

SE-100(5F)2014/63  
October 21, 2014

**The Managing Director**

Karachi Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
**Karachi**

Fax: 021-111-573-329

**The Managing Director**

Lahore Stock Exchange Limited  
19, Khayaban-e-Aiwan-e-Iqbal Road  
P.O. Box No.1315  
**Lahore**

Fax: 042-36368485

**The Managing Director**

Islamabad Stock Exchange Limited  
ISE Towers, 55-B  
Jinnah Avenue, Blue Area  
**Islamabad**

Fax: 051-111-473-329

Sub: **FINANCIAL RESULTS – MCB BANK LIMITED**  
3<sup>RD</sup> QUARTER ENDED SEPTEMBER 30, 2014

Dear Sir(s)

We have to inform you that the Board of Directors of **MCB Bank Limited** in their Meeting held on **October 21, 2014 at 10:00 AM (Malaysian Standard Time), at 50<sup>th</sup> Floor, Menara Maybank, Kuala Lumpur, Malaysia**, recommended the following:

- (i) **CASH DIVIDEND**  
35% (i.e. PKR. 3.50 per share)
- (ii) **BONUS SHARES**  
Nil
- (iii) **RIGHT SHARES**  
Nil
- (iv) **ANY OTHER ENTITLEMENT/CORPORATE ACTION**  
Nil



(v) **ANY OTHER PRICE-SENSITIVE INFORMATION**

*Please refer to our earlier letter No.SE-100(5F)2013/59 dated November 01, 2013 in which we had informed Stock Exchanges that MCB Bank Ltd. was considering to expand its operations overseas through an acquisition of a small bank in Kenya and the State Bank of Pakistan had given its permission to MCB Bank to conduct due diligence of the target bank.*

*We wish to inform you that subsequent to the due diligence, MCB has decided, for commercial reasons, not to pursue this opportunity any more.*

The Financial Results approved by the Board of Directors of MCB Bank, are attached as **Annexure-A**.

The Share transfer books of the Bank will remain closed from **November 10, 2014 to November 18, 2014** (both days inclusive) subject to the approval of the Stock Exchange.

The Shareholders whose names appear in the Register of Members at the close of business on November 07, 2014, will be entitled to above entitlement. Transfer received at the office of Share Registrar, M/s THK Associates (Pvt.) Ltd, Ground Floor, State Life Building-3, Dr. Ziauddin Ahmed Road, Karachi, at the close of business on November 07, 2014, will be treated in time for the purpose of above entitlement to the transferees.

We will be sending 200 copies of printed Accounts for distribution amongst the members of the Exchange.

Yours truly



**Hammad Khalid**  
Division Head - Financial Control Group

Encl: **As above**

Cc: **London Stock Exchange**



**MCB Bank Limited**  
**Unconsolidated Condensed Interim Profit and Loss Account (Un-audited)**  
 Results for the nine months ended September 30, 2014

|                                                                                       | Quarter ended<br>September 30,<br>2014 | Nine months<br>ended<br>September 30,<br>2014 | Quarter ended<br>September 30,<br>2013 | Annexure A<br>Nine months<br>ended<br>September 30,<br>2013 |
|---------------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------------|----------------------------------------|-------------------------------------------------------------|
|                                                                                       | ----- (Rupees in '000) -----           |                                               |                                        |                                                             |
| Mark-up / return / interest earned                                                    | 19,212,031                             | 56,785,409                                    | 15,496,023                             | 48,470,937                                                  |
| Mark-up / return / interest expensed                                                  | 8,634,755                              | 24,771,279                                    | 5,814,262                              | 19,979,486                                                  |
| Net mark-up / interest income                                                         | 10,577,276                             | 32,014,130                                    | 9,681,761                              | 28,491,451                                                  |
| Provision / (reversal) against loans and advances - net                               | (393,138)                              | (1,332,339)                                   | (580,741)                              | (1,860,541)                                                 |
| Provision / (reversal) for diminution in the value of investments - net               | (37,261)                               | (78,010)                                      | 50,640                                 | 15,867                                                      |
| Bad debts written off directly                                                        | -                                      | 20                                            | -                                      | -                                                           |
|                                                                                       | (430,399)                              | (1,410,329)                                   | (530,101)                              | (1,844,674)                                                 |
| <b>Net mark-up / interest income after provisions</b>                                 | <b>11,007,675</b>                      | <b>33,424,459</b>                             | <b>10,211,862</b>                      | <b>30,336,125</b>                                           |
| <b>Non mark-up / interest income</b>                                                  |                                        |                                               |                                        |                                                             |
| Fee, commission and brokerage income                                                  | 1,708,383                              | 5,110,659                                     | 1,583,007                              | 4,848,210                                                   |
| Dividend income                                                                       | 230,416                                | 679,192                                       | 161,086                                | 667,986                                                     |
| Income from dealing in foreign currencies                                             | 306,169                                | 1,056,440                                     | 314,972                                | 611,342                                                     |
| Gain on sale of securities - net                                                      | 644,918                                | 1,273,415                                     | 555,613                                | 2,108,602                                                   |
| Unrealized gain / (loss) on revaluation of investments classified as held for trading | (5,133)                                | (5,133)                                       | (1,898)                                | 343                                                         |
| Other income                                                                          | 1,209,117                              | 1,435,005                                     | 98,250                                 | 316,628                                                     |
| Total non mark-up / interest income                                                   | 4,093,870                              | 9,549,578                                     | 2,711,030                              | 8,553,111                                                   |
|                                                                                       | 15,101,545                             | 42,974,037                                    | 12,922,892                             | 38,889,236                                                  |
| <b>Non-mark-up / interest expenses</b>                                                |                                        |                                               |                                        |                                                             |
| Administrative expenses                                                               | 5,184,604                              | 14,755,275                                    | 4,693,912                              | 12,638,127                                                  |
| Other provisions / (reversals)                                                        | 226                                    | 115,479                                       | 5,754                                  | (56,368)                                                    |
| Other charges                                                                         | 209,379                                | 596,161                                       | 175,110                                | 559,355                                                     |
| Total non mark-up / interest expenses                                                 | 5,394,209                              | 15,466,915                                    | 4,874,776                              | 13,141,114                                                  |
|                                                                                       | 9,707,336                              | 27,507,122                                    | 8,048,116                              | 25,748,122                                                  |
| Extraordinary / unusual item                                                          | -                                      | -                                             | -                                      | -                                                           |
| <b>Profit before taxation</b>                                                         | <b>9,707,336</b>                       | <b>27,507,122</b>                             | <b>8,048,116</b>                       | <b>25,748,122</b>                                           |
| Taxation - current period                                                             | 3,239,227                              | 9,150,116                                     | 2,707,951                              | 8,226,242                                                   |
| - prior years                                                                         | -                                      | -                                             | -                                      | -                                                           |
| - deferred                                                                            | 70,368                                 | 233,059                                       | 45,310                                 | 339,752                                                     |
|                                                                                       | 3,309,595                              | 9,383,175                                     | 2,753,261                              | 8,565,994                                                   |
| <b>Profit after taxation</b>                                                          | <b>6,397,741</b>                       | <b>18,123,947</b>                             | <b>5,294,855</b>                       | <b>17,182,128</b>                                           |
| Retained earnings brought forward                                                     | 43,401,093                             | 40,552,043                                    | 39,086,410                             | 35,424,921                                                  |
| Remeasurement of defined benefit plans - net of tax                                   | -                                      | 164,050                                       | -                                      | 165,960                                                     |
| Transfer from surplus on revaluation of fixed assets - net of tax                     | 11,907                                 | 35,721                                        | 8,947                                  | 26,841                                                      |
|                                                                                       | 43,413,000                             | 40,751,814                                    | 39,095,357                             | 35,617,722                                                  |
|                                                                                       | 49,810,741                             | 58,875,761                                    | 44,390,212                             | 52,799,850                                                  |
| <b>APPROPRIATIONS</b>                                                                 |                                        |                                               |                                        |                                                             |
| Transfer to:                                                                          |                                        |                                               |                                        |                                                             |
| Statutory reserve                                                                     | 639,774                                | 1,812,395                                     | 529,486                                | 1,718,213                                                   |
| Issue of bonus shares-Dec 31, 2013 @ 10 % (2012: 10%)                                 | -                                      | 1,011,846                                     | -                                      | 919,860                                                     |
| Final cash dividend 2013 @ Rs 3.5 per share - (2012: Rs.3.0)                          | -                                      | 3,541,461                                     | -                                      | 2,759,581                                                   |
| Cash dividend March 2014 @ Rs 3.0 per share - (March 2013: Rs.3.5)                    | -                                      | 3,339,092                                     | -                                      | 3,541,470                                                   |
| Cash Dividend June 2014 @ Rs. 3.5 per share - (June 2013: Rs. 3.5)                    | 3,895,608                              | 3,895,608                                     | 3,541,471                              | 3,541,471                                                   |
|                                                                                       | 4,535,382                              | 13,600,402                                    | 4,070,957                              | 12,480,595                                                  |
|                                                                                       | 45,275,359                             | 45,275,359                                    | 40,319,255                             | 40,319,255                                                  |
| Earnings per share - basic and diluted - Rupees                                       | 5.75                                   | 16.28                                         | 4.76                                   | 15.44                                                       |

**MCB Bank Limited & Subsidiary Companies**  
**Consolidated Condensed Interim Profit and Loss Account (Un-audited)**  
Results for the nine months ended September 30, 2014

|                                                                                       | Quarter ended<br>September 30,<br>2014 | Nine months<br>ended<br>September 30,<br>2014<br><small>----- (Rupees in '000) -----</small> | Quarter ended<br>September 30,<br>2013 | <i>Annexure A</i><br>Nine months<br>ended<br>September 30,<br>2013 |
|---------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------|--------------------------------------------------------------------|
| Mark-up / return / interest earned                                                    | 19,249,293                             | 56,880,918                                                                                   | 15,539,292                             | 48,568,414                                                         |
| Mark-up / return / interest expensed                                                  | 8,638,616                              | 24,779,511                                                                                   | 5,829,919                              | 20,001,581                                                         |
| Net mark-up / interest income                                                         | 10,610,677                             | 32,101,407                                                                                   | 9,709,373                              | 28,566,833                                                         |
| Provision / (reversal) against loans and advances - net                               | (395,822)                              | (1,327,978)                                                                                  | (580,741)                              | (1,860,541)                                                        |
| Provision / (reversal) for diminution in the value of investments - net               | (37,261)                               | (78,010)                                                                                     | 50,640                                 | 15,867                                                             |
| Bad debts written off directly                                                        | -                                      | 20                                                                                           | -                                      | -                                                                  |
|                                                                                       | (433,083)                              | (1,405,968)                                                                                  | (530,101)                              | (1,844,674)                                                        |
| <b>Net mark-up / interest income after provisions</b>                                 | <b>11,043,760</b>                      | <b>33,507,375</b>                                                                            | <b>10,239,474</b>                      | <b>30,411,507</b>                                                  |
| <b>Non mark-up / interest income</b>                                                  |                                        |                                                                                              |                                        |                                                                    |
| Fee, commission and brokerage income                                                  | 1,840,697                              | 5,510,906                                                                                    | 1,691,288                              | 5,173,538                                                          |
| Dividend income                                                                       | 230,416                                | 531,045                                                                                      | 161,086                                | 576,517                                                            |
| Income from dealing in foreign currencies                                             | 306,036                                | 1,056,429                                                                                    | 314,846                                | 611,533                                                            |
| Gain on sale of securities - net                                                      | 686,105                                | 1,313,223                                                                                    | 599,351                                | 2,136,936                                                          |
| Unrealized gain / (loss) on revaluation of investments classified as held for trading | (32,736)                               | 8,420                                                                                        | (34,403)                               | 11,138                                                             |
| Other income                                                                          | 1,209,159                              | 1,436,634                                                                                    | 100,170                                | 321,810                                                            |
| Total non mark-up / interest income                                                   | 4,239,677                              | 9,856,657                                                                                    | 2,832,338                              | 8,831,472                                                          |
|                                                                                       | 15,283,437                             | 43,364,032                                                                                   | 13,071,812                             | 39,242,979                                                         |
| <b>Non-mark-up / interest expenses</b>                                                |                                        |                                                                                              |                                        |                                                                    |
| Administrative expenses                                                               | 5,276,427                              | 15,052,591                                                                                   | 4,787,675                              | 12,917,262                                                         |
| Other provisions / (reversals)                                                        | 226                                    | 115,479                                                                                      | 5,754                                  | (56,368)                                                           |
| Other charges                                                                         | 209,476                                | 596,258                                                                                      | 175,149                                | 559,463                                                            |
| Total non mark-up / interest expenses                                                 | 5,486,129                              | 15,764,328                                                                                   | 4,968,578                              | 13,420,357                                                         |
| Share of profit of associates                                                         | 167,676                                | 425,114                                                                                      | 90,016                                 | 541,703                                                            |
|                                                                                       | 9,964,984                              | 28,024,818                                                                                   | 8,193,250                              | 26,364,325                                                         |
| Extraordinary / unusual item                                                          | -                                      | -                                                                                            | -                                      | -                                                                  |
| <b>Profit before taxation</b>                                                         | <b>9,964,984</b>                       | <b>28,024,818</b>                                                                            | <b>8,193,250</b>                       | <b>26,364,325</b>                                                  |
| Taxation - current period                                                             | 3,262,326                              | 9,206,509                                                                                    | 2,720,087                              | 8,264,278                                                          |
| - prior years                                                                         | -                                      | -                                                                                            | -                                      | -                                                                  |
| - deferred                                                                            | 25,268                                 | 271,384                                                                                      | 56,611                                 | 391,778                                                            |
| Share of tax of associates                                                            | 11,623                                 | 37,759                                                                                       | (10,595)                               | 38,267                                                             |
|                                                                                       | 3,299,217                              | 9,515,652                                                                                    | 2,766,103                              | 8,694,323                                                          |
| <b>Profit after taxation</b>                                                          | <b>6,665,767</b>                       | <b>18,509,166</b>                                                                            | <b>5,427,147</b>                       | <b>17,670,002</b>                                                  |
| Profit attributable to minority interest                                              | (25,957)                               | (77,851)                                                                                     | (17,247)                               | (53,860)                                                           |
| <b>Profit attributable to ordinary shareholders</b>                                   | <b>6,639,810</b>                       | <b>18,431,315</b>                                                                            | <b>5,409,900</b>                       | <b>17,616,142</b>                                                  |
| Retained earnings brought forward                                                     | 45,952,603                             | 43,038,094                                                                                   | 41,511,546                             | 37,530,955                                                         |
| Remeasurement of defined benefit plans - net of tax                                   | -                                      | 164,050                                                                                      | -                                      | 165,960                                                            |
| Transfer from surplus on revaluation of fixed assets - net of tax                     | 11,976                                 | 35,950                                                                                       | 9,008                                  | 27,035                                                             |
|                                                                                       | 45,964,579                             | 43,238,094                                                                                   | 41,520,554                             | 37,723,950                                                         |
|                                                                                       | 52,604,389                             | 61,669,409                                                                                   | 46,930,454                             | 55,340,092                                                         |
| <b>APPROPRIATIONS</b>                                                                 |                                        |                                                                                              |                                        |                                                                    |
| Transfer to:                                                                          |                                        |                                                                                              |                                        |                                                                    |
| Statutory reserve                                                                     | 639,774                                | 1,812,395                                                                                    | 529,486                                | 1,718,213                                                          |
| Issue of bonus shares-Dec 31, 2013 @ 10 % (2012: 10%)                                 | -                                      | 1,011,846                                                                                    | -                                      | 919,860                                                            |
| Final cash dividend 2013 @ Rs 3.5 per share - (2012: Rs.3.0)                          | -                                      | 3,541,461                                                                                    | -                                      | 2,759,581                                                          |
| Cash dividend March 2014 @ Rs 3.0 per share - (March 2013: Rs.3.5)                    | -                                      | 3,339,092                                                                                    | -                                      | 3,541,470                                                          |
| Cash Dividend June 2014 @ Rs. 3.5 per share - (June 2013: Rs. 3.5)                    | 3,895,608                              | 3,895,608                                                                                    | 3,541,471                              | 3,541,471                                                          |
|                                                                                       | 4,535,382                              | 13,600,402                                                                                   | 4,070,957                              | 12,480,595                                                         |
|                                                                                       | 48,069,007                             | 48,069,007                                                                                   | 42,859,497                             | 42,859,497                                                         |
| Earnings per share - basic and diluted - Rupees                                       | 5.99                                   | 16.56                                                                                        | 4.88                                   | 15.83                                                              |