

MYANMAR CITIZENS BANK LIMITED
INTERIM CONDENSED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

Currency – Myanmar Kyat

WIN THIN & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANT

MYANMAR CITIZENS BANK LIMITED
INTERIM CONDENSED FINANCIAL STATEMENTS
AS AT SEPTEMBER 30, 2017

CONTENTS	Page
Statement of Management's Responsibility	1
Report on Review of Interim Condensed Financial Information	2-3
Interim Condensed Statement of Financial Position	4
Interim Condensed Statement of Comprehensive Income	5
Interim Condensed Statement of Changes in Equity	6
Interim Condensed Statement of Cash Flows	7
Notes to the Interim Condensed Financial Statements	8-18



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR MYANMAR CITIZENS BANK LIMITED

It is the responsibility of the management to prepare the interim condensed financial statements for the financial period which give a true and fair view of the financial position of **Myanmar Citizens Bank Limited** (the Bank) as of September 30, 2017 and of its financial performance and its cash flows for the period then ended. In preparing these financial statements, the management is required to:

- Select suitable accounting policies and then apply them consistently; and
- Make judgments and estimates that are reasonable and prudent.

The management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Bank. We have general responsibility for taking such steps as are reasonably open to us to safeguard the assets of the Bank and to prevent and detect fraud and other irregularities.

On behalf of Management

Dr. Thaung Han
Managing Director
Myanmar Citizens Bank Limited

Daw Swe Swe Myint
Deputy Managing Director
Myanmar Citizens Bank Limited

December 22, 2017



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WIN THIN & ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

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Ref: 713/M- 294/September 2017

Report on Review of Interim Condensed Financial Information

To the members of Myanmar Citizens Bank Limited

Introduction

We have reviewed the accompanying interim condensed financial statements of **Myanmar Citizens Bank Limited** (the Bank) which comprise the interim condensed statement of financial position as at September 30, 2017 and the related interim condensed statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim condensed financial information in accordance with Myanmar Accounting Standard 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with Myanmar Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Myanmar Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information does not give a true and fair view of the financial position of the bank as at September 30, 2017, and of its financial performance and its cash flows for the six-month period then ended in accordance with Myanmar Accounting Standard 34 *Interim Financial Reporting*.

Other Matters

The condensed interim financial statements for the six-month ended 30 September 2016 were reviewed by another auditor who issued an unmodified review conclusion on those financial statements dated November 2016. Also the financial statements for the year ended 31 March 2017 were audited by another auditor who issued an unqualified opinion on those financial statements dated 9 June 2017.



Moe Kyaw (PA-313)
B.Com., CPA, ACCA, DBL
Managing Partner
WIN THIN & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS
No. 182/194, Botahtaung Pagoda Road,
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Yangon Region, Myanmar

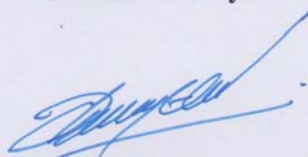
December 22, 2017

MYANMAR CITIZENS BANK LIMITED**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2017**

	Notes	September 30, 2017	March 31, 2017
Assets			
Cash in hand and at bank	3	60,615,979,451	29,376,492,889
Loans and advances	4	162,160,497,113	159,838,009,009
Investments	5	44,887,187,575	44,329,374,015
Other assets	6	4,350,507,385	6,122,128,676
Property and equipment	7	12,821,170,277	10,405,130,085
Intangible Assets	8	86,380,950	90,771,998
Total assets		284,921,722,751	250,161,906,672
Liabilities			
Deposits from customers	9	203,111,909,096	170,343,719,609
Other liabilities	10	14,121,107,308	13,243,794,933
Total liabilities		217,233,016,404	183,587,514,542
Equity			
Issued & Paid up Capital	11	52,004,930,000	52,004,930,000
Share Premium		5,119,732,800	5,119,732,800
Reserves	12	9,117,419,278	9,117,419,278
Retained earnings		1,446,624,269	332,310,052
Total equity		67,688,706,347	66,574,392,130
Total liabilities and equity		284,921,722,751	250,161,906,672

See accompanying notes to financial statements

Authenticated by:



Dr. Thaung Han
(Managing Director)



Daw Swe Swe Myint
(Deputy Managing Director)



U Aung Aung
(Director)



U Tun Lwin
(Director)

MYANMAR CITIZENS BANK LIMITED**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2017**

	Notes	September 30, 2017	September 30, 2016
Interest income	13	10,638,338,167	9,680,236,349
Interest expenses	14	(6,623,944,350)	(5,371,395,587)
Net interest income		4,014,393,817	4,308,840,762
Fee and commission income	15	1,299,276,200	1,942,216,434
Other income	16	306,903,932	490,509,539
Total revenue		5,620,573,949	6,741,566,735
Personnel expenses	17	(2,448,535,486)	(1,560,830,202)
General and administrative expenses	18	(963,633,033)	(477,913,046)
Depreciation and amortization expenses		(326,104,056)	(174,260,253)
Other expenses	19	(489,421,103)	(395,020,562)
Total expenses		(4,227,693,678)	(2,608,024,063)
Profit/(Loss) before income tax		1,392,880,271	4,133,542,672
Provision for Income-tax	20	(278,566,054)	(1,033,355,668)
Net profit/(loss) for the year		1,114,314,217	3,100,187,004
Other comprehensive income		-	-
Total comprehensive income for the year		1,114,314,217	3,100,187,004
Earnings per share (Kyat per share)			
Basic Earnings per share	21	107	298

See accompanying notes to financial statements

Authenticated by:



Dr. Thaug Han
(Managing Director)



Daw Swe Swe Myint
(Deputy Managing Director)



U Aung Aung
(Director)



U Tun Lwin
(Director)

MYANMAR CITIZENS BANK LIMITED

**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2017**

	Issued & Paid Up Capital	Share Premium	Reserve	Retained Earnings	Total
Balances at (1.4.2017)	52,004,930,000	5,119,732,800	9,117,419,278	332,310,052	66,574,392,130
Issued of shares	-	-	-	-	-
Adjustments	-	-	-	-	-
Share Premium	-	-	-	-	-
Profit for the year	-	-	-	1,114,314,217	1,114,314,217
Balances at (30.9.2017)	52,004,930,000	5,119,732,800	9,117,419,278	1,446,624,269	67,688,706,347
Balances at (1.4.2016)	49,869,765,000	4,799,458,050	6,713,551,376	84,016,980	61,466,791,406
Issued of shares	2,135,165,000	-	-	-	2,135,165,000
Adjustments	-	-	22,438,544	-	22,438,544
Share Premium	-	320,274,750	-	-	320,274,750
Profit for the year	-	-	-	3,100,187,004	3,100,187,004
Balances at (30.9.2016)	52,004,930,000	5,119,732,800	6,735,989,920	3,184,203,984	67,044,856,704

See accompanying notes to financial statements

Authenticated by:



Dr. Thauung Han
(Managing Director)



Daw Swe Swe Myint
(Deputy Managing Director)



U Aung Aung
(Director)



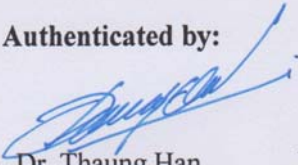
U Tun Lwin
(Director)


MYANMAR CITIZENS BANK LIMITED**INTERIM CONDENSED STATEMENT OF CASH FLOWS****FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2017**


	September 30, 2017	September 30, 2016
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit after tax	1,114,314,217	3,100,187,004
Depreciation	295,145,146	174,260,253
Amortization	30,958,910	-
Dividend income	(50,000)	(120,000)
Exchange Gain	-	22,438,475
Operating profit/ (loss) before working capital changes	1,440,368,273	3,296,765,732
Working capital changes:		
(Increase) /Decrease loans and advances	(2,322,488,104)	(21,919,464,067)
(Increase) /Decrease other assets	1,740,662,381	290,972,190
Increase /(Decrease) deposit from customers	32,768,189,487	25,642,496,658
Increase /(Decrease) other liabilities	3,984,439,675	(2,920,846,139)
Net cash used in operating activities	37,611,171,712	4,389,924,374
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Treasury Bonds, Investments	(557,813,560)	(1,477,006,152)
Dividend Income	50,000	120,000
Purchase of Property Plant & Equipment	(2,711,185,338)	(684,244,912)
Addition of Intangible Assets	4,391,048	-
Net cash used in investing activities	(3,264,557,850)	(2,161,131,064)
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of share	-	2,135,165,000
Share Premium	-	320,274,750
Dividends paid	(3,107,127,300)	(3,465,048,863)
Net cash from financing activities	(3,107,127,300)	(1,009,609,113)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	31,239,486,562	1,219,184,197
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	29,376,492,889	40,416,599,420
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 3)	60,615,979,451	41,635,783,617


See accompanying notes to financial statements

Authenticated by:


Dr. Thaung Han
(Managing Director)


Daw Swe Swe Myint
(Deputy Managing Director)


U Aung Aung
(Director)


U Tun Lwin
(Director)

MYANMAR CITIZENS BANK LIMITED

Notes to the interim condensed financial statements

For the six-month period ended September 30, 2017

1. General Information

Myanmar Citizens Bank Limited (the Bank) is incorporated and domiciled in Myanmar and has its registered office at No. 256/260, Sule Pagoda Road, Kyauktada Township, Yangon Region, Union of Myanmar.

The Bank was established as a public bank on October 30, 1991 as per Registration No. 274/1991-1992 under The Myanmar Companies Act. The Bank was permitted to carry out banking business under new Licence No. Ma Va Ba/Pa Ba (R)-01/08/ (7) 2016 issued by the Central Bank of Myanmar (CBM) according to Section 176 of the Myanmar Financial Institution Law 2016. The principal activities of the bank are to acceptance of public deposit, grant loans, trade services and other permitted activities subject to the approval of the CBM under chapter IX of the Financial Institution Law.

2. Basis of preparation and accounting policies

The interim condensed financial statements for the six-month period ended September 30, 2017 have been prepared in accordance with Myanmar Accounting Standard 34 *Interim Financial Reporting*.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements as at March 31, 2017.

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Bank's annual financial statements for the year ended March 31, 2017.

3. Cash in hand and at banks

	September 30, 2017	March 31, 2017
Cash in hand	13,319,799,707	5,641,005,822
Cash and balances with central banks	15,772,353,892	9,189,871,589
Cash with banks & other financial institution	8,217,060,209	6,438,852,147
Deposit with Foreign correspondent Bank	23,306,765,643	8,106,763,331
	60,615,979,451	29,376,492,889

MYANMAR CITIZENS BANK LIMITED**Notes to the interim condensed financial statements**

For the six-month period ended September 30, 2017

4. Loans and advances

	September 30, 2017	March 31, 2017
Demand loans	98,135,407,500	104,060,530,000
Hire Purchase	49,457,410,964	44,891,981,379
Trade Guarantee	2,091,160,600	1,527,274,000
SME Two Step Loan Funding	8,813,750,000	6,373,750,000
Bank overdraft	3,662,768,049	2,984,473,630
	162,160,497,113	159,838,009,009

5. Investments

	September 30, 2017	March 31, 2017
Treasury Bonds	22,000,000,000	24,500,000,000
Fixed Deposit	22,556,187,575	19,498,374,015
Myanmar Payment Union	200,000,000	200,000,000
Credit Bureau	130,000,000	130,000,000
Investment in SMIDB	1,000,000	1,000,000
	44,887,187,575	44,329,374,015

6. Other assets

	September 30, 2017	March 31, 2017
Prepaid	2,413,923,482	2,255,064,397
Advance Payment	577,090,630	2,315,921,626
Other Receivable	49,660,332	-
Advance for 663 mobile money	64,680,985	73,307,295
Deferred Expenses	16,574,334	24,988,386
Interest receivable on investment	1,228,577,622	1,242,846,972
Debit note receivable	-	210,000,000
	4,350,507,385	6,122,128,676

MYANMAR CITIZENS BANK LIMITED

Notes to the interim condensed financial statements

For the six-month period ended September 30, 2017

7. Property, Plant & Equipment

	Land & Building	Leasehold improvement	Motor Vehicle	Furniture and Office Equipment	Plant & Machinery	663 Mobile Money	Total
For the six months ended 30 September 2017							
<u>Cost</u>							
At 1 April 2017	8,514,685,141	653,891,128	931,961,429	1,609,367,084	-	36,744,225	11,746,649,007
Additions	1,750,356,147	246,837,996	278,044,858	385,856,801	50,089,536	-	2,711,185,338
Transfer	-	-	20,094,400	16,649,825	-	(36,744,225)	-
At 30 September 2017	10,265,041,288	900,729,124	1,230,100,687	2,011,873,710	50,089,536	-	14,457,834,345
<u>Accumulated depreciation</u>							
At 1 April 2017	300,599,363	-	367,021,153	662,273,427	-	11,624,979	1,341,518,922
Charge for the financial year	41,056,266	53,885,823	73,756,294	124,881,465	1,565,298	-	295,145,146
Transfer	-	-	3,683,970	7,941,009	-	(11,624,979)	-
At 30 September 2017	341,655,629	53,885,823	444,461,417	795,095,901	1,565,298	-	1,636,664,068
Net Book Value at 30 Sept 2017	9,923,385,659	846,843,301	785,639,270	1,216,777,809	48,524,238	-	12,821,170,277
For the six months ended 30 September 2016							
<u>Cost</u>							
At 1 April 2016	7,201,703,610	19,470,780	650,563,429	1,173,864,993	-	-	9,045,602,812
Additions	275,124,672	-	165,654,000	243,476,965	-	-	684,255,637
At 30 September 2016	7,476,828,282	19,470,780	816,217,429	1,417,341,958	-	-	9,729,858,449
<u>Accumulated depreciation</u>							
At 1 April 2016	219,422,382	-	256,775,974	493,526,184	-	-	969,724,540
Charge for the financial year	38,265,914	-	45,117,256	90,877,083	-	-	174,260,253
At 30 September 2016	257,688,296	-	301,893,230	584,403,267	-	-	1,143,984,793
Net Book Value at 30 Sept 2016	7,219,139,986	19,470,780	514,324,199	832,938,691	-	-	8,585,873,656

MYANMAR CITIZENS BANK LIMITED**Notes to the interim condensed financial statements**

For the six-month period ended September 30, 2017

8. Intangible Assets

	September 30, 2017	September 30, 2016
Carried value as at 1 April	90,771,998	25,240,000
Additional	18,153,810	86,697,000
Amortization	(22,544,858)	(15,199,700)
Net Book Value as at 30 September	86,380,950	96,737,300

9. Deposits from customers

	September 30, 2017	March 31, 2017
Current Deposits	33,733,407,978	20,821,109,711
Saving Deposits	57,732,584,973	65,673,520,283
Time Deposits	87,857,724,000	62,642,646,000
Current (ATM)	2,177,232,645	1,220,333,639
Current (Citizen Card)	358,434,610	309,491,101
Call Deposits	12,438,774,890	13,302,868,875
Idle Deposits	8,813,750,000	6,373,750,000
	203,111,909,096	170,343,719,609

10. Other Liabilities

	September 30, 2017	March 31, 2017
Sundry Deposits	6,574,031,789	4,836,749,463
Payment Order	2,052,903,755	526,590,572
Internal Remittance	104,060,403	137,331,448
Accrued Liabilities	2,426,905,712	5,034,640,271
Unclaimed Liabilities	62,167,623	81,714,027
Staff Fund	623,850,085	642,231,364
Provision for income tax	2,263,103,841	1,984,537,788
Debit Note Issue	14,084,100	-
	14,121,107,308	13,243,794,933

MYANMAR CITIZENS BANK LIMITED

Notes to the interim condensed financial statements

For the six-month period ended September 30, 2017

11. Share capital

The total amounts of issued and paid-up capital were made in accordance with Section 104 of the Myanmar Companies Act.

	September 30, 2017		March 31, 2017	
	No; of share	Amount	No; of share	Amount
Authorized:				
Ordinary shares of 5,000 Kyats each	15,000,000	75,000,000,000	15,000,000	75,000,000,000
Issued and fully paid:				
Ordinary shares of 5,000 Kyats each	10,400,986	52,004,930,000	10,400,986	52,004,930,000
	10,400,986	52,004,930,000	10,400,986	52,004,930,000

12. Reserve

	Statutory Reserve Fund ⁽¹⁾	Reserve For Bad & Doubtful Debts	General Provision For Loan & Advance ⁽²⁾	Reserve For Contingencies Account	Total Reverse
Balances at 1.4.2017	5,788,659,000	120,000,000	3,196,760,278	12,000,000	9,117,419,278
Issued of shares	-	-	-	-	-
Provision for Reserves	-	-	-	-	-
Provision for Dividend	-	-	-	-	-
Balances at 30.9.2017	5,788,659,000	120,000,000	3,196,760,278	12,000,000	9,117,419,278
Balances at 1.4.2016	4,322,851,500	2,305,517,778	10,000,000	75,182,098	6,713,551,376
Issued of shares	-	-	-	-	-
Adjustment	-	-	-	22,438,544	22,438,544
Provision for Reserves	-	-	-	-	-
Provision for Dividend	-	-	-	-	-
Balances at 30.9.2016	4,322,851,500	2,305,517,778	10,000,000	97,620,642	6,735,989,920

⁽¹⁾In compliance with Section 35(a) of the Financial Institutions of Myanmar Law, 25% of the net profit after tax has been set aside as statutory reserve fund and is not distributable as cash dividends.

⁽²⁾In compliance with Central Bank Instruction No (6), 2% of total balance of loans and advances have been set aside as reserve for bad and doubtful debts.

26

MYANMAR CITIZENS BANK LIMITED

Notes to the interim condensed financial statements

For the six-month period ended September 30, 2017

13. Interest income

	September 30, 2017	September 30, 2016
Interest from Loan and advances	5,063,977,472	5,356,000,247
Interest on Hire Purchase	3,146,171,159	1,885,589,314
Interest on Trade Guarantee	122,586,707	76,797,568
Interest on Two step Loan	180,342,894	2,095,920
Interest on Investment	2,125,259,935	2,359,753,300
Total interest income	10,638,338,167	9,680,236,349
<u>Note: Interest income rates</u>		
Interest on loan and advance	12.00%	12.00%
Deposit with Other Banks;	8.00%	8.00%
Fixed Deposit rate are as follow:		
1 month	9.00%	9.00%
3 month	9.25%	9.25%
6 month	9.50%	9.50%
9 month	9.75%	9.75%
12 month	10.00%	10.00%

14. Interest Expenses

	September 30, 2017	September 30, 2016
Deposit from customer		
Interest on -Saving deposits	2,433,562,191	2,464,267,689
-Time deposits	3,536,873,751	2,358,732,928
-Call deposits	637,026,706	537,383,770
-ATM deposit	16,481,702	9,860,515
-Idle deposit	-	1,150,685
Total interest expenses	6,623,944,350	5,371,395,587

Note:

The savings deposit rate was 8.25% and is calculated on the minimum balance of the account during the period from the 5 day to end of the month.

Fixed deposits rate are as follows:

1 month	9.00%	9.00%
3 month	9.25%	9.25%
6 month	9.65%	9.50%
9 month	9.90%	9.75%
12 month	10.15%	10.00%

Call deposit rate was 4% and was calculated based on minimum daily balance. The bank had promotional call deposit rates earning 8% calculated on the minimum daily balance on the account balances over 10 million kyats.

MYANMAR CITIZENS BANK LIMITED**Notes to the interim condensed financial statements**

For the six-month period ended September 30, 2017

15. Fee and commission income

	September 30, 2017	September 30, 2016
Commission on internal remittance	56,028,415	52,324,090
Commission	770,973,434	1,188,679,742
Services charges	464,695,736	700,014,002
663 Commission	436,241	-
MCB Card Business (USD)	5,825,974	-
Other fees income	1,316,400	1,198,600
	1,299,276,200	1,942,216,434

16. Other income

	September 30, 2017	September 30, 2016
Gain of FE transaction	184,820,427	388,314,216
Miscellaneous income	122,033,505	102,075,323
Dividend income	50,000	120,000
	306,903,932	490,509,539

17. Personnel expense

	September 30, 2017	September 30, 2016
Salaries & Wages	1,457,040,467	1,008,845,232
Overtime Allowance	25,511,200	26,077,200
Director's Remuneration	58,273,738	13,800,000
SSB contribution	18,830,382	12,934,290
Expert salaries & wages	672,611,199	310,582,030
Meal allowance	216,268,500	188,591,450
	2,448,535,486	1,560,830,202

MYANMAR CITIZENS BANK LIMITED**Notes to the interim condensed financial statements**

For the six-month period ended September 30, 2017

18. General and administrative expense

	September 30, 2017	September 30, 2016
License fees	193,725,855	50,026,525
Printing & stationary	28,067,825	27,294,236
Postage , Telephone & Telex	120,635,522	48,318,335
Travelling & Conveyance	36,415,778	37,789,732
Lighting & Power	42,298,545	33,571,522
Transportation & Handling charges	12,852,536	10,041,429
Rent	356,417,229	55,716,500
Insurance	20,257,798	16,826,874
Repairs & Maintenance	151,428,895	196,762,043
Books, Newspapers & Periodicals	1,533,050	1,565,850
	963,633,033	477,913,046

19. Other expense

	September 30, 2017	September 30, 2016
Petro oil & lubricants	79,170,618	49,525,871
Advertisement	5,988,636	1,385,000
Uniform allowance	1,971,350	16,554,250
Entertainment	37,739,925	30,883,665
Rates & taxes	39,266,112	6,978,476
Directors meeting sitting fees	25,950,000	5,050,000
Others item	37,384,594	42,331,097
Charity & donation	19,879,375	15,117,610
Annual general meeting	23,420,982	551,258
Bank commission & service charges	16,700,820	10,829,264
Visa franchise charges	162,877,163	87,906,024
Consultant fees	1,182,500	12,236,100
Research & development	10,994,050	10,760,064
Loss on exchange transaction	18,151,293	33,747,444
CBM net MCH fees	1,820,000	2,008,100
Listing fees	5,130,665	68,626,339
Settlement fees for MICB	20,000	30,000
Legal expenses	-	500,000
663 mobile money expenses	1,773,020	-
	489,421,103	395,020,562

MYANMAR CITIZENS BANK LIMITED**Notes to the interim condensed financial statements**

For the six-month period ended September 30, 2017

20. Income tax expense

The Bank calculates the period income tax expenses using the tax rate that would be applicable to the expected total annual earnings. The calculation of income tax is as follow:

	September 30, 2017	September 30, 2016
Profit for the six-months period	1,392,880,271	4,133,542,672
Adjustment for dividend income	(50,000)	(120,000)
Net taxable income	1,392,830,271	4,133,422,672
Income tax provision for the period	278,566,054	1,033,355,668

21. Earnings per share**Basic Earnings per share**

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Bank by the weighted average number of ordinary shares outstanding during the financial period.

	September 30, 2017	September 30, 2016
Net profit attributable to equity holders of the Bank	1,114,314,217	3,100,187,004
Weighted average number of ordinary shares outstanding for basic earnings per share	10,400,986	10,400,986
Basic earnings per share (Kyat per share)	107	298

22. Financial assets and financial liabilities

The Bank holds the following financial assets and liabilities:

	September 30, 2017	March 31, 2017
Financial assets		
Cash in hand and at bank	60,615,979,451	29,376,492,889
Loans & advances	162,160,497,113	159,838,009,009
Investments	44,887,187,575	44,329,374,015
Other assets	1,279,665,111	1,452,846,972
Total financial assets	268,943,329,250	234,996,722,885
Financial liabilities		
Deposits from customers	203,111,909,096	170,343,719,609
Other liabilities	14,121,107,308	13,243,794,933
Total financial liabilities	217,233,016,404	183,587,514,542
Net financial assets	51,710,312,846	51,409,208,343

MYANMAR CITIZENS BANK LIMITED

Notes to the interim condensed financial statements

For the six-month period ended September 30, 2017

Available-for-sale financial investments

The Bank determines that available-for-sale equity investments are impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgment. In making this judgment, objective evidence of impairment may be deterioration in the financial health of the investee, industry and sector performance, changes in technology, and operational and financing cash flows.

Fair value of financial instruments

Financial instruments comprise financial assets and financial liabilities. Fair value is the amount at which a financial asset could be exchanged or a financial liability settled, between knowledgeable and willing parties in an arm's length transaction.

The total fair value by each financial instrument is not materially different from the total carrying amount.

23. Related parties

Transactions with key management personnel

	September 30, 2017	September 30, 2016
Salaries, wages, bonuses and allowances	794,767,630	329,432,030

Other transactions with related parties

In the normal course of its banking business, the Bank has carried out transactions with related parties on terms agreed between the parties. In addition to those disclosed elsewhere in the financial statements, the following significant related party transactions took place during the financial year.

	September 30, 2017	March 31, 2017
<i>Transactions during the year</i>		
Rental expenses	148,593,809	3,942,000
<i>Balances</i>		
Hire purchase	27,799,914,254	26,224,090,390
Trade guarantee	8,691,809,232	5,104,522,688

24. Acceptance, Endorsement and Guarantee

Receivable and payable of Acceptance, Endorsement and Guarantee were offset in the interim condensed statement of financial position. Balance as at September 30, 2017 was Ks 8,034,360,846. (March 31, 2017; Ks 8,933,135,633).

MYANMAR CITIZENS BANK LIMITED

Notes to the interim condensed financial statements

For the six-month period ended September 30, 2017

25. Approval of financial statements

The interim condensed financial statements of the Bank for the period ended September 30, 2017 were authorized for issue on December 22, 2017.