

**1<sup>st</sup> February 2013**

### **MCB increases employees' salaries**

MCB Bank Ltd, the country's largest bank, has raised the salaries for its permanent clerical staff and guards along with increase in various allowances keeping in view the surging cost of living in the country.

A press release issued from the bank stated that the bank's management maintained its commitment towards welfare of their staff members and their families and announced increase on the account of marriages, children scholarship, maternity charges and funeral expenses.

MCB management and MCB Staff Union of Pakistan (CBA) signed today an agreement effective from January 1, 2013 for two years onwards after successful negotiation.

Usman Hassan, Group Head Human Resources, on behalf of MCB Management and Riafat Khan Jadoon, President MCB Staff Union of Pakistan, signed the agreement in a ceremony held at Principal Office, Lahore in the presence of Imran Maqbool, President, MCB Bank Ltd.

"The management decided to raise the salaries of the bank's clerical staff and guards considering the present inflationary pressures and the increasing cost of living that resulted in hardship for all segments of society," said Imran Maqbool, President, MCB Bank Ltd.

"MCB Bank always thinks for its employees' betterment and prosperity and I hope that they will get significant relief and keep on performing their duties honestly as a reciprocal gesture," he added.

Riafat Khan Jadoon, President MCB Staff Union of Pakistan (CBA) said that all MCB Bank employees are part of the success story of the bank and our prosperity lies with the growth and progress of the bank.

Usman Hassan, Group Head Human Resources Management, thanked both the management and union representatives for their efforts and hoped that this team spirit would strengthen relationship between employees and employer.

**7<sup>th</sup> February 2013**

### **MCB announces financial results, assets grew by 17% NPL reduced by 4%.**

The Board of Directors of MCB Bank Ltd has declared final cash dividend of Rs 3 and 10% bonus shares, in addition to interim cash dividends of Rs. 10 already paid for the year ended December 31, 2012, a statement of the bank said today.

Earnings per share (EPS) for the year came to Rs. 22.77 compared to Rs. 21.12 for December 31, 2011. Return on assets came to 2.95%, return on equity was recorded at 25.07% and book value per share improved to 95.84.

Total assets of MCB Bank Limited grew by 17% to Rs. 765.899 billion. The analysis of the asset mix highlights 27% increase in investments to Rs. 402.069 billion and 5% increase in gross advances to Rs.

262.392 billion. The quality of asset saw considerable improvement as the non-performing loans of the Bank reduced by 4% to Rs. 25.562 billion reflecting improvement in infection ratio as at December 31, 2012. The deposit base of the Bank grew by 11% closing at Rs. 545.061 billion with 18% increase in saving deposits, 13% increase in current deposits and 12% decrease in fixed deposits. CASA base, as a result has further strengthened to 85% compared to 81% last year.

Given the Bank's strong financial footing and market base, MCB Bank Limited long term rating has been upgraded to AAA from AA+ previously in a notification by The Pakistan Credit Rating Agency on February 4, 2013. The Bank is already on the highest slot for its short term rating of A1+ on PACRA's entity rating scale.

The Board of Directors met under the chairmanship of Mr. Mian Mohammad Mansha, on February 7, 2013 to review the performance of the Bank and approve the financial statements for the year ended December 31, 2012.

For the year 2012, the Bank reported profit before tax of Rs. 32.054 billion and profit after tax of Rs. 20.941 billion with an increase of 2% and 8%, respectively. Net markup income of the Bank was reported at Rs. 40.856 billion whereas non-markup income came to Rs. 9.153 billion. Non-markup income registered an increase of Rs. 1 billion (13%) owing to 16% increase in fee, commission and brokerage income and 19% increase in dividend income during the year.

The administrative block of the Bank registered an increase of 10% over 2011, which considering the inflationary pattern followed during the year, falls within the acceptable levels. The management has been successful in implementing central authorization levels and posting, ensuring control over expense growth. The provision charge of the Bank decreased significantly by Rs. 3.176 billion, primarily on the back of strengthened risk management framework.

## **7<sup>th</sup> February 2013**

### **“Epicenter of the global economy is now shifting to Asia”**

**New Delhi, 8 March:** Speaking at the Asia-Pacific CEO Forum organized by International Chamber of Commerce (ICC) in New Delhi today, the Chairman of Nishat Group and MCB Bank, Mian Mohammad Mansha stated that the epicenter of the global economy is now shifting to Asia, trends are clearly pointing to the shift of geopolitical, economic and financial power from the developed economies to the emerging markets of Asia.

The Forum which was also addressed by Indian ministers including Anand Sharma (Union Minister of Commerce and Industry and Textile) and Salman Khurshid (Minister of External Affairs), appreciated that this will have an increasing impact in the region as Asian economies contributed to nearly sixty percent of global growth in 2012 and the focus of the 21st century is shifting increasingly to Asia.

In his address Mian Mansha further stressed that a sound and efficient financial architecture is needed to take advantage of the potential in the Asia-Pacific region. In this context, he also emphasized the need for greater connectivity among the countries of the region, particularly in South Asia. To improve connectivity and ease of doing business, Mr. Mansha suggested opening bank branches in Pakistan and India by interested banks which meet the laid down criteria.

The ICC Asia Pacific CEO Forum's objective was to bring together senior business leaders from the region, and beyond, to discuss how the Asia-Pacific region can help stimulate the global economy. The purpose of the forum was to provide an opportunity for high level networking and exploring business connectivity with participation of around 60 CEOs from Asia Pacific, Europe, Middle East and US. The Forum intended to develop a high level policy message on key issues affective economic growth in the region to G20 leaders in advance of the 2013 G20 Summit in Russia.

Participating countries besides India and Pakistan were Australia, Bangladesh, China, Hong Kong, Indonesia, Japan, Korea, Macau, Malaysia, New Zealand, Philippines, Singapore, Sri Lanka, Thailand, France, Finland, US, Mexico.

### **13<sup>th</sup> March 2013**

#### **The Pakistan Credit Rating Agency (PACRA) has upgraded MCB Bank Rating from AA+ to AAA**

The Pakistan Credit Rating Agency (PACRA) has upgraded MCB Bank's Long Term Credit Rating from AA+ to AAA which defines the highest credit quality with lowest expectation of credit risk. Such rating is assigned only in case of exceptionally strong capacity for timely repayment of financial commitments and which is highly unlikely to be negatively affected by foreseeable events and reflects the top status on the PACRA rating mechanism.

The short term rating of the Bank is maintained at A1+ which is already the highest allocated rating in the grid. A1+ denotes the ability of the Bank to meet its obligation supported by the highest capacity for timely repayment.

This elevation is coherent with the well-defined organizational structure of the Bank, experienced Management, high standards of corporate governance, prudent risk management framework, improving asset quality, continuous investment in information technology, well established and well diversified branch network and strong absorption capacity. MCB Bank is one of the leading financial institutions of Pakistan with history of robust profitability ratios, highest capital adequacy, lowest cost of deposits and lowest infection ratios.

A comprehensive insight into our various groups setup and detailed assessment of relevant leadership in each area has been central to this upgrade. Given the current country rating, economic position and the weak monetary and fiscal governance, such an acknowledgement of performance of MCB Bank Limited is indeed a milestone.

**15<sup>th</sup> March 2013.**

### **Nishat hotel and shopping mall inaugurated**

**Lahore, 15 March:** Chairman Nishat Group Mian Muhammad Mansha has performed ground breaking of Nishat Hotel & Shopping Mall, a project on around 15 Acres(around 120 Kanals) by Nishat Hotels & Properties Limited, a Nishat Group company, in Lahore on Friday.

The project consists of a high quality state of the art hotel and shopping mall of international standard as well as large banquet hall catering to the needs of the surrounding areas. Located near Expo Center (Trade and Finance Center), M.A. Johar Town, the project will be completed within the next 2 to 3 years.

The proposed building has a covered areas of 2.75 million square feet comprising of 11 levels (i.e. eight floors plus ground plus three basements with adequate parking bays)housing 4 Star 100 beds hotel, banquet halls, shopping malls and stores with food courts, cineplex, health and leisure zones etc.