

Notes to the Financial Statements

<b>30.00 Consolidated Legal Expense</b>		
Mutual Trust Bank Limited (Note-30.a)	4,723,622	3,369,120
MTB Securities Limited	-	-
MTB Capital Limited	-	-
MTB Exchange (UK) Limited	-	-
	<b>4,723,622</b>	<b>3,369,120</b>
<b>30.a Legal Expense</b>		
Legal Expense	4,723,622	3,369,120
	<b>4,723,622</b>	<b>3,369,120</b>
<b>31.00 Consolidated Postage, Stamp &amp; Telecommunication, etc.</b>		
Mutual Trust Bank Limited (Note-31.a)	15,857,195	13,658,948
MTB Securities Limited	900,049	746,806
MTB Capital Limited	111,000	113,358
MTB Exchange (UK) Limited	302,703	146,504
	<b>17,071,946</b>	<b>14,635,616</b>
<b>31.a Postage, Stamp &amp; Telecommunication, etc</b>		
Postage/Courier Service	5,819,842	4,562,828
Telephone	10,038,153	9,096,118
	<b>15,857,195</b>	<b>13,658,948</b>
<b>32.00 Consolidated Printing, Stationery and Advertisements etc.</b>		
Mutual Trust Bank Limited (Note-32.a)	133,856,048	123,118,858
MTB Securities Limited	1,202,701	1,071,163
MTB Capital Limited	211,267	279,460
MTB Exchange (UK) Limited	441,093	248,127
	<b>135,711,109</b>	<b>124,717,608</b>
<b>32.a Printing, Stationery and Advertisement etc.</b>		
Printing Stationery	35,117,867	32,359,568
Security Stationery	902,794	3,826,916
Computer Stationery	17,542,213	13,883,920
Petty & Table Stationery	16,761,443	14,753,718
Publicity & Advertisement	69,331,723	58,444,737
	<b>133,856,048</b>	<b>123,118,858</b>
<b>33.00 Consolidated Directors' Fees</b>		
Mutual Trust Bank Limited (Note-33.a)	1,766,400	1,996,400
MTB Securities Limited	554,400	669,300
MTB Capital Limited	658,833	675,000
MTB Exchange (UK) Limited	-	-
	<b>2,979,633</b>	<b>3,340,700</b>
<b>33.a Directors' Fees</b>		
Meeting fee	1,766,400	1,996,400
	<b>1,766,400</b>	<b>1,996,400</b>
Bank has paid BDT 8,000 as Honorarium according to the BRPD circular letter no. 11 dated 04 October 2015		
<b>34.00 Consolidated Auditors Fees</b>		
Mutual Trust Bank Limited (Note-34.a)	1,943,500	1,334,000
MTB Securities Limited	69,000	69,000
MTB Capital Limited	68,750	68,750
MTB Exchange (UK) Limited	388,549	366,855
	<b>2,469,799</b>	<b>1,838,605</b>
<b>34.a Auditors Fees</b>		
Annual Account	1,380,000	1,150,000
Quarterly Accounts	356,500	-
NOSTRO Account	92,000	69,000
IPFF Account	57,500	57,500
Corporate Governance	57,500	57,500
	<b>1,943,500</b>	<b>1,334,000</b>
<b>35.00 Consolidated depreciation and repair of bank's properties</b>		
Mutual Trust Bank Limited (Note-35.a)	624,703,789	455,800,221
MTB Securities Limited	6,786,348	7,374,775
MTB Capital Limited	951,162	1,090,592
MTB Exchange (UK) Limited	477,025	483,024
	<b>632,618,324</b>	<b>464,748,612</b>
<b>35.01 Consolidated depreciation of assets</b>		
Mutual Trust Bank Limited (Note-35.a)	497,584,315	328,823,296
MTB Securities Limited	6,442,790	6,908,513
MTB Capital Limited	682,462	800,767
MTB Exchange (UK) Limited	234,547	405,986
	<b>505,935,054</b>	<b>336,943,561</b>
<b>35.01.1 Consolidated Repair &amp; Maintenance of assets</b>		
Mutual Trust Bank Limited (Note-35.a)	127,119,474	126,976,925
MTB Securities Limited	343,618	463,262
MTB Capital Limited	267,700	284,825
MTB Exchange (UK) Limited	152,488	75,038
	<b>127,883,280</b>	<b>127,800,050</b>
<b>35.a Depreciation on &amp; Repairs of Bank's properties</b>		
Depreciation :		
Immovable Property	31,493,664	32,303,194
Furniture & Fixture	86,352,353	86,371,919
Office Equipments	202,171,134	161,279,548
Motor Vehicles	25,597,303	22,132,370
Intangible & Conveyance	36,460,027	26,738,265
Right off use Assets	115,599,238	115,599,238
	<b>497,584,315</b>	<b>328,823,296</b>
Repairs on bank's properties	127,119,474	126,976,925
	<b>624,703,789</b>	<b>455,800,221</b>
<b>36.00 Consolidated other expenses</b>		
Mutual Trust Bank Limited (Note-36.a)	1,175,960,389	883,127,014
MTB Securities Limited	17,050,852	15,180,525
MTB Capital Limited	3,113,182	2,942,537
MTB Exchange (UK) Limited	7,683,537	4,685,068
Less: Intragroup other expenses	(1,330,937)	(1,000,000)
	<b>1,200,477,023</b>	<b>904,935,144</b>
<b>36.a Other Expenses</b>		
Security & Auxiliary Service	222,399,462	180,471,454
Office Cleaning	65,098,155	47,362,080
Office Maintenance	26,149,598	21,312,861
Car Expense	265,098,071	209,864,380
Entertainment	76,474,450	49,599,459
Newspaper & Periodicals	1,121,788	1,412,404
Cleaning House Expense	65,850	465,290
Traveling & Conveyance	79,777,730	57,842,081
Bank Charge	4,636,168	7,620,995
Training Expense	13,815,549	11,744,999
Professional Fee	28,302,953	15,053,070
AGM Expense	789,829	636,485
Subscription & Donation	33,439,078	62,195,006
Reunion Charge	583,642	2,423,288
CDRL Charges	13,512,613	9,257,777
Fees & Registration	195,126,867	101,311,551
Business Development Expense	20,000,000	15,000,000
Contribution to MTB Foundation	881,897	729,400
Honorarium	23,612,863	22,085,318
Cash Carrying Expense	2,286,555	2,324,129
Contact Point Verification (CPV) Charges	2,952,517	2,324,100
Site Maintenance & Support Service	35,426,745	36,746,362
On-line and connectivity charges	253,603	763,073
NID Verification Charge	24,899,409	12,265,299
Agent Banking Post Sharing Commission	11,259,322	7,237,546
Loss on Sale of Fixed Assets	1,158,813,453	879,566,936
Offshore Banking Unit	17,946,936	3,560,077
	<b>1,175,960,389</b>	<b>883,127,014</b>
<b>37.00 Consolidated Provision for Loans, Investment &amp; Others</b>		
Provision for Classified Loans & Advances	178,272,083	2,223,528,000
Provision for Unclassified Loans and Advances	1,681,603,942	591,000
Provision for Off Balance Sheet Items	157,028,766	5,342,050
Provision for Margin Loan & Investment in Shares	97,232,333	103,000,000
Provision for Other Asset	26,246,000	10,000,000
	<b>2,140,383,124</b>	<b>2,342,469,050</b>
<b>37.a Provision for Loans, Investment &amp; Others</b>		
Provision for Classified Loans & Advances	178,272,083	2,223,528,000
Provision for Unclassified Loans and Advances	1,681,603,942	591,000
Provision for Off Balance Sheet Items	157,028,766	5,342,050
Provision for Investment in Shares	97,232,333	-
Provision for Other Asset	26,246,000	10,000,000
	<b>2,040,383,124</b>	<b>2,230,469,050</b>
<b>38.00 Consolidated Provision for Current Tax</b>		
Mutual Trust Bank Limited (Note-38.a)	1,614,341,025	1,027,312,331
MTB Securities Limited	32,109,036	-
MTB Capital Limited	13,212,394	20,537,777
MTB Exchange (UK) Limited	80,300	62,209
	<b>1,659,743,356</b>	<b>1,047,932,816</b>
<b>38.a Provision for Current Tax</b>		
Current tax	1,614,341,025	1,027,312,331
Total	<b>1,614,341,025</b>	<b>1,027,312,331</b>
<b>38.01 Consolidated Deferred Tax (Income) Expenses</b>		
Mutual Trust Bank Limited (Note-38.a.1)	101,700,024	(240,811,680)
MTB Securities Limited	243,633	321,418
MTB Capital Limited	(14,837)	(23,208)
MTB Exchange (UK) Limited	-	-
	<b>101,928,820</b>	<b>(240,513,470)</b>
<b>38.a.1 Provision for Deferred Tax</b>		
Deferred Tax (Note-38.a.3.2.1)	101,700,024	(240,811,680)
Total	<b>101,700,024</b>	<b>(240,811,680)</b>
* Deferred tax has been calculated as per "IAS-12 Income Taxes" and it is the timing differences arising from the carrying value of fixed assets.		
<b>39.00 Consolidated Earning Per Share (EPS)*</b>		
Consolidated Net Profit After Tax	1,337,787,557	1,734,445,786
Weighted average number of Ordinary Shares outstanding	<b>657,835,849</b>	<b>636,432,972</b>
<b>Earning Per Share (EPS)</b>	<b>2.03</b>	<b>2.73</b>
*Earnings per share has been calculated in accordance with IAS-33: Earnings Per Share (EPS).		
<b>39.a Earning Per Share (EPS)*</b>		
Net Profit After Tax	1,263,706,055	1,582,400,585
Weighted average number of Ordinary Shares outstanding	<b>657,835,849</b>	<b>636,432,972</b>
<b>Earning Per Share (EPS)</b>	<b>1.92</b>	<b>2.49</b>
*Earnings per share has been calculated in accordance with IAS-33: Earnings Per Share (EPS).		
<b>40.00 Consolidated Cash Received from Other Operational Income</b>		
Mutual Trust Bank Limited (Note-40.a)	931,824,908	950,936,642
MTB Securities Limited	32,941,552	73,603,808
MTB Capital Limited	22,200,252	44,737,012
MTB Exchange (UK) Limited	3,237,912	3,335,043
Less: Intragroup other operating income	(3,350,937)	(1,000,000)
	<b>960,873,685</b>	<b>1,071,412,265</b>
<b>40.a Cash Received from Other Operational Income</b>		
Handling charge	840,889	1,868,249
VISA	119,846,085	26,451,077
Service charge	15,248,085	141,946,091
Security Stationery Charge Recoveries	28,979,976	10,767,503
SWIFT charge recovery	510,114	380,213
SME Fees and Charges	23,890,133	20,239,137
Management fees	44,520,149	40,784,832
Early settlement and Loan processing fees	223,557,401	139,199,919
Charges against cards	12,779,271	10,188,970
NPSB Acquirer Income	4,294,186	4,440,779
Locker rent	101,877,760	28,767,187
Discount on Treasury Bill	244,795,772	409,482,515
Gain/(net off loss) from Trading in Govt. Securities	680,529	75,368
Capital Gain/(Loss) on investment in shares of quoted companies	2,000	-
Prime Bond	62,585,784	79,453,362
Miscellaneous income	16,388,881	12,929,869
Offshore Banking Unit	931,824,908	950,936,642

Notes to the Financial Statements

<b>41.00 Consolidated Cash Paid for Other Operational Expenses</b>		
Rent, Tax, Insurance and Electricity etc.	671,277,258	696,453,008
Legal Expense	4,723,622	3,369,120
Postage, Stamps, Telegram & Telecommunication etc.	17,071,946	14,635,616
Director's Fee	2,979,633	3,340,700
Auditors fees	2,469,799	1,838,605
Repair & Maintenance	127,883,280	127,800,050
Other Expenditure	1,169,117,851	882,597,288
	<b>1,995,623,199</b>	<b>1,730,034,897</b>
<b>41.a Cash Paid for Other Operational Expenses</b>		
Rent, Tax, Insurance and Electricity etc.	633,255,964	659,362,862
Legal Expense	4,723,622	3,369,120
Postage, Stamps, Telegram & Telecommunication etc.	15,857,195	13,658,948
Director's Fee	1,766,400	1,996,400
Auditors fees	1,943,500	1,334,000
Repair & Maintenance	127,119,474	126,976,925
Other Expenditure	1,148,700,017	860,199,468
	<b>1,929,367,172</b>	<b>1,667,467,722</b>
<b>42.00 Consolidated Reconciliation of cash flows from operating activities</b>		
Profit before provision	5,239,844,252	4,884,127,947
Adjustment for non cash items		
Depreciation on fixed assets	468,574,432	310,205,294
Amortization on software	36,460,622	26,738,265
	<b>505,035,054</b>	<b>336,943,561</b>
Adjustment with non-operating activities		
Recovery of written off loan	44,570,800	564,000
Accounts Receivable	(262,612,986)	85,810,305
Accounts Payable on deposits	890,113,283	545,913,298
Loss on sale of assets	11,259,372	7,337,546
Loss on revaluation of Government Securities	328,999,926	333,563,081
MTB Foundation	20,000,000	15,000,000
	<b>1,092,330,995</b>	<b>988,588,230</b>
Changes in operating assets and liabilities		
Changes in loans & advances	(23,562,876,428)	(20,560,108,373)
Changes in deposits & other accounts	23,886,295,261	13,824,600,980
Changes in borrowings	2,060,354,439	3,223,144,949
Changes in other assets	(485,755,620)	(512,496,899)
Changes in other liabilities	1,280,699,252	(1,014,268,065)
	<b>3,180,718,895</b>	<b>(5,039,127,402)</b>
Income tax paid	(1,082,272,232)	(1,012,393,842)
	<b>8,875,702,363</b>	<b>158,338,655</b>
<b>42.a Reconciliation of statement of cash flows from operating activities</b>		
Profit before provision	5,028,130,229	4,608,360,686
Adjustment for non cash items		
Depreciation on fixed assets	461,123,693	302,085,011
Amortization on software	36,460,622	26,738,265
	<b>497,584,315</b>	<b>328,823,296</b>
Adjustment with non-operating activities		
Recovery of written off loan	44,570,800	564,000
Accounts Receivable	(262,612,986)	85,810,305
Accounts Payable on deposits	890,113,283	545,913,298
Loss on sale of assets	11,259,372	7,337,546
Loss on revaluation of Government Securities	328,999,926	333,563,081
MTB Foundation	20,000,000	15,000,000
	<b>1,092,330,995</b>	<b>988,588,230</b>
Changes in operating assets and liabilities		
Changes in loans & advances	(23,465,186,944)	(20,484,190,051)
Changes in deposits & other accounts	23,769,184,556	13,904,205,463
Changes in borrowings	2,060,354,439	3,223,144,949
Changes in other assets	(522,284,494)	(529,329,986)
Changes in other liabilities	1,389,947,064	(928,736,069)
	<b>3,232,014,631</b>	<b>(4,814,965,694)</b>
Income tax paid	(1,041,656,123)	(962,335,238)
	<b>8,748,403,448</b>	<b>148,531,280</b>