bills, Term Finance certificates, FX options, Cross Currency Swaps, Interest Rate Swaps and Forward Exchange Contracts.

(c) Financial instruments in level 3

Currently, no financial instruments are classified in level 3.

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Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. For financial assets, the Group essentially carries its investments in debt and equity securities at fair values. Valuation of investments is carried out as per guidelines specified by the SBP. In case of non-financial assets, the Group has adopted revaluation model (as per IAS 16) in respect of land and building.

			ted September 30, 2		
	Carrying value	Level 1	Level 2 Rupeesin '000	Level 3	Total
On balance sheet financial instruments					
Financial assets - measured at fair value nvestments					
Federal Government Securities	808,666,164	-	808,666,164	-	808,666,164
Shares	16,432,975	16,432,975	-	-	16,432,975
Non-Government Debt Securities	2,572,066		2,572,066	-	2,572,066
Foreign Securities	3,611,443	-	3,611,443	-	3,611,443
inancial assets - disclosed but not measured at fa	air value				
nvestments (HTM, unlisted ordinary shares and					
ssociates)	41,965,951	-	-	-	-
ash and balances with treasury banks	114,646,150	-	-	-	-
alances with other banks	18,385,679	-	-	-	-
endings to financial institutions	14,192,852	-	-	-	-
dvances	548,253,680	-	-	-	-
other assets	45,764,226	-	-	-	-
Ion - Financial Assets measured at fair value					
Operating fixed assets (land and buildings)	35,500,939	-	35,500,939	-	35,500,939
lon-banking assets	4,072,821	-	4,072,821	-	4,072,82
off-balance sheet financial instruments - measured at f					
orward purchase of foreign exchange	202,076,166	-	2,348,690	-	2,348,690
orward sale of foreign exchange	165,885,379	-	1,097,300	-	1,097,300
Perivatives purchase	5,710,297	-	1,433,793	-	1,433,793
Derivatives sale	5,499,634	-	1,455,524	-	1,455,524
		Audite	ed December 31, 20)18	
	Carrying value	Level 1	Level 2	Level 3	Total
	ourrying value	Lever	LOVOIL	LOVOID	10101
			Rupeesin '000		
In balance sheet financial instruments					
inancial assets - measured at fair value					
inancial assets - measured at fair value nvestments					
inancial assets - measured at fair value			Rupeesin '000		688,686,786
inancial assets - measured at fair value nvestments Federal Government Securities	688,686,786	 -	Rupeesin '000		688,686,786 19,041,266
inancial assets - measured at fair value nvestments Federal Government Securities Shares	688,686,786 19,041,266	 -	Rupeesin '000 688,686,786 -	 - -	688,686,786 19,041,266 2,528,08 ⁻
inancial assets - measured at fair value nvestments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities inancial assets - disclosed but not measured	688,686,786 19,041,266 2,528,081 2,522,454	 -	Rupeesin '000 688,686,786 - 2,528,081	 	688,686,786 19,041,266 2,528,081
inancial assets - measured at fair value ivestments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities inancial assets - disclosed but not measured	688,686,786 19,041,266 2,528,081 2,522,454	 -	Rupeesin '000 688,686,786 - 2,528,081	 	688,686,786 19,041,266 2,528,081
inancial assets - measured at fair value nvestments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities inancial assets - disclosed but not measured air value	688,686,786 19,041,266 2,528,081 2,522,454	 -	Rupeesin '000 688,686,786 - 2,528,081	 	688,686,786 19,041,266 2,528,081
inancial assets - measured at fair value investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities inancial assets - disclosed but not measured air value investments (HTM, unlisted ordinary shares and	688,686,786 19,041,266 2,528,081 2,522,454 d at	 -	Rupeesin '000 688,686,786 - 2,528,081	 	688,686,786 19,041,266 2,528,081
inancial assets - measured at fair value nvestments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities inancial assets - disclosed but not measured air value nvestments (HTM, unlisted ordinary shares and ssociates)	688,686,786 19,041,266 2,528,081 2,522,454 d at 41,607,188	 -	Rupeesin '000 688,686,786 - 2,528,081	 	688,686,786 19,041,266 2,528,081
Financial assets - measured at fair value nvestments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured air value nvestments (HTM, unlisted ordinary shares and associates) Cash and balances with treasury banks	688,686,786 19,041,266 2,528,081 2,522,454 d at 41,607,188 110,165,006	 -	Rupeesin '000 688,686,786 - 2,528,081	 	688,686,786 19,041,266 2,528,08 ⁻
Financial assets - measured at fair value nvestments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured air value nvestments (HTM, unlisted ordinary shares and associates) Cash and balances with treasury banks Balances with other banks	688,686,786 19,041,266 2,528,081 2,522,454 d at 41,607,188 110,165,006 13,338,117	 -	Rupeesin '000 688,686,786 - 2,528,081	 	688,686,786 19,041,266 2,528,08 ⁻
inancial assets - measured at fair value nvestments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities inancial assets - disclosed but not measured air value nvestments (HTM, unlisted ordinary shares and ssociates) Cash and balances with treasury banks talances with other banks endings to financial institutions	688,686,786 19,041,266 2,528,081 2,522,454 d at 41,607,188 110,165,006 13,338,117 39,149,890	 -	Rupeesin '000 688,686,786 - 2,528,081	 	688,686,786 19,041,266 2,528,081
inancial assets - measured at fair value investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities inancial assets - disclosed but not measured air value investments (HTM, unlisted ordinary shares and ssociates) ash and balances with treasury banks ialances with other banks endings to financial institutions dvances	688,686,786 19,041,266 2,528,081 2,522,454 d at 41,607,188 110,165,006 13,338,117 39,149,890 566,792,265	 -	Rupeesin '000 688,686,786 - 2,528,081	 	688,686,786 19,041,266 2,528,081
inancial assets - measured at fair value nvestments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities inancial assets - disclosed but not measured air value nvestments (HTM, unlisted ordinary shares and ssociates) Cash and balances with treasury banks talances with other banks endings to financial institutions dvances Other assets	688,686,786 19,041,266 2,528,081 2,522,454 d at 41,607,188 110,165,006 13,338,117 39,149,890 566,792,265 38,208,613	 -	Rupeesin '000 688,686,786 - 2,528,081	 	688,686,786 19,041,266 2,528,081
inancial assets - measured at fair value investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities inancial assets - disclosed but not measured air value investments (HTM, unlisted ordinary shares and ssociates) ash and balances with treasury banks talances with other banks endings to financial institutions dvances other assets Ion - Financial Assets measured at fair value	688,686,786 19,041,266 2,528,081 2,522,454 d at 41,607,188 110,165,006 13,338,117 39,149,890 566,792,265 38,208,613	 -	Rupeesin '000 688,686,786 - 2,528,081 2,522,454 - - - - - - - - - - - - - - - -	 	688,686,786 19,041,266 2,528,08 ² 2,522,454 - - - - - - -
inancial assets - measured at fair value investments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities inancial assets - disclosed but not measured air value investments (HTM, unlisted ordinary shares and ssociates) ash and balances with treasury banks ialances with other banks endings to financial institutions dvances other assets Ion - Financial Assets measured at fair value operating fixed assets (land and buildings)	688,686,786 19,041,266 2,528,081 2,522,454 d at 41,607,188 110,165,006 13,338,117 39,149,890 566,792,265 38,208,613 34,894,351	 -	Rupeesin '000 688,686,786 - 2,528,081 2,522,454 - - - - - 34,894,351	 	688,686,786 19,041,266 2,528,08 2,522,454 - - - - - - - - - - - - - - - - - -
inancial assets - measured at fair value nvestments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities inancial assets - disclosed but not measured air value nvestments (HTM, unlisted ordinary shares and ssociates) Cash and balances with treasury banks balances with other banks endings to financial institutions dvances other assets Ion - Financial Assets measured at fair value Operating fixed assets (land and buildings) Ion-banking assets	688,686,786 19,041,266 2,528,081 2,522,454 d at 41,607,188 110,165,006 13,338,117 39,149,890 566,792,265 38,208,613 34,894,351 4,035,114	 -	Rupeesin '000 688,686,786 - 2,528,081 2,522,454 - - - - - - - - - - - - - - - -	 	688,686,786 19,041,266 2,528,08 2,522,454 - - - - - - - - - - - - - - - - - -
inancial assets - measured at fair value vestments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities inancial assets - disclosed but not measured air value nvestments (HTM, unlisted ordinary shares and ssociates) ash and balances with treasury banks valances with other banks endings to financial institutions dvances other assets ther assets Ion - Financial Assets measured at fair value Operating fixed assets (land and buildings) Ion-banking assets Off-balance sheet financial instruments - mea	688,686,786 19,041,266 2,528,081 2,522,454 d at 41,607,188 110,165,006 13,338,117 39,149,890 566,792,265 38,208,613 34,894,351 4,035,114	 -	Rupeesin '000 688,686,786 - 2,528,081 2,522,454 - - - - - 34,894,351	 	688,686,786 19,041,266 2,528,08 2,522,454 - - - - - - - - - - - - - - - - - -
inancial assets - measured at fair value nvestments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities inancial assets - disclosed but not measured investments (HTM, unlisted ordinary shares and ssociates) ash and balances with treasury banks endings to financial institutions dvances ther assets Ion - Financial Assets measured at fair value operating fixed assets (land and buildings) Ion-banking assets Off-balance sheet financial instruments - measured air value	688,686,786 19,041,266 2,528,081 2,522,454 d at 41,607,188 110,165,006 13,338,117 39,149,890 566,792,265 38,208,613 34,894,351 4,035,114 sured at	 -	Rupeesin '000 688,686,786 - 2,528,081 2,522,454 - - - - - - 34,894,351 4,035,114	 	688,686,786 19,041,266 2,528,08 2,522,454 - - - - - - - - - - - - - - - - - -
inancial assets - measured at fair value vestments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities inancial assets - disclosed but not measured air value vestments (HTM, unlisted ordinary shares and ssociates) ash and balances with treasury banks alances with other banks endings to financial institutions dvances bther assets lon - Financial Assets measured at fair value operating fixed assets (land and buildings) lon-banking assets off-balance sheet financial instruments - measured air value orward purchase of foreign exchange	688,686,786 19,041,266 2,528,081 2,522,454 d at 41,607,188 110,165,006 13,338,117 39,149,890 566,792,265 38,208,613 34,894,351 4,035,114 sured at 126,872,293	 -	Rupeesin '000 688,686,786 - 2,528,081 2,522,454 - - - - 34,894,351 4,035,114 3,477,211	 	688,686,786 19,041,266 2,528,084 2,522,454 - - - 34,894,351 4,035,114 3,477,211
Financial assets - measured at fair value nvestments Federal Government Securities Shares Non-Government Debt Securities Foreign Securities Financial assets - disclosed but not measured air value nvestments (HTM, unlisted ordinary shares and ussociates) Cash and balances with treasury banks Balances with other banks Lendings to financial institutions Advances Other assets Joher assets Joher assets Joher assets Don-Financial Assets measured at fair value Doperating fixed assets (land and buildings) Jon-banking assets Diff-balance sheet financial instruments - meas air value Forward purchase of foreign exchange	688,686,786 19,041,266 2,528,081 2,522,454 d at 41,607,188 110,165,006 13,338,117 39,149,890 566,792,265 38,208,613 34,894,351 4,035,114 sured at	 -	Rupeesin '000 688,686,786 - 2,528,081 2,522,454 - - - - - - 34,894,351 4,035,114	 	
Shares Non-Government Debt Securities	688,686,786 19,041,266 2,528,081 2,522,454 d at 41,607,188 110,165,006 13,338,117 39,149,890 566,792,265 38,208,613 34,894,351 4,035,114 sured at 126,872,293	 -	Rupeesin '000 688,686,786 - 2,528,081 2,522,454 - - - - 34,894,351 4,035,114 3,477,211	 	688,686,786 19,041,266 2,522,081 2,522,454 - - - - - - - - - - - 34,894,351 4,035,114 3,477,211 3,452,374

MCB Bank Limited & Subsidiary Companies



Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

37 SEGMENT INFORMATION

37.1 Segment details with respect to business activities

The segment analysis with respect to business activity is as follows:

					ed nine months peri					
	Retail Banking	Consumer	Corporate	Treasury	Islamic Banking	Asset	others	Sub-total	Eliminations	Total
		banking	Banking		Rupees	Management i n '000				
Profit & Loss										
Net mark-up/return/profit	(34,490,737)	2,885,940	27,474,071	47,124,717	2,953,895	1,931	74,799	46,024,616	-	46,024,616
Inter segment revenue - net	69,577,999	(1,890,012)	(22,984,879)	(50,444,377)	-	-	5,741,269	-	-	-
Non mark-up / return / interest income Total Income	4,660,583 39,747,845	1,493,471 2,489,399	3,102,397 7,591,589	1,682,229 (1,637,431)	186,009 3,139,904	507,405 509,336	764,905 6,580,973	12,396,999 58,421,615	· <u> </u>	12,396,999
Segment direct expenses	15,915,278	995,574	1,392,277	229,179	3,335,812	438,492	6,801,946	29,108,558	-	29,108,558
Inter segment expense allocation	-	-	-	-	-	-	-	-		-
Total expenses	15,915,278	995,574	1,392,277	229,179	3,335,812	438,492	6,801,946	29,108,558		29,108,558
Provisions	(101,780)	(24,517)	511,130	2,219,990	212,480	-	(994,210)	1,823,093		1,823,093
Profit before tax	23,934,347	1,518,342	5,688,182	(4,086,600)	(408,388)	70,844	773,237	27,489,964	-	27,489,964
Balance Sheet Cash & Bank balances	51,191,029	36 138	22,119,861	45 406 858	13 125 783	77.881	1,074,279	133,031,829		133,031,829
Investments	-	-	19,600,841	832,727,876	16,352,916	1,019,950	3,547,016	873,248,599		873,248,599
Net inter segment lending	935,440,599	-	-	-	-	-	146,730,669	1,082,171,268	(1,082,171,268)	-
Lendings to financial institutions	-	-	236,308	4,984,880	8,971,664	-	-	14,192,852		14,192,852
Advances - performing	101,097,655	24,549,973	354,859,641	-	57,230,560	-	406,866	538,144,695		538,144,695
- non performing	1,307,200	56,284	8,136,521	-	360,938	-	248,042	10,108,985		10,108,985
Others Total Assets	46,277,005	1,700,335	26,143,199 431,096,371	6,974,584	10,833,063	1,012,314	18,884,484	2 762 723 212	- (1,082,171,268)	111,824,984
	1,133,313,400	20,042,700	431,080,371	030,054,150	100,074,924	2,110,145	110,091,330	2,102,123,212	(1,002,171,208)	1,000,001,944
Borrowings	39,995,865	-	9,083,274	150,017,997	8,742,853	-	491,939	208,331,928	-	208,331,928
Subordinated debt	-	-	-	-	-	-	-	-	-	-
Deposits & other accounts	1,052,195,653	41,771	92,876,077	-	81,133,637	-	(68,237)	1,226,178,901		1,226,178,90
Net inter segment borrowing	-	24,084,747	308,949,322	737,866,748	9,793,456	1,476,995	-	1,082,171,268	(1,082,171,268)	-
Others	43,121,970	2,216,212	20,187,698	2,209,453	7,204,978	633,150	14,879,156	90,452,617		90,452,617
Total liabilities	1,135,313,488	26,342,730	431,096,371	890,094,198	106,874,924	2,110,145	15,302,858	2,607,134,714	(1,082,171,268)	1,524,963,446
Equity	-	-	-	-	-	-	155,588,498	155,588,498	-	155,588,498
Total Equity & liabilities	1,135,313,488	26,342,730	431,096,371	890,094,198	106,874,924	2,110,145	170,891,356	2,762,723,212	(1,082,171,268)	1,680,551,944
Contingencies & Commitments	102,948,379		221,296,382	373,742,125		13,598,955	24,659,250	736,245,091	·	736,245,091
Contingencies & Communents	102,340,373		221,230,302	515,142,125		13,330,333	24,033,230	130,243,031		130,243,031
				Lin-sudit	ed nine months peri	ad and ad Contam	hor 20, 2019			
				Oll-audi	eu nine montins pen	od ended Septem	Del 30, 2018			
	Retail Banking	Consumer	Corporate	Treasury	Islamic Banking	Asset	others	Sub-total	Eliminations	Total
	Retail Banking	Consumer banking	Corporate Banking		Islamic Banking	Asset Management		Sub-total	Eliminations	Total
Profit & Loss	Retail Banking				Islamic Banking	Asset		Sub-total	Eliminations	Total
Profit & Loss Net mark-up/return/profit	(12,617,572)				Islamic Banking	Asset Management	others 59,562	Sub-total 35,149,116	Eliminations	Total 35,149,116
Net mark-up/return/profit Inter segment revenue - net	(12,617,572) 34,441,515	banking 1,725,086 (496,713)	Banking 15,665,854 (11,740,734)	Treasury 29,152,827 (26,299,503)	Islamic Banking Rupees 1,161,780 -	Asset Management i n '000 1,579 -	others 59,562 4,095,435	35,149,116	Eliminations -	35,149,116
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income	(12,617,572) 34,441,515 5,173,323	banking 1,725,086 (496,713) 1,244,222	Banking 15,665,854 (11,740,734) 2,869,155	Treasury 29,152,827 (26,299,503) 2,911,123	Islamic Banking Rupees 1,161,780 - 260,113	Asset Management i n '000 1,579 - 527,110	others 59,562 4,095,435 74,135	35,149,116 - 13,059,181	Eliminations - - -	35,149,116
Net mark-up/return/profit Inter segment revenue - net	(12,617,572) 34,441,515	banking 1,725,086 (496,713)	Banking 15,665,854 (11,740,734)	Treasury 29,152,827 (26,299,503)	Islamic Banking Rupees 1,161,780 -	Asset Management i n '000 1,579 -	others 59,562 4,095,435	35,149,116	Eliminations 	35,149,116
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income Total Income	(12,617,572) 34,441,515 <u>5,173,323</u> 26,997,266	banking 	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275	Treasury 29,152,827 (26,299,503) 2,911,123 5,764,447	Islamic Banking Rupees 1,161,780 - 260,113 1,421,893	Asset Management i n '000 1,579 - 527,110 528,689	59,562 4,095,435 74,135 4,229,132	35,149,116 - 13,059,181	Eliminations 	35,149,116 - - - - - - - - - - - - - - - - - -
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income	(12,617,572) 34,441,515 5,173,323	banking 1,725,086 (496,713) 1,244,222	Banking 15,665,854 (11,740,734) 2,869,155	Treasury 29,152,827 (26,299,503) 2,911,123	Islamic Banking Rupees 1,161,780 - 260,113	Asset Management i n '000 1,579 - 527,110	others 59,562 4,095,435 74,135	35,149,116 - - - - - - - - - - - - - - - - - -	Eliminations 	35,149,116 - - - - - - - - - - - - - - - - - -
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985	banking 1,725,086 (496,713) 1,244,222 2,472,595 1,017,572 - 1,017,572	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797	Treasury 29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 - 218,110	Islamic Banking Rupees 1,161,780 - - 260,113 1,421,893 2,121,294 2,121,294	Asset Management i n '000 1,579 - 527,110 528,689	0thers 59,562 4,095,435 4,229,132 7,733,899 7,733,899	35,149,116 - - - - - - - - - - - - - - - - - -	Eliminations 	35,149,116 - - 13,059,18 48,208,29 28,282,65 - - 28,282,65
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses Provisions	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 	banking 1,725,086 (496,713) 1,244,222 2,472,595 1,017,572 - 1,017,572 (43,687)	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 (1,166,605)	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 	Islamic Banking Rupees 1,161,780 	Asset Management i n '000 1,579 - 527,110 528,689 379,000 -	others 59,562 4,095,435 74,135 4,229,132 7,733,899 (1,087,365)	35,149,116 - - - - - - - - - - - - - - - - - -	Eliminations	35,149,110 - - - - - - - - - - - - - - - - - -
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985	banking 1,725,086 (496,713) 1,244,222 2,472,595 1,017,572 - 1,017,572	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797	Treasury 29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 - 218,110	Islamic Banking Rupees 1,161,780 - - 260,113 1,421,893 2,121,294 2,121,294	Asset Management i n '000 1,579 - 527,110 528,689 379,000	0thers 59,562 4,095,435 4,229,132 7,733,899 7,733,899	35,149,116 - - - - - - - - - - - - - - - - - -	Eliminations	35,149,116
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses Provisions	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 	banking 1,725,086 (496,713) 1,244,222 2,472,595 1,017,572 - 1,017,572 (43,687)	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 (1,166,605)	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 	Islamic Banking Rupees 1,161,780 - 260,113 1,421,893 2,121,294 2,121,294 495,201 (1,194,602)	Asset Management i n '000 1,579 - 527,110 528,689 379,000 -	others 59,562 4,095,435 74,135 4,229,132 7,733,899 (1,087,365)	35,149,116 - - - - - - - - - - - - - - - - - -	Eliminations	35,149,116 - 13,059,181 48,208,297 28,282,657 - 28,282,657 (2,524,686
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 	banking 1,725,086 (496,713) 1,244,222 2,472,595 1,017,572 - 1,017,572 (43,687)	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 (1,166,605)	29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 	Islamic Banking Rupees 1,161,780 - 260,113 1,421,893 2,121,294 2,121,294 495,201 (1,194,602)	Asset Management i n '000 1,579 - 527,110 528,689 379,000 - 149,689	others 59,562 4,095,435 74,135 4,229,132 7,733,899 (1,087,365)	35,149,116 - - - - - - - - - - - - - - - - - -	Eliminations	35,149,116 - - - - - - - - - - - - - - - - - -
Net mark-up/return/profit Inder segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inder segment expenses allocation Total expenses Provisions Provisions Profit before tax Balance Sheet	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 15,627,985 (503,660) 11,872,941	banking 1,725,086 (496,713) 1,244,222 2,472,595 1,017,572 (43,687) 1,498,710	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 	Treasury 29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 	Islamic Banking Rupees 1,161,780 260,113 1,421,893 2,121,294 495,201 (1,194,602) Audited Dece	Asset Management i n '000 1.579 - 527,110 528,689 379,000 379,000 379,000 - 149,689 mber 31, 2018	others 59,562 4,095,435 74,135 4,229,132 7,733,899 1(087,3869) (2,417,402)	35,149,116 - - - - - - - - - - - - - - - - - -		35,149,116 13,059,18 48,208,29 28,282,65 - - 28,282,65 - - 28,282,65 - - 28,282,65 - - - 28,282,65 - - - 28,282,65 - - - - - - - - - - - - -
Net mark-up/return/profit Inder segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inder segment expenses allocation Total expenses Profit before tax Balance Sheet Cash & Bank balances Investments Net inter segment lending	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 15,627,985 (503,660) 11,872,941	banking 1,725,086 (496,713) 1,244,222 2,472,595 1,017,572 (43,687) 1,498,710	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 (1,166,6905) 17,486,827 18,505,331	Treasury 29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 46,395,674 722,207,238	Islamic Banking 	Asset Management 1,579 - 527,110 528,689 379,000 379,000 379,000 149,689 mber 31, 2018 28,204	others 59,562 4,095,435 74,135 4,229,132 7,733,899 1(087,3869) (2,417,402)	35,149,116 		35,149,116
Net mark-up/retum/profit Inter segment revenue - net Non mark-up/ retum / interest income Total Income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax Balance Sheet Cash & Bank balances Investments Net Inter segment lending Lendings to financial institutions	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 - 838,293,767	banking 1.725,086 (496,713) 1.244,222 2.472,595 1.017,572 (43,687) 1.498,710 33,515 - -	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 - 1,502,544	Treasury 29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 46,395,674	Islamic Banking 	Asset Management 1,579 - 527,110 528,689 379,000 379,000 379,000 149,689 mber 31, 2018 28,204	others 59,562 4,095,435 74,135 4,229,132 7,733,899 (1,087,365) (2,417,402) 2,144,160 137,396,563	35,149,116 13,059,181 48,206,297 28,282,657 (2,524,689) 22,450,328 123,503,123 754,385,775 975,690,330 39,149,680		35,149,111 - - - - - - - - - - - - - - - - - -
Net mark-up/return/profit Inder segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inder segment expenses allocation Total expenses Provisions Profit before tax Balance Sheet Cash & Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 (603,660) 11,872,941 49,001,673 - 838,293,767 - 121,784,772	banking 1,725,086 (496,713) 1,244,222 2,472,595 1,017,572 	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 1,502,544 352,258,454	Treasury 29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 46,395,674 722,207,238	Islamic Banking 	Asset Management 1,579 - 527,110 528,689 379,000 379,000 379,000 149,689 mber 31, 2018 28,204	others 59,562 4,095,435 74,135 4,229,132 7,733,899 7,733,899 1(,067,365) (2,417,402) 2,144,160 137,396,563 - 303,738	35,149,116 13,059,181 48,208,297 28,282,657 28,282,657 12,524,688) 22,450,328 123,503,123 754,385,775 975,680,330 39,149,880 559,770,218		35,149,111
Net mark-up/return/profit Inter segment revenue - net Non mark-up/ return / interest income Total income Segment direct expenses Inter segment expenses allocation Total expenses Provisions Profit before tax Balance Sheet Cash & Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - non performing	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 	banking 1.725,086 (496,713) 1.244,222 2.472,595 1.017,572 (43,687) 1.4368,710 33,515 - - - 22,525,967 39,757	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 (1,166,805) 6,776,083 17,486,827 18,505,331 - 1,502,544 352,256,545 5,728,381	Treasury 29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 46,395,674 722,207,238 - 32,972,346 -	Islamic Banking 	Asset Management i n '000 527,100 528,689 379,000 379,000 	others 59,562 4,095,435 74,135 4,229,132 7,733,899 1,087,385,9 2,144,180 - 137,396,563 303,738 2,9,033	35,149,116 		35,149,110 13,059,18 48,208,297 28,282,65 22,450,322 123,503,12 754,385,777 -39,149,898 556,770,2149,898 556,770,212,04 -7,022,041 -7,022,0
Net mark-up/return/profit Inder segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inder segment expenses allocation Total expenses Provisions Profit before tax Balance Sheet Cash & Bank balances Investments Net Inter segment lending Lendings to financial institutions Advances - performing	(12,617,572) 34,447,515 5,173,323 28,997,266 15,627,985 (503,860) 11,872,941 49,001,673 49,001,673 49,001,673 13,8229,767 -121,784,772 1,214,697 31,327,269	banking 1,725,086 (496,713) 1,244,222 2,472,595 1,017,572 (43,687) 1,498,710 33,515 - - - 22,525,967 39,757 1,887,934	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 1,505,331 1,505,544 352,256,545 5,728,381 18,822,346	Treasury 29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 46,395,674 722,207,238	Islamic Banking 	Asset Management i n '000 527,110 528,689 379,000 379,000 149,689 mber 31, 2018 28,204 959,252 - - 1,114,256	others 59,562 4,005,435 74,135 4,229,132 7,733,899 7,733,899 (1,087,385) (2,417,402) 2,144,160 137,396,663 3,33,346,69,943	35,149,116 13,059,181 48,206,297 28,282,657 (2,524,688) 22,450,328 123,503,123 754,385,775 975,680,330 39,149,880 595,770,218 7,022,047 101,378,954	(975,690,330)	35,149,111 13,059,18 48,208,29 28,282,85 22,524,68 22,450,32 123,503,12 754,385,77 7,022,04 11,378,65 77,021 7,022,04
Net mark-up/retum/profit Inter segment revenue - net Non mark-up/ retum / interest income Total income Segment direct expenses Inter segment expenses allocation Total expenses Provisions Profit before tax Balance Sheet Cash & Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - non performing	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 	banking 1.725,086 (496,713) 1.244,222 2.472,595 1.017,572 (43,687) 1.4396,710 33,515 - - - 22,525,967 39,757	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 (1,166,805) 6,776,083 17,486,827 18,505,331 - 1,502,544 352,256,545 5,728,381	Treasury 29,152,827 (28,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 46,395,674 722,207,238 - 32,972,346 - 8,127,064	Islamic Banking 	Asset Management i n '000 527,100 528,689 379,000 379,000 	others 59,562 4,095,435 74,135 4,229,132 7,733,899 1,087,385, 2,144,160 - 137,396,563 303,738 2,9,033	35,149,116 		35,149,111 13,059,18 48,208,29 28,282,85 22,524,68 22,450,32 123,503,12 754,385,77 7,022,04 11,378,65 77,021 7,022,04
Net mark-up/retum/profit Inter segment revenue - net Non mark-up/ retum / interest income Total income Segment direct expenses Inter segment expenses allocation Total expenses Provisions Profit before tax Balance Sheet Cash & Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - non performing	(12,617,572) 34,447,515 5,173,323 28,997,266 15,627,985 (503,860) 11,872,941 49,001,673 49,001,673 49,001,673 13,8229,767 -121,784,772 1,214,697 31,327,269	banking 1,725,086 (496,713) 1,244,222 2,472,595 1,017,572 (43,687) 1,498,710 33,515 - - - - - - - - - - - - - - - - - -	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 1,505,331 1,505,544 352,256,545 5,728,381 18,822,346	Treasury 29,152,827 (28,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 46,395,674 722,207,238 - 32,972,346 - 8,127,064	Islamic Banking 	Asset Management i n '000 527,110 528,689 379,000 379,000 149,689 mber 31, 2018 28,204 959,252 - - 1,114,256	others 59,562 4,005,435 74,135 4,229,132 7,733,899 7,733,899 (1,087,385) (2,417,402) 2,144,160 137,396,663 3,33,346,69,943	35,149,116 13,059,181 48,206,297 28,282,657 (2,524,688) 22,450,328 123,503,123 754,385,775 975,680,330 39,149,880 595,770,218 7,022,047 101,378,954	(975,690,330)	35,149,111 13,059,18 44,208,29 28,282,85 22,2450,32 123,503,12 754,385,770,21 7,022,04 101,378,95 1,585,210,00
Net mark-up/return/profit Inter segment revenue - net Non mark-up/ return / interest income Total income Segment direct expenses Inter segment expenses allocation Total expenses Provisions Profit before tax Balance Sheet Cash & Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing Others Total Assets	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,572,945 49,001,673 - 838,293,767 - 121,784,772 1,214,697 31,327,269 1,041,622,178	banking 1.725,086 (496,713) 1.244,222 2.472,595 1.017,572 	Banking 15,665,854 (11,740,734) 2,869,155 6,754,275 1,184,797 1,184,797 1,166,805) 6,776,083 17,486,827 18,505,331 1,502,544 352,258,545 5,728,381 18,828,346 414,309,974	Treasury 29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 46,395,674 722,207,238 46,395,674 722,207,238 8,127,064 8,127,064	Islamic Banking 	Asset Management i n '000 527,110 528,689 379,000 379,000 149,689 mber 31, 2018 28,204 959,252 - - 1,114,256	others 59,562 4,095,435 74,135 4,229,132 7,733,899 - 7,733,899 (1,087,365) (2,417,402) 2,144,160 - 303,738 24,659,943 174,533,437	35,149,116 13,059,181 48,206,297 28,282,657 (2,524,688) 22,450,328 123,503,123 754,385,775 975,690,330 39,149,880 559,770,218 7,022,048 7,022,	(975,690,330)	35,149,111 13,059,18 48,208,29 28,282,85 22,450,32 123,503,12 754,385,770,21 7,022,04 11,378,95 1,585,210,00 223,216,111
Net mark-up/return/profit Inter segment revenue - net Non mark-up/ return / interest income Total income Segment direct expenses Inter segment expenses allocation Total expenses Provisions Profit before tax Balance Sheet Cash & Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing Others Total Assets Borrowings Subordinated debt Deposits & other accounts	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,572,945 49,001,673 - 838,293,767 - 121,784,772 1,214,697 31,327,269 1,041,622,178	banking 1,725,086 (496,713) 1,244,222 2,472,595 1,017,572 (43,687) 1,496,710 33,515 - - - 22,525,967 39,757 1,867,934 24,487,173 - - - - 5,556	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 - 1,502,544 352,258,545 5,728,381 18,828,346 414,309,974 9,172,202 - 79,196,248	Treasury 29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 46,395,674 722,207,238 32,972,346 8,127,064 809,702,322 170,542,175	Islamic Banking 	Asset Management i n '000 527,110 528,889 379,000 379,000 149,689 959,252 - - - 1,114,256 2,101,712 - -	others 59,562 4,095,435 74,135 4,229,132 7,733,899 7,733,899 (1,087,365) (2,417,402) 2,144,160 - 137,396,563 - 303,738 29,033 34,669,943 174,533,437 407,714	35,149,116 13,059,181 48,208,297 28,282,657 (2,524,688) 22,450,328 123,503,123 754,385,775 975,690,330 39,149,880 559,770,218 7,022,447 101,378,954 2,560,900,337 223,216,115 223,216 223,	(975,690,330)	35,149,111
Net mark-up/return/profit linder segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expenses allocation Total expenses Provisions Provisions Provisions Balance Sheet Cash & Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - non performing Others Total Assets Borrowings Subordinated debt Deposits & other accounts Net inter segment borrowing	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 (603,660) 11,872,941 49,001,673 - 838,293,767 - 121,784,772 1,214,687 - 1,214,687 - 1,214,687 - - 121,784,772 - - 121,784,772 - - - - - - - - - - - - - - - - - -	banking 1,725,086 (496,713) 1,244,222 2,472,595 1,017,572 (43,687) 1,498,710 33,515 - - - 22,525,967 39,757 1,887,934 24,487,173 - - 16,556 22,478,042	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 17,486,827 18,505,331 15,02,544 352,258,545 5,728,381 18,822,834 414,309,974 9,172,202 - 79,196,248 307,402,415	Treasury 29.152.827 (26.299,503) 2,911,123 5,764,447 218,110 (218,572) 5,784,909 46,395,674 722,207,238 - 32,972,346 - 32,972,346 - - - - - - 634,247,181	Islamic Banking 	Asset Management i n '000 527,110 528,689 379,000 379,000 149,689 mber 31, 2018 28,204 959,252 - - - 1,114,256 2,101,712 - - 1,455,816	others 59,562 4,005,435 74,135 4,229,132 7,733,889 7,733,889 1,1067,365 2,144,160 2,144,160 - 137,396,553 303,738 29,033 34,669,943 174,533,437 407,714 3,891,019 24,366 -	35,149,116 13,059,181 48,208,287 28,282,687 (2,524,688) 22,450,328 123,503,123 754,385,775 975,680,330 39,149,890 559,770,218 7,022,047 101,378,954 2,560,900,337 223,216,115 3,881,019 1,122,306,535 975,680,330	(975,690,330)	35,149,110 13,059,18 48,208,295 28,828,255 28,828,255 22,450,322 123,503,122 123,503,122 123,503,122 123,503,122 1,556,210,007 23,216,111 3,891,011 1,122,306,533
Net mark-up/return/profit Inter segment revenue - net Non mark-up/return / interest income Total income Segment direct expenses Inter segment sepanse allocation Total expenses Provisions Profit before tax Baince Sheet Cash & Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing Others Total Assets Borrowings Subodrimated debt Deposite & other accounts Net inter segment borrowing Others	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 - 838,293,767 - 1,21,784,772 1,214,697 31,327,269 1,041,622,178 35,293,396 - 969,799,371 - 36,522,411	banking 1,725,086 (496,713) 1,244,222 2,472,595 1,017,572 	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 1,184,797 (1,166,697 (1,166,697 17,486,827 18,505,331 1,502,544 352,256,545 5,728,381 18,828,346 414,309,974 9,172,202 - 79,196,248 307,402,415 18,559,109	Treasury 29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 46,395,674 722,207,238 46,395,674 722,207,238 8,127,064 809,702,322 170,542,175 634,247,181 4,912,966	Islamic Banking 	Asset Management i n '000 527,110 528,689 379,000 379,000 149,689 mber 31, 2018 28,204 959,252 - - 1,114,256 2,101,712 - 1,455,816 645,896	others 59,562 4,095,435 74,135 4,229,132 7,733,899 1,087,365) (2,417,402) 2,144,160 - 303,738 2,9033 34,659,943 174,533,437 407,714 3,801,019 24,366 18,887,459	35,149,116 13,059,181 44,206,297 28,282,657 (2,524,688) 22,450,328 123,503,123 754,385,775 975,680,330 39,149,890 559,770,218 7,022,467 101,378,954 2,260,900,337 223,216,115 3,891,019 1,122,306,535 975,690,330 84,473,459	(975,690,330) (975,690,330) (975,690,330) (975,690,330)	35,149,111 13,059,18 44,208,29 28,282,65 (2,524,68 22,450,322 123,503,12 754,385,77 7,022,45 1,585,210,007 1,585,210,007 1,585,210,007 1,585,210,007 1,223,216,111 3,891,010 1,122,306,533 - 84,473,35 - 84,473,35 -
Net mark-up/return/profit Inter segment revenue - net Non mark-up / return / Interest income Total Income Segment direct expenses Investment expenses allocation Total expenses Provisions Profit before tax Balance Sheet Cash & Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing Others Total Assets Borromgs Subordinated debt Deposits & Other accounts Net inter segment borrowing Others Total liabilities	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 (603,660) 11,872,941 49,001,673 - 838,293,767 - 121,784,772 1,214,687 - 1,214,687 - 1,214,687 - - 121,784,772 - - 121,784,772 - - - - - - - - - - - - - - - - - -	banking 1,725,086 (496,713) 1,244,222 2,472,595 1,017,572 (43,687) 1,498,710 33,515 - - - 22,525,967 39,757 1,887,934 24,487,173 - - 16,556 22,478,042	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 17,486,827 18,505,331 15,02,544 352,258,545 5,728,381 18,822,834 414,309,974 9,172,202 - 79,196,248 307,402,415	Treasury 29.152.827 (26.299,503) 2,911,123 5,764,447 218,110 (218,572) 5,784,909 46,395,674 722,207,238 - 32,972,346 - 32,972,346 - - - - - - 634,247,181	Islamic Banking 	Asset Management i n '000 527,110 528,689 379,000 379,000 149,689 mber 31, 2018 28,204 959,252 - - - 1,114,256 2,101,712 - - 1,455,816	others 59,562 4,005,435 74,135 4,229,132 7,733,899 1,087,365) 2,144,160 2,144,160 2,144,160 3,34,659,943 174,533,437 407,714 3,881,019 24,366 - 18,887,459 23,210,558	35,149,116 13,059,181 48,206,297 28,282,657 (2,524,688) 22,450,328 123,503,123 754,385,775 975,680,330 39,149,890 559,770,218 7,022,047 101,378,954 2,560,900,337 223,216,115 3,891,019 2,2409,577,458	(975,690,330)	35,149,116 13,059,181 14,208,297 28,282,657 28,282,657 22,458,887 123,503,122 754,385,775 - 39,149,887 7,022,447 101,378,955 1,585,210,007 223,216,115 3,881,016 1,122,306,538 1,122,306,535 1,433,887,755 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,455 1
Net mark-up/return/profit Inder segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inder segment expenses allocation Total expenses Provisions Provisions Provisions Balance Sheet Cash & Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing Others Total Assets Borrowings Subordinated debt Deposits & other accounts Net inter segment borrowing Others Total Instituties	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 (603,660) 11,872,941 49,001,673 - 838,293,767 121,784,772 1,214,697 131,327,289 1,041,622,178 35,293,396 - 969,799,371 1,041,622,178	banking 1.725,086 (496,713) 1.244,222 2.472,595 1.017,572 - - - - 22,525,967 39,757 1.847,934 24,487,173 - - - - - - - - - - - - - - - - - - -	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 (1,166,605) 6,776,083 17,486,827 18,505,331 15,502,544 352,256,545 5,728,381 18,828,346 414,309,974 9,172,202 -79,196,248 307,402,415 18,539,109 414,309,974	Treasury 29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 46,395,674 722,207,238 72,395,674 722,207,238 72,395,674 722,207,238 72,395,674 722,207,238 72,395,674 722,207,238 72,395,674 72,207,238 72,395,674 72,207,238 74,477 7	Islamic Banking 	Asset Management i n '000 527,110 528,689 379,000 149,689 mber 31, 2018 28,204 959,252 - - - 1,114,256 2,101,712 - 1,455,816 645,896 2,101,712	others 59,562 4,095,435 74,135 4,229,132 7,733,899 (1,087,385) 2,144,160 2 137,396,562 303,788 29,033 34,659,943 174,533,437 407,714 3,881,019 24,366 23,210,558 151,322,879	35,149,116 13,059,181 48,208,297 28,282,657 28,282,657 28,282,657 12,524,689 22,450,328 123,503,123 754,385,775 975,680,330 59,770,218 7,022,047 101,378,954 2,560,900,337 223,216,115 3,891,019 1,122,306,535 975,680,330 8,4473,459 2,409,577,458 151,322,879 2,409,577,458	(975,690,330) (975,690,330) (975,690,330) (975,690,330) (975,690,330)	35,149,116
Net mark-up/return/profit Inter segment revenue - net Non mark-up/return / Interest income Total income Segment direct expenses Inter segment expenses allocation Total expenses Provisions Profit before tax Balance Sheet Cash & Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing Others Total Assets Borrowings Subordinated debt Deposits & Other accounts Net inter segment borrowing Others Total labilities	(12,617,572) 34,441,515 5,173,323 26,997,266 15,627,985 (503,660) 11,872,941 49,001,673 - 838,293,767 - 1,21,784,772 1,214,697 31,327,269 1,041,622,178 35,293,396 - 969,799,371 - 36,522,411	banking 1,725,086 (496,713) 1,244,222 2,472,595 1,017,572 	Banking 15,665,854 (11,740,734) 2,869,155 6,794,275 1,184,797 1,184,797 1,184,797 (1,166,697 (1,166,697 17,486,827 18,505,331 1,502,544 352,256,545 5,728,381 18,828,346 414,309,974 9,172,202 - 79,196,248 307,402,415 18,559,109	Treasury 29,152,827 (26,299,503) 2,911,123 5,764,447 218,110 (218,572) 5,764,909 46,395,674 722,207,238 46,395,674 722,207,238 8,127,064 809,702,322 170,542,175 634,247,181 4,912,966	Islamic Banking 	Asset Management i n '000 527,110 528,689 379,000 379,000 149,689 mber 31, 2018 28,204 959,252 - - 1,114,256 2,101,712 - 1,455,816 645,896	others 59,562 4,005,435 74,135 4,229,132 7,733,899 1,087,365) 2,144,160 2,144,160 2,144,160 3,34,659,943 174,533,437 407,714 3,881,019 24,366 - 18,887,459 23,210,558	35,149,116 13,059,181 48,206,297 28,282,657 (2,524,688) 22,450,328 123,503,123 754,385,775 975,680,330 39,149,890 559,770,218 7,022,047 101,378,954 2,560,900,337 223,216,115 3,891,019 2,2409,577,458	(975,690,330) (975,690,330) (975,690,330) (975,690,330)	35,149,116 13,059,181 14,208,297 28,282,657 28,282,657 22,458,887 123,503,122 754,385,775 - 39,149,887 7,022,447 101,378,955 1,585,210,007 223,216,115 3,881,016 1,122,306,538 1,122,306,535 1,433,887,755 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,435,875 1,455 1

37.2 Transactions between reportable segments are based on an appropriate transfer pricing mechanism using agreed rates. Furthermore, segment assets and liabilities include inter segment balances. Costs which are not allocated to segments are included in the Head office.

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amily their and <u>le</u> int per key and its dire efit plans. inship with its associ 8

RELATED PARTY TRANSACTIONS The Group has related party relationship The Group enters into transactions with and accruals in respect of staff retireme determined in accordance with the terms Details of tra

tions to icers is

Audited December 31, 2018	Un-audited September 30, 2019	
ndensed interim financial statements are as follows:	nsactions with related parties during the period, other than those which have been disclosed elsewhere in these consolidated condensed interim financial statements are as follows:	isactions with related parties during the period, other than those
the contribution plan. Remuneration to the executives / offic	i in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / offic in accordance with the terms of their appointment.	in respect of staff retirement benefits and other benefit plans a accordance with the terms of their appointment.
	iners line reliaced is with related parties in the ordinary course of business and off substantially the same terms as for comparative with person of similar standing. Contribution	Itels IIIO ITALISACIOLIS MILLIEIAEU DAILES III ILE OLUILIAI Y COLIS

MCB Bank Limited & Subsidiary Companies

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

Directors Machine int presonnel Associates Presonnel Other Relation Presonnel Directors Machine Resonnel Associates Presonnel Other Resonnel Associates Resonnel Other Resonnel Associates Resonnel Other Resonnel in the period / year before tax sociale Associales Other Resonnel Associales Or Associales Or Associales Associales Or Associales Or Associales Or Associales Associales			Un-audited September 30, 2019	ember 30, 2019			Audited December 31, 2018	nber 31, 2018	
International control of internatinternatinternational control of international control of intern		Directors	Key Management Personnel	Associates	Other Related Parties	Directors	Key Management Personnel	Associates	Other Related Parties
refore tax - <th< td=""><td></td><td></td><td></td><td></td><td>(Runee</td><td>(000)</td><td></td><td></td><td></td></th<>					(Runee	(000)			
ar before tax $-$ 4 (16,526) 254,253 $-$ 4 (46,239) ar before tax $ -$	Investments				nondex il	(000 III			
are before tax \cdot $374,280$ \cdot $446,27$ \cdot \cdot $(165,000)$ \cdot $(165,000)$ \cdot $(160,000)$ \cdot \cdot $(165,000)$ \cdot $(165,000)$ \cdot $(160,000)$ \cdot \cdot $(165,000)$ \cdot $(165,000)$ \cdot $(160,000)$ \cdot $ (165,000)$ \cdot $(165,000)$ \cdot $(160,000)$ \cdot $ (165,000)$ $ (160,000)$ $ (160,000)$ \cdot $ (101,010)$ $ (101,010)$ $ -$ <td>Opening balance</td> <td>•</td> <td>•</td> <td>4,019,526</td> <td>254,253</td> <td></td> <td>'</td> <td>4,456,239</td> <td>254,253</td>	Opening balance	•	•	4,019,526	254,253		'	4,456,239	254,253
income	Share of profit for the period / year before tax	•	•	374,289	•		'	446,257	•
come · (138,431) · · (219,04) r ·	Dividend from associate	•	•	(105,000)	•	•	'	(140,000)	•
nome \cdot $(22,761)$ \cdot $(22,761)$ \cdot \cdot \cdot $(22,761)$ $(22,761)$ \cdot \cdot \cdot $(20,164)$ $(21,164)$ \cdot \cdot $(0,11,0)$ \cdot $(0,11,61)$ \cdot \cdot $(10,0)$ \cdot $(10,0)$ \cdot $(10,11)$ $(10,11)$ \cdot $(22,545)$ $(23,332)$ $(14,123)$ $73,571$ $ 24,251$ $71,010$ \cdot $(166,257)$ $(166,257)$ $(14,123)$ $73,571$ $ 24,251$ $71,010$ $ (17,60,257)$ $(14,123)$ $73,571$ $ 23,33$ $168,331$ $ (78,62,67)$ $(14,12,3)$ $ 23,333$ $168,331$ $ (17,80,257)$ $ 23,333$ $14,323$ $73,571$ $ 14,124$ $14,123$ $73,571$ $-$ </td <td>Share of tax</td> <td>•</td> <td>•</td> <td>(139,431)</td> <td>•</td> <td></td> <td>•</td> <td>(219,045)</td> <td></td>	Share of tax	•	•	(139,431)	•		•	(219,045)	
r .	Share of other comprehensive income	•		(82,450)		•		(222,761)	•
of investments $ +$ $ +$ $ +$ $ -$	Disposal during the period / year	•	•	•	•		•	(301,164)	•
of investments $5,000$ \cdot $5,000$ \cdot	Closing balance	•	•	4,066,934	254,253			4,019,526	254,253
during the period/year 658 141,390 - 1,050,277 946 84,167 - 22,940 - - - 22,940 - - - 22,940 - - - 22,940 - - - 22,940 - - - 22,940 - - - 22,940 - - - 22,940 -	Provision for diminution in value of investments				5,000				5,000
during the period/ year 658 141,390 - 1,050,277 946 84,167 -	Advances								
	Opening balance	658		•	1,050,277	946	84,167	•	2,324,608
$ \bertod' year \\ \hline \bertod' $		24,251		•	1,633,281	14,723	73,571		6,640,565
· (569) · (794, 802) · 22,940 ainst advances 2,363 168,351 · 22,940 · 22,940 ainst advances 2,363 168,351 · 29,488 656 141,390 ainst advances - - - - 23,543 3101 ainst advance rent and other prepayments - - 3,852 · 5,049 - - ension Fund - - 3,535 37,221 -		(22,545)		•	(1,606,267)	(12,011)		'	(7,357,817)
2,363 168,351 - 282,488 658 141,390 ainst advances -	Transfer in / (out)	•	(5,689)	•	(794,802)	•	22,940	•	(557,079)
ainst advances - - - - - - ainst advances - - - - - - - ainst advances - - - - - - - - a - - - - - - - - - - a - - - - 35.375 37.221 - - - a - - - - 35.375 37.221 - - - ansin fund - - - - 3.661 - - - ansin fund - - - - 3.266.571 - - - ansis other assets - - - - - - - - ange adjustment during the period/ year - - - - - - - and endury over - - - - - - - - ange adjustment during the period/ year - - - - - - - and of year - -	Closing balance	2,363			282,488	658	141,390		1,050,277
a 3,352 5,049 3,101 is, advance rent and other prepayments - 3,375 37,221 - - ension Fund - - 35,375 37,221 - - - ension Fund - - 36,661 -	Provision held against advances		•	•	•				
a 3,822 5,049 7,21 7,101 its, advance rent and other prepayments - - 35,375 37,221 - - 101 ension Fund - - - 35,661 - <td>Other Assers</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Other Assers								
is, advance rent and other prepayments - - 35, 375 37, 221 - - Pension Fund - - - 58, 661 - - - Pension Fund - - - 3,256, 571 - - - - Pension Fund - - - - 3,256, 571 - - - ainst other assets - <	Markup receivable	•	3.852		5.049		3,101		25,538
Pension Fund Pension Fund Pension Fund Pension Fund Pension fund Pensiod/ year Period/ year Peri	Advances, deposits, advance rent and other prepayments		. •	35,375	37,221			86,579	30,620
Pension Fund	Acceptances	•	•	•	58,661	'			25,387
ainst other assets	Receivable from Pension Fund	'	•	•	3,256,571			•	3,815,170
ange adjustment during the period' year Period' year	Provision held against other assets	'	'	•				•	•
ange adjustment during the period' year	Borrowings								
· · ·	Opening balance	•	'	•	,	ı	•		993,755
	Borrowings / exchange adjustment during the period/ year		•	•	69,603		•	•	•
	Settled during the period/ year	•	-		-				(993,755)
	Closing balance			-	69,603		-	-	-

MCB Bank Limited & Subsidiary Companies

3,800,959 55,702,326 (56,301,430) 10,765

2,744,432 17,580,902 (16,985,487)

148,080 849,270 (851,481) 22.659

3,953,730 4,259,454 (4,457,255)

3,212,620 76,576,088 (76,955,192) (21,385)

3,339,847 10,095,154 (10,576,376)

168,528 820,537 (755,759) (53,324)

3,745,457 6,405,442 (9,573,179) (7,324)

Other Related Parties

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tors

Other Related Parties

Management Personnel

tors

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MCB

Bank for Life



Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

Other Liabilities								
Markup payable	10,225	25 396			32,342	282	15,968	36,943
Accrued expenses and other payable	6,765	35 -	61,565		7,299	•	78,922	884
Unrealized (gain) / loss on forward foreign exchange contracts - outstanding	1	'	1	(1,783)		'		
Contingencies and Commitments					'	'		
Commitments and contingent liabilities - outstanding	1		10,465		'		10,227	12,679,481
Forward foreign exchange contracts (Notional) - outstanding		'	•	3,842,252	ı	'	ı	ı
RELATED PARTY TRANSACTIONS								
	n-audited nir	Un-audited nine months period ended September 30, 2019	d ended Septem	ber 30, 2019	Un-audited ni	Un-audited nine months period ended September 30, 2018	ended Septem	ber 30, 2018
	Directors	Key Management	Associates	Other Related Parties	Directors	Key Management	Associates	Other Related Parties
		Personnel				Personnel		
-				(Rupeesin '000)-	(000, ui			
Income Markup / retum / interest earned		9.293		15.655	38	6.100	ı	61.235
Fee and commission income	1		901,335	9,167			795,831	5,977
Dividend income	ı	,	. 1	6,800	,	ı	. 1	6,800
Share of profit of associates	1	,	374,289	•			477,014	
(Loss) /gain on forward foreign exchange contracts matured during the period	ī			(75,278)	1		'	325,234
Net (loss) / gain on sale of securities	ī	,	(22)	10,993	,	ı	52	44,755
Gain on sale of fixed assets	ī	141	ı	ı	T	71	ı	ı
Rent income and reimbursement of other expenses	•	ı	6,646	3,038	'	'	2,736	2,430
Expense	116 000	004 1	100 211	100	100 701	077	01101	072 097
Markup / return / interest expensed	116,992	1,733	146,824	2692,221	137,291	1,449	0110/	169,748
Other Operating expenses Clearing expenses paid to NIFT		ı	ı	109.623	,	,		111.119
Contribution to provident fund	•		1	276,302	·		'	263,335
Rent expenses Cash sorting a wanses				29,385 115 201				38,212 116 867
Stationery expenses				179,654				163,951
Security guards expenses	- 200	- 100	ı	275,539	- 0.77	- 0.0	,	301,542
Remuneration to key executives and non-executive directors fee Outsourcing service expenses		307,19U	150.885			209,009 -	- 154.142	
E-dividend processing fee and CDC charges	•	ı	, '	4,658	'	'	, '	4,424
Travelling Expenses	•			25,160				30,952
Repair & Maintenance Charges				1,594				1,700
Advertisement Expenses	ı			8,352	'		'	
Miscellaneous expenses and payments	ı			1,739				577
Insurance prenimin-net or remind Insurance claim settled			53,178				199,920	
Other Transactions Proceeds from sale of fixed assets		141	1		1,999	3,202		
Purchase of fixed assets	1		26,373	20,003			9,687	
Sale of government securities	72,522	72,777	4,603,481	21,693,423		20,876	3,418,206	213,941,809
Purchase of government securities	•	58,956	5,412,133	13,183,004	1	19,993	4,756,004	214,052,477
Forward exchange contracts matured during the period	•			19,827,851			'	81,111,610
The Chairman has been provided with free use of the Group maintained car. The Chief Executive and certain executives are provided with free use of the Group's maintained cars and household equipment in accordance with the terms of their employment.	Chief Execut	ive and certain ex	ecutives are prov	ided with free use	of the Group's m	aintained cars and	household equip	ment

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Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

	Da
المعبيطناتهما	A dite d
Unaudited	Audited
September 30,	December 31
2019	2018

------Rupees in '000------

39 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

& L	IQUIDITY REQUIREMENTS	
39.1	Capital Adequacy	
	Minimum Capital Requirement (MCR):	
	Paid-up capital (net of losses)	11
	Capital Adequacy Ratio (CAR):	
	Eligible Common Equity Tier 1 (CET 1) Capital	129
	Eligible Additional Tier 1 (ADT 1) Capital	
	Total Eligible Tier 1 Capital	129
	Eligible Tier 2 Capital Total Eligible Capital (Tier 1 + Tier 2)	<u>16</u> 146
	Risk Weighted Assets (RWAs):	140
	Credit Risk	641
	Market Risk	94
	Operational Risk	116
	Total	852
	Common Equity Tier 1 Capital Adequacy ratio	
	Tier 1 Capital Adequacy Ratio	
	Total Capital Adequacy Ratio	
39.2	Leverage Ratio (LR):	
	Eligible Tier-1 Capital	129
	Total Exposures	2,083
	Leverage Ratio	
39.3	Liquidity Requirements	
	Liquidity Coverage Ratio (LCR):	
	Total High Quality Liquid Assets	710
	Total Net Cash Outflow	369
	Liquidity Coverage Ratio	
	Net Stable Funding Ratio (NSFR):	
	Total Available Stable Funding	1,024
	Total Required Stable Funding	714
	Net Stable Funding Ratio	

11,850,600	11,850,600
129,211,807	125,999,355
-	-
129,211,807	125,999,355
16,905,044	17,503,483
146,116,851	143,502,838
641,033,191	666,892,937
94,833,403	59,642,582
116,673,450	116,673,450
852,540,044	843,208,969
15.16%	14.94%
15.16%	14.94%
17.14%	17.02%
129,211,807	125,999,355
083,124,014	1,927,024,025
6.20%	6.54%
740 924 002	605 004 606
710,831,902	625,831,686
369,834,029	355,738,136
192.20%	175.92%
004 604 545	050 951 292
024,634,515	952,851,382
714,440,422	730,504,652

130.44%

143.42%

MCB Bank Limited & Subsidiary Companies

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019



The Group through a wholly owned subsidiary (MCB Islamic Bank Limited) is operating 178 branches in Pakistan (December 31, 2018: 176 branches). The statement of financial position of the Group's Islamic Banking Business as at September 30, 2019 is as follows:

	Note	Unaudited September 30, 2019 Ruper	Audited December 31, 2018 es in '000
ASSETS		rapor	
Cash and balances with treasury banks		8,607,384	6,990,369
Balances with other banks		4,518,399	1,422,701
Due from financial institutions	40.1	8,971,664	4,675,000
Investments - net	40.2	16,352,916	12,713,954
Islamic financing and related assets - net	40.3	57,591,498	62,907,204
Fixed assets		5,371,750	2,619,980
Intangible assets		546,021	524,791
Deferred tax assets - net		996,783	751,065
Other assets - net		5,047,058	2,258,686
Total Assets		108,003,473	94,863,750
LIABILITIES			
Bills payable		1,099,706	1,303,992
Due to financial institutions		8,742,853	7,800,628
Deposits and other accounts	40.4	81,133,637	73,307,185
Liabilities against assets subject to finance lease		-	-
Sub-ordinated debts		-	-
Deferred tax liabilities - net		-	-
Other liabilities		7,233,821	2,382,431
		98,210,017	84,794,236
NET ASSETS		9,793,456	10,069,514
REPRESENTED BY		11,000,000	11 000 000
Share capital		11,200,000	11,200,000
Reserves		26,444	26,444
Surplus on revaluation of assets - net of tax		129,504	132,272
Accumulated loss		(1,562,492)	(1,289,202)
		9,793,456	10,069,514
CONTINGENCIES AND COMMITMENTS	40.5		

Bank for Lif



Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

The profit and loss account of the Group's Islamic banking branches for the nine months period ended September 30, 2019 is as follows:

	Note	Quarter ended September 30, 2019	Nine months ended September 30, 2019	Quarter ended September 30, 2018	Nine months ended September 30, 2018
			Rupees	; in '000	
Profit / return earned	40.6	2,785,490	7,154,107	1,081,745	2,659,902
Profit / return expensed	40.7	1,565,466	4,200,212	587,645	1,498,122
Net Profit / return		1,220,024	2,953,895	494,100	1,161,780
Other income					
Fee and Commission Income		64,908	206,060	40,034	93,227
Dividend Income		13,082	57,089	3,326	44,845
Foreign Exchange Income		(37,527)	21,562	17,162	95,883
(loss) / Gain on securities		(69,986)	(113,063)	2,128	17,796
Other Income		4,985	14,361	3,246	8,362
Total other income		(24,538)	186,009	65,896	260,113
Total Income		1,195,486	3,139,904	559,996	1,421,893
Other expenses					
Operating expenses		1,091,784	3,311,671	942,030	2,118,113
Workers Welfare Fund		-	-	-	-
Other charges		24,124	24,141	3,181	3,181
Total other expenses		1,115,908	3,335,812	945,211	2,121,294
Profit / (loss) before provisions		79,578	(195,908)	(385,215)	(699,401)
Provisions and write offs - net		62,811	212,480	241,895	495,201
Profit / (loss) before taxation		16,767	(408,388)	(627,110)	(1,194,602)
Taxation		14,322	(134,465)	(217,621)	(414,756)
Profit / (loss) after taxation		2,445	(273,923)	(409,489)	(779,846)
1 DUE FROM FINANCIAL IN	STITUTIONS		Note	Unaudited September 30, 2019	Audited December 31, 2018
Secured Bai Muajjal receivable - w	ith State Bank of	Pakistan	40.1.1	3,371,664	-
Unsecured Musharaka arrangements			40.1.2	5,600,000 8,971,664	4,675,000 4,675,000

40.1.1 The includes average return of 10.35% per annum (December 31, 2018: Nil) having maturity at February 07, 2020 (December 31, 2018: Nil).

40.1.2 This represents Musharaka arrangements with banks carrying profit at expected rates ranging from 11.40% to12.50% per annum (December 31, 2018: 9.25% to 9.55% per annum) and having maturity till October 04, 2019.

MCB Bank Limited & Subsidiary Companies

31, 2018

30, 2019



Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019

Cost/ Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost /Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
1			Rupees in '000	in '000			
10,913,131		(23,206)	10,889,925	8,452,080		(41,163)	8,410,917
2,053,042	1,078,061	(63,759)	911,222	1,831,580	881,903	(43,325)	906,352
1,214,834		3,608	1,218,442	1,427,333	-	4,416	1,431,749
14,181,007	1,078,061	(83,357)	13,019,589	11,710,993	881,903	(80,072)	10,749,018
2,700,827		'	2,700,827	1,159,936		'	1,159,936
632,500		-	632,500	805,000	-	•	805,000
3,333,327	,	,	3,333,327	1,964,936	,		1,964,936
17,514,334	1,078,061	(83,357)	16,352,916	13,675,929	881,903	(80,072)	12,713,954
						Unaudited	Audited
						September 30,	December 31,
						zurs zure Rupees in '000	s in '000

Held-to-maturity securities Federal Government secur Non Government securities

Total Investments

Available-for-sale securi Federal Government se

Investments by type:

40.2

Non Government sec

Shares

assets Islamic financing and related



iishing Mush

4,269,903 19,441,575 19,057,417 1,258,046

9,611,839 2,632,139 45,705 4,814,554 19,979,660 19,182,389 1,366,289 1,366,289

62,922,064

(14,102) (14,860)

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1,793,878 4,118

taff finan

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provision

eral

nic financing and related assets - net of provision

40.1

40.5

40.6

40.7

40.8



Auditad

Insudited

(1,562,492)

(1,289,202)

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the nine months period ended September 30, 2019 Deposits 40.4

	Unaudited	Audited
	September 30,	December 31,
Customers	2019 Bupor	2018 es in '000
Current deposits	22,140,282	22,098,366
Savings deposits	36,572,539	31,340,514
Term deposits	9,115,871	5,144,378
Others	<u>3,011,852</u> 70,840,544	3,690,026 62,273,284
Financial Institutions	70,840,544	02,273,204
Current deposits	67,247	74,372
Savings deposits	6,441,946	5,885,028
Term deposits	3,783,900	5,074,501
	10,293,093	11,033,901
	81,133,637	73,307,185
Contingencies and Commitments		
-Guarantees	5,099,081	3,092,537
-Commitments	8,069,554	16,238,022
-Other contingent liabilities	430,320	425,820
····· ··· · · · · · · · · · · · · · ·	13,598,955	19,756,379
	Nine months ended	Nine months ended
	September 30,	September 30,
	2019	2018
	Rupee	es in '000
Profit/Return Earned of Financing, Investments and Placement		
Profit earned on:		
	5,461,889	2,095,590
Financing Investments		
	1,266,990	453,541
Musharaka arrangements with financial institutions	350,316	71,247
Deposits with financial institutions	74,912 7,154,107	39,524 2,659,902
	7,104,107	2,000,002
Profit on Deposits and other Dues Expensed		jj
Deposits and other accounts	3,556,997	998,574
Musharaka arrangements with the State Bank of Pakistan under IERS	35,543	16,938
Musharaka arrangements with other financial institutions	369,934	482,610
Musharaka arrangements with other institution	4,853	-
Unwinding of liability against ROU asset	232,885	
	4,200,212	1,498,122
	Unaudited	Audited
	September 30,	December 31,
	2019	2018
	Rupee	es in '000
Islamic Banking Business Unappropriated Profit		
Opening Balance	(1,289,202)	(194,065)
Movement during the period / year		
Add: Islamic Banking loss for the period / year	(408,388)	(1,680,213)
Less: Taxation	(134,465)	(584,231)
Add: Reserves	633	845
	(273,290)	(1,095,137)

Closing Balance

Turon Magood

Hammad Khalid **Chief Financial Office**



Salman Khalid Butt

Director





Bank for Life

41 EVENTS AFTER THE REPORTING DATE

For the nine months period ended September 30, 2019

MCB Bank Limited & Subsidiary Companies

The Board of Directors in its meeting held on October 17, 2019 has announced a cash dividend in respect of nine months period ended September 30, 2019 of Rs. 4.00 per share (September 30, 2018: Rs. 4.00 per share). These consolidated condensed interim financial statements for the period ended September 30, 2019 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

42 GENERAL

Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited)

43 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue by the Board of Directors of the Group in their meeting held on October 17, 2019.