

**Dutch-Bangla Bank Limited**  
**Balance Sheet**  
**As at 30 September 2015**  
**(Main Operation and Off-shore Banking Unit)**

| PROPERTY AND ASSETS  | Notes | 30-Sep-15              |                      |                        | 31-Dec-14              | 30-Sep-14              |
|--|-------|------------------------|----------------------|------------------------|------------------------|------------------------|
|  |       | Taka (Un-audited)      |                      |                        | Taka (Audited)         | Taka (Un-audited)      |
|  |       | Main Operation         | Off-shore            | Total                  | Total                  | Total                  |
| <b>Cash</b>  |       |                        |                      |                        |                        |                        |
| In hand (including foreign currencies)   | 4     | 7,853,607,841          | -                    | 7,853,607,841          | 6,332,078,849          | 8,611,567,681          |
| Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies) | 5     | 15,658,659,528         | -                    | 15,658,659,528         | 17,207,329,237         | 14,883,405,459         |
|  |       | 23,512,267,369         | -                    | 23,512,267,369         | 23,539,408,086         | 23,494,973,140         |
| <b>Balance with other banks and financial institutions</b>                         | 6     |                        |                      |                        |                        |                        |
| In Bangladesh  |       | 17,210,289,688         | 2,000,065,048        | 19,210,354,736         | 26,035,077,227         | 26,668,059,874         |
| Outside Bangladesh   |       | (421,504,064)          | -                    | (421,504,064)          | 1,155,914,730          | 571,756,803            |
|  |       | 16,788,785,624         | 2,000,065,048        | 18,788,850,672         | 27,190,991,957         | 27,239,816,677         |
| <b>Money at call and short notice</b>  | 7     | 5,530,000,000          | -                    | 5,530,000,000          | 3,550,000,000          | 3,140,000,000          |
| <b>Investments</b>   | 8     |                        |                      |                        |                        |                        |
| Government   |       | 20,502,467,112         | -                    | 20,502,467,112         | 18,335,891,892         | 17,344,545,769         |
| Others   |       | 885,283,434            | -                    | 885,283,434            | 925,283,434            | 941,283,434            |
|  |       | 21,387,750,546         | -                    | 21,387,750,546         | 19,261,175,326         | 18,285,829,203         |
| <b>Loans and advances</b>  | 9     |                        |                      |                        |                        |                        |
| Loans, cash credits, overdrafts, etc.  |       | 134,242,175,524        | -                    | 134,242,175,524        | 119,217,549,292        | 108,890,584,654        |
| Bills purchased and discounted   |       | 4,639,846,209          | 4,255,900,630        | 8,895,746,839          | 5,205,441,325          | 5,062,924,712          |
|  |       | 138,882,021,733        | 4,255,900,630        | 143,137,922,363        | 124,422,990,617        | 113,953,509,366        |
| <b>Fixed assets including land, building, furniture and fixtures</b>               | 10    | 4,458,168,363          | 15,262               | 4,458,183,625          | 4,141,718,378          | 4,272,159,718          |
| <b>Other assets</b>  | 11    | 16,075,283,267         | 11,185,687           | 16,086,468,954         | 13,887,261,498         | 16,289,742,642         |
| <b>Non-banking assets</b>  |       | -                      | -                    | -                      | -                      | -                      |
| <b>TOTAL ASSETS</b>  |       | <b>226,634,276,902</b> | <b>6,267,166,627</b> | <b>232,901,443,529</b> | <b>215,993,545,862</b> | <b>206,676,030,746</b> |
| <b>LIABILITIES AND CAPITAL</b>   |       |                        |                      |                        |                        |                        |
| <b>Liabilities</b>   |       |                        |                      |                        |                        |                        |
| Borrowings from other banks, financial institutions and agents                     | 12    | 11,513,126,960         | 6,156,650,642        | 17,669,777,602         | 12,054,696,647         | 9,609,502,319          |
| Deposits and other accounts  | 13    |                        |                      |                        |                        |                        |
| Current deposits and other accounts  |       | 42,332,182,696         | 27,393,284           | 42,359,575,980         | 40,475,136,634         | 37,105,490,827         |
| Bills payable  |       | 1,807,290,862          | -                    | 1,807,290,862          | 3,256,599,630          | 1,776,636,693          |
| Savings bank deposits  |       | 68,302,098,045         | -                    | 68,302,098,045         | 60,757,726,582         | 58,686,412,121         |
| Term deposits  |       | 61,089,928,960         | -                    | 61,089,928,960         | 62,272,869,666         | 60,622,302,163         |
|  |       | 173,531,500,562        | 27,393,284           | 173,558,893,846        | 166,762,332,512        | 158,190,841,804        |
| Other liabilities  | 14    | 21,506,836,254         | 75,517,173           | 21,582,353,427         | 18,001,468,289         | 20,263,026,386         |
| Subordinated debt  | 15    | 4,633,889,052          | -                    | 4,633,889,052          | 4,657,609,052          | 4,912,140,948          |
| <b>TOTAL LIABILITIES</b>   |       | <b>211,185,352,828</b> | <b>6,259,561,099</b> | <b>217,444,913,927</b> | <b>201,476,106,500</b> | <b>192,975,511,457</b> |

| Notes   | 30-Sep-15         |                        |                      | 31-Dec-14              | 30-Sep-14              |
|---|-------------------|------------------------|----------------------|------------------------|------------------------|
|   | Taka (Un-audited) |                        |                      | Taka (Audited)         | Taka (Un-audited)      |
|   | Main Operation    | Off-shore              | Total                | Total                  | Total                  |
| <b>Shareholders' equity</b>                       |                   |                        |                      |                        |                        |
| Paid up share capital                             | 16.2              | 2,000,000,000          | -                    | 2,000,000,000          | 2,000,000,000          |
| Share premium                                     | 17                | 11,067,500             | -                    | 11,067,500             | 11,067,500             |
| Statutory reserve                                 | 18                | 6,990,785,699          | -                    | 6,990,785,699          | 5,999,375,332          |
| Other reserve                                     | 19                | -                      | -                    | -                      | -                      |
| Dividend equalization account                     | 20                | 966,827,195            | -                    | 966,827,195            | 566,827,195            |
| Assets revaluation reserve                        | 21                | 850,413,777            | -                    | 850,413,777            | 850,413,777            |
| Revaluation reserve of HTM securities             | 22                | 76,047,303             | -                    | 76,047,303             | 35,865,216             |
| Proposed dividend                                 |                   | -                      | -                    | 800,000,000            | -                      |
| Retained earnings                                 |                   | 4,553,782,600          | 7,605,528            | 4,561,388,128          | 4,236,970,269          |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>                 |                   | <b>15,448,924,074</b>  | <b>7,605,528</b>     | <b>15,456,529,602</b>  | <b>13,700,519,289</b>  |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b> |                   | <b>226,634,276,902</b> | <b>6,267,166,627</b> | <b>232,901,443,529</b> | <b>206,676,030,746</b> |

#### OFF-BALANCE SHEET ITEMS

|   |    |                       |          |                       |                       |
|---|----|-----------------------|----------|-----------------------|-----------------------|
| <b>Contingent liabilities</b>   | 24 |                       |          |                       |                       |
| Acceptances and endorsements  |    | -                     | -        | -                     | 40,525,519            |
| Letters of guarantee  |    | 3,804,098,661         | -        | 3,804,098,661         | 3,674,161,088         |
| Irrevocable letters of credit   |    | 18,387,039,519        | -        | 18,387,039,519        | 15,880,506,105        |
| Bills for collection  |    | 32,092,763,140        | -        | 32,092,763,140        | 23,957,650,350        |
| Other contingent liabilities  |    | 4,027,476,341         | -        | 4,027,476,341         | 3,727,087,441         |
| <b>Total contingent liabilities</b>                                   |    | <b>58,311,377,662</b> | <b>-</b> | <b>58,311,377,662</b> | <b>47,279,930,503</b> |
| <b>Other commitments</b>  |    |                       |          |                       |                       |
| Documentary credits and short term trade-related transactions         |    | -                     | -        | -                     | -                     |
| Forward assets purchased and forward deposits placed                  |    | -                     | -        | -                     | -                     |
| Undrawn note issuance and revolving underwriting facilities           |    | -                     | -        | -                     | -                     |
| Undrawn formal standby facilities, credit lines and other commitments |    | -                     | -        | -                     | -                     |
| <b>Total other commitments</b>  |    | <b>-</b>              | <b>-</b> | <b>-</b>              | <b>-</b>              |
| <b>Total off-balance sheet items including contingent liabilities</b> |    | <b>58,311,377,662</b> | <b>-</b> | <b>58,311,377,662</b> | <b>47,279,930,503</b> |

The annexed notes 1 to 44 form an integral part of these financial statements.



Chairman



Director



Managing Director



Chief Financial Officer



Company Secretary

Dhaka, 27 October 2015

**Dutch-Bangla Bank Limited**  
**Profit and Loss Account**  
**For the Third Quarter (Q3) ended 30 September 2015**  
**(Main Operation and Off-shore Banking Unit)**

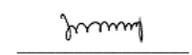
|   | Notes     | For the nine months ended 30 September (Jan - Sep) |                     |                       | For the quarter ended 30 September (Jul-Sep) |                      |                      |
|---|-----------|--|---------------------|-----------------------|--|----------------------|----------------------|
|   |           | 2015   |                     | 2014                  | 2015   | 2014                 |                      |
|   |           | Taka   |                     | Taka                  | Taka   | Taka                 |                      |
|   |           | Main Operation                                     | Off-shore           | Total                 | Total  | Total                | Total                |
| Interest income                                       | 26        | 11,799,199,324                                     | 89,016,198          | 11,888,215,522        | 11,286,061,666                               | 4,135,714,522        | 4,001,604,869        |
| Interest paid on deposits and borrowings etc.         | 27        | 4,612,350,671                                      | 71,905,522          | 4,684,256,193         | 5,238,478,682                                | 1,602,480,587        | 1,752,649,256        |
| <b>Net interest income</b>                            |           | <b>7,186,848,653</b>                               | <b>17,110,676</b>   | <b>7,203,959,329</b>  | <b>6,047,582,984</b>                         | <b>2,533,233,935</b> | <b>2,248,955,613</b> |
| Investment income                                     | 28        | 1,547,022,113                                      | -                   | 1,547,022,113         | 1,533,367,865                                | 507,580,524          | 529,349,079          |
| Commission, exchange and brokerage                    | 29        | 1,084,446,582                                      | -                   | 1,084,446,582         | 978,070,806                                  | 369,349,635          | 325,012,384          |
| Other operating income                                | 30        | 1,560,132,126                                      | 1,124,905           | 1,561,257,032         | 1,546,500,674                                | 475,335,194          | 457,246,842          |
| <b>Total operating income</b>                         |           | <b>11,378,449,474</b>                              | <b>18,235,581</b>   | <b>11,396,685,055</b> | <b>10,105,522,329</b>                        | <b>3,885,499,288</b> | <b>3,560,563,918</b> |
| Salary and allowances                                 | 32        | 2,522,809,127                                      | 3,724,321           | 2,526,533,448         | 2,434,743,642                                | 863,646,640          | 863,502,239          |
| Rent, taxes, insurance, electricity, etc.             | 34        | 822,292,756  | -                   | 822,292,756           | 741,092,759                                  | 284,161,894          | 265,589,488          |
| Legal expenses  | 35        | 5,478,042  | -                   | 5,478,042             | 4,838,101                                    | 2,014,931            | 2,759,270            |
| Postage, stamp, telecommunications, etc.              | 36        | 181,860,484  | 40,038              | 181,900,522           | 181,252,026                                  | 62,633,753           | 59,149,920           |
| Stationery, printings, advertisements, etc.           | 37        | 259,890,722  | -                   | 259,890,722           | 220,515,472                                  | 76,945,253           | 96,918,586           |
| Managing Director's salary and allowances             | 38        | 8,482,000  | -                   | 8,482,000             | 8,482,000                                    | 3,434,000            | 3,434,000            |
| Directors' fees                                       | 39        | 142,543  | -                   | 142,543               | 154,848                                      | 60,300               | 55,780               |
| Auditors' fees  | 40        | 190,500  | -                   | 190,500               | 52,500                                       | 18,000               | -                    |
| Charges on loan losses                                | 41        | -  | -                   | -                     | 644,047                                      | -                    | -                    |
| Depreciation and repair of bank's assets              | 42        | 1,137,129,256                                      | 249,481             | 1,137,378,737         | 985,017,997                                  | 409,447,326          | 333,883,003          |
| Other expenses  | 43        | 1,751,181,415                                      | 378,234             | 1,751,559,649         | 1,726,886,562                                | 686,277,805          | 603,457,945          |
| <b>Total operating expenses</b>                       |           | <b>6,689,456,845</b>                               | <b>4,392,074</b>    | <b>6,693,848,919</b>  | <b>6,303,679,954</b>                         | <b>2,388,639,902</b> | <b>2,228,750,231</b> |
| <b>Profit before provision</b>                        |           | <b>4,688,992,629</b>                               | <b>13,843,507</b>   | <b>4,702,836,136</b>  | <b>3,801,842,375</b>                         | <b>1,496,859,386</b> | <b>1,331,813,687</b> |
| Provision for loans and off-balance sheet exposures   | 14.1.3    |  |                     |                       |  |                      |                      |
| Specific provision for loans                          | 14.1.3(A) | 603,916,727  | -                   | 603,916,727           | 292,199,534                                  | (549,970)            | (7,800,466)          |
| General provision for loans                           | 14.1.3(B) | 167,335,000  | 37,945,272          | 205,280,272           | 40,000,000                                   | 75,486,191           | 30,000,000           |
| General provision for off-balance sheet exposures     | 14.1.3(B) | 110,314,472  | -                   | 110,314,472           | 124,610,007                                  | 30,988,402           | 1,621,959            |
|   |           | 881,566,199  | 37,945,272          | 919,511,471           | 456,809,541                                  | 105,924,623          | 23,821,493           |
| Other provision                                       | 14.1.1    | -  | -                   | -                     | -  | -                    | -                    |
| <b>Total provision</b>                                |           | <b>881,566,199</b>                                 | <b>37,945,272</b>   | <b>919,511,471</b>    | <b>456,809,541</b>                           | <b>105,924,623</b>   | <b>23,821,493</b>    |
| <b>Profit before taxes</b>                            |           | <b>3,807,426,431</b>                               | <b>(24,101,765)</b> | <b>3,783,324,666</b>  | <b>3,345,032,834</b>                         | <b>1,390,934,763</b> | <b>1,307,992,194</b> |
| Provision for taxation                                |           |  |                     |                       |  |                      |                      |
| Current tax   | 14.1.2    | 2,199,487,949                                      | -                   | 2,199,487,949         | 2,073,003,678                                | 753,937,133          | 723,560,301          |
| Deferred tax  | 11.2.2    | (179,137,165)                                      | -                   | (179,137,165)         | (181,740,173)                                | (10,332,814)         | 59,257,905           |
|   |           | 2,020,350,784                                      | -                   | 2,020,350,784         | 1,891,263,505                                | 743,604,319          | 782,818,206          |
| <b>Net profit after taxation</b>                      |           | <b>1,787,075,647</b>                               | <b>(24,101,765)</b> | <b>1,762,973,882</b>  | <b>1,453,769,329</b>                         | <b>647,330,444</b>   | <b>525,173,988</b>   |
| Retained earnings brought forward from previous years |           | 3,523,371,886                                      | 31,707,293          | 3,555,079,179         | 3,452,207,507                                | -                    | -                    |
|   |           | <b>5,310,447,533</b>                               | <b>7,605,528</b>    | <b>5,318,053,061</b>  | <b>4,905,976,836</b>                         | <b>647,330,444</b>   | <b>525,173,988</b>   |
| <b>Appropriations</b>                                 |           |  |                     |                       |  |                      |                      |
| Statutory reserve                                     | 18        | 756,664,933  | -                   | 756,664,933           | 669,006,567                                  | 278,186,953          | 261,598,439          |
| <b>Retained earnings carried forward</b>              |           | <b>4,553,782,600</b>                               | <b>7,605,528</b>    | <b>4,561,388,128</b>  | <b>4,236,970,269</b>                         | <b>369,143,491</b>   | <b>263,575,549</b>   |
| <b>Earnings per share (EPS)</b>                       | 23        |  |                     | <b>8.81</b>           | <b>7.27</b>                                  | <b>3.24</b>          | <b>2.63</b>          |

The annexed notes 1 to 44 form an integral part of these financial statements.

  
Chairman

  
Director

  
Managing Director

  
Chief Financial Officer

  
Company Secretary

# Dutch-Bangla Bank Limited

## Cash Flow Statement For the Third Quarter (Q3) ended 30 September 2015 (Main Operation and Off-shore Banking Unit)

|  | Notes | 30-Sep-15               |                   | 30-Sep-14               |
|--|-------|-------------------------|-------------------|-------------------------|
|  |       | Taka                    |                   | Taka                    |
|  |       | Main Operation          | Off-shore         | Total                   |
| <b>A) Cash flows from operating activities</b>                             |       |                         |                   |                         |
| Interest receipts in cash  |       | 13,470,819,936          | 89,016,198        | 13,559,836,134          |
| Interest payments  |       | (4,276,694,183)         | (71,905,522)      | (4,348,599,705)         |
| Dividend receipts in cash  |       | 425                     | -                 | 425                     |
| Gain on sale of shares   |       | -                       | -                 | -                       |
| Gain on sale of securities   |       | -                       | -                 | -                       |
| Recoveries of loan previously written-off                                  |       | 1,300,330               | -                 | 1,300,330               |
| Fee and commission receipts in cash  |       | 576,493,965             | -                 | 576,493,965             |
| Cash payments to employees   |       | (2,637,110,337)         | (3,724,321)       | (2,640,834,658)         |
| Cash payments to suppliers   |       | (1,587,395,189)         | -                 | (1,587,395,189)         |
| Income taxes paid  |       | (1,943,997,722)         | -                 | (1,943,997,722)         |
| Receipts from other operating activities                                   |       | 2,068,084,743           | 1,124,905         | 2,069,209,648           |
| Payments for other operating activities                                    |       | (2,315,565,170)         | (378,234)         | (2,315,943,404)         |
| <i>Operating profit before changes in operating assets and liabilities</i> |       | <b>3,355,936,797</b>    | <b>14,133,026</b> | <b>3,370,069,823</b>    |
|  |       |                         |                   | <b>2,788,997,171</b>    |
| <b>Increase/(decrease) in operating assets and liabilities</b>             |       |                         |                   |                         |
| Statutory deposits   |       | 3,701,061,940           | -                 | 3,701,061,940           |
| Purchase /sale of trading securities                                       |       | 25,477,120,062          | -                 | 25,477,120,062          |
| Loans and advances to other banks  |       | -                       | -                 | -                       |
| Loans and advances to customers  |       | (14,977,312,892)        | (4,255,900,630)   | (19,233,213,522)        |
| Other assets   |       | 84,538,223              | -                 | 84,538,223              |
| Deposits from other banks  |       | (40,911,272)            | -                 | (40,911,272)            |
| Deposits from customers  |       | 2,789,720,065           | 27,393,284        | 2,817,113,349           |
| Other liabilities account of customers                                     |       | 889,017,740             | 6,156,650,642     | 7,045,668,382           |
| Other liabilities  |       | 362,557,613             | (1,942,276,322)   | (1,579,718,709)         |
| <i>Net cash from operating activities</i>                                  |       | <b>21,641,728,276</b>   | <b>-</b>          | <b>21,641,728,276</b>   |
|  |       |                         |                   | <b>53,223,292,447</b>   |
| <b>B) Cash flows from investing activities</b>                             |       |                         |                   |                         |
| Payments for purchase of securities  |       | (24,482,965,934)        | -                 | (24,482,965,934)        |
| Proceeds from sale of securities   |       | -                       | -                 | -                       |
| Purchase of property, plant and equipment                                  |       | (1,096,807,882)         | -                 | (1,096,807,882)         |
| Sale proceeds of property, plant and equipment                             |       | 1,084,508               | -                 | 1,084,508               |
| <i>Net cash used in investing activities</i>                               |       | <b>(25,578,689,309)</b> | <b>-</b>          | <b>(25,578,689,309)</b> |
|  |       |                         |                   | <b>(46,564,631,057)</b> |
| <b>C) Cash flows from financing activities</b>                             |       |                         |                   |                         |
| Receipts from issue of loan capital and debt securities                    |       | -                       | -                 | 1,934,375,000           |
| Payment for redemption of loan capital and debt securities                 |       | (23,720,000)            | -                 | (23,720,000)            |
| Dividends paid   |       | (679,208,472)           | -                 | (679,208,472)           |
| <i>Net cash from financing activities</i>                                  |       | <b>(702,928,472)</b>    | <b>-</b>          | <b>(702,928,472)</b>    |
|  |       |                         |                   | <b>1,625,855,957</b>    |
| <b>D) Net increase / (decrease) in cash (A+B+C)</b>                        |       | (4,639,889,504)         | -                 | (4,639,889,504)         |
|  |       |                         |                   | 8,284,517,347           |
| <b>E) Cash and cash-equivalents at beginning of the period</b>             |       | 53,892,032,977          | -                 | 53,892,032,977          |
|  |       |                         |                   | 45,840,630,836          |
| <b>F) Cash and cash-equivalents at end of the period (D+E)</b>             | 44    | <b>49,252,143,473</b>   | <b>-</b>          | <b>49,252,143,473</b>   |
|  |       |                         |                   | <b>54,125,148,183</b>   |
| <b>Net Operating Cash Flow Per Share (NOCFPS)</b>                          |       |                         |                   | <b>108.21</b>           |
|  |       |                         |                   | <b>266.12</b>           |

## Dutch-Bangla Bank Limited

### Statement of Changes in Equity

For the Third Quarter (Q3) ended 30 September 2015

(Main Operation and Off-shore Banking Unit)

Figures in Taka

| Particulars   | Paid up share capital | Share premium     | Statutory reserve    | Other reserve | Dividend equalization account | Proposed dividend  |             | Assets revaluation reserve | Revaluation reserve of HTM securities | Retained earnings    | Total                 |
|---|-----------------------|-------------------|----------------------|---------------|-------------------------------|--------------------|-------------|----------------------------|---------------------------------------|----------------------|-----------------------|
|   |                       |                   |                      |               |                               | Cash               | Bonus share |                            |                                       |                      |                       |
| Balance at 1 January 2015                                   | 2,000,000,000         | 11,067,500        | 6,234,120,766        | -             | 966,827,195                   | 800,000,000        | -           | 850,413,777                | 99,930,945                            | 3,555,079,179        | 14,517,439,362        |
| Changes in accounting policy                                | -                     | -                 | -                    | -             | -                             | -                  | -           | -                          | -                                     | -                    | -                     |
| <b>Restated balance</b>                                     | <b>2,000,000,000</b>  | <b>11,067,500</b> | <b>6,234,120,766</b> | <b>-</b>      | <b>966,827,195</b>            | <b>800,000,000</b> | <b>-</b>    | <b>850,413,777</b>         | <b>99,930,945</b>                     | <b>3,555,079,179</b> | <b>14,517,439,362</b> |
| Surplus/deficit on account of revaluation of properties     | -                     | -                 | -                    | -             | -                             | -                  | -           | -                          | -                                     | -                    | -                     |
| Surplus/deficit on account of revaluation of investments    | -                     | -                 | -                    | -             | -                             | -                  | -           | -                          | (23,883,642)                          | -                    | (23,883,642)          |
| Currency translation differences                            | -                     | -                 | -                    | -             | -                             | -                  | -           | -                          | -                                     | -                    | -                     |
| Net gains and losses not recognized in the income statement | -                     | -                 | -                    | -             | -                             | -                  | -           | -                          | -                                     | -                    | -                     |
| Cash dividend paid for the year 2014                        | -                     | -                 | -                    | -             | -                             | (800,000,000)      | -           | -                          | -                                     | -                    | (800,000,000)         |
| Net profit for the nine months ended 30 September 2015      | -                     | -                 | -                    | -             | -                             | -                  | -           | -                          | -                                     | 1,762,973,882        | 1,762,973,882         |
| Issue of share capital                                      | -                     | -                 | -                    | -             | -                             | -                  | -           | -                          | -                                     | -                    | -                     |
| Appropriations during the period                            | -                     | -                 | 756,664,933          | -             | -                             | -                  | -           | -                          | -                                     | (756,664,933)        | -                     |
| <b>Balance at 30 September 2015</b>                         | <b>2,000,000,000</b>  | <b>11,067,500</b> | <b>6,990,785,699</b> | <b>-</b>      | <b>966,827,195</b>            | <b>-</b>           | <b>-</b>    | <b>850,413,777</b>         | <b>76,047,303</b>                     | <b>4,561,388,128</b> | <b>15,456,529,602</b> |
| <b>Balance at 30 September 2014</b>                         | <b>2,000,000,000</b>  | <b>11,067,500</b> | <b>5,999,375,332</b> | <b>-</b>      | <b>566,827,195</b>            | <b>-</b>           | <b>-</b>    | <b>850,413,777</b>         | <b>35,865,216</b>                     | <b>4,236,970,269</b> | <b>13,700,519,289</b> |

# Dutch-Bangla Bank Limited

## Notes to the Financial Statements as of and for the Third Quarter (Q3) ended 30 September 2015 (Main Operation and Off-shore Banking Unit)

### 1. Status of the Bank

**1.1** Dutch-Bangla Bank Limited (the Bank) is a scheduled commercial bank set up as a joint venture between Bangladesh and The Netherlands. Incorporated as a public limited company under the Companies Act 1994, the Bank obtained licence from Bangladesh Bank on 23 July 1995 and started its banking business with one branch on 3 June 1996. The number of branches was 146 as at 30 September 2015 all over Bangladesh. The Bank is listed with Dhaka Stock Exchange and Chittagong Stock Exchange as a publicly quoted company.

### 1.2 Nature of business

#### Main operation

The principal activities of the Bank are to carry on all kinds of commercial banking business in Bangladesh.

#### Mobile Banking Services

The Bank obtained the permission for conducting the Mobile Banking services from Bangladesh Bank on 28 April 2010. The Bank started operation of Mobile Banking Services during 2011.

The principal activities of the Mobile Banking services are to provide banking services to customers through Mobile Phone within the applicable rules & regulations and guidelines of Bangladesh Bank.

Mobile Banking Services are part of Main Operation of the Bank.

#### Off-shore Banking Unit (OBU)

The Off-shore Banking Unit (OBU) of the Bank is the separate business entity governed by the applicable rules & regulations and guidelines of Bangladesh Bank. The Bank obtained the permission for conducting the operations of OBU from Bangladesh Bank on 23 February 2010. The Bank started the operation of OBU on 12 July 2010. The number of OBUs were two as at 30 September 2015 located at Chittagong EPZ Branch-Chittagong and Dhaka EPZ Branch-Dhaka.

The principal activities of the OBUs are to provide commercial banking services through its Units within the rules & regulations and guidelines applicable for the Off-shore Banking Units.

### 2. Significant accounting policies and bases of preparation of financial statements

#### 2.1 Basis of accounting

The financial statements of the Bank have been prepared under historical cost convention except investments which are measured at present value and in accordance with "First Schedule" of the Bank Companies Act, 1991 as amended under sub-section 38(4) of the Act, relevant Bangladesh Bank Circulars, International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and named as Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other rules and regulations applicable in Bangladesh.

## **2.2 Consolidation of financial statements**

The consolidated financial statements of the Bank include the financial statements of Dutch-Bangla Bank Limited and the Off-shore Banking Units.

The consolidated financial statements have been prepared on the basis of the consolidated statements of affairs and income and expenditure account of all branches and head office of Main operations as well as the consolidated statement of affairs and income and expenditure account of all Off-shore Banking Units of the Bank.

All the financial transactions of the OBUs are recorded and maintained separately. A set of financial statements for the Off-shore Banking Units of the Bank are also shown separately.

## **2.3 Functional and presentation currency**

These financial statements are presented in Taka, which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.

## **2.4 Use of estimates and judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

## **2.5 Foreign currency transactions**

Foreign currency transactions are converted into Taka using the exchange rates prevailing on the dates of respective transactions. In terms of instructions contained in Bangladesh Bank's Letter No. BRPD(R)717/2004-959 dated 21 November 2004, foreign currency assets and liabilities are translated into Taka at the weighted average rate as on balance sheet date. Gains and losses arising from foreign currency transactions are credited/charged to profit and loss account.

## **2.6 Taxation**

As per provisions of **Bangladesh Accounting Standard (BAS) 12 'Income Taxes'**, provision for income taxes has been made as under:

### **2.6.1 Current tax**

Provision for current income tax has been made @ 40.00% on taxable profit as per Income Tax Ordinance, 1984.

### **2.6.2 Deferred tax**

Deferred tax is accounted for all temporary timing differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purpose. Tax rate prevailing at the balance sheet date is used to determine deferred tax.

## **2.7 Bases for valuation of assets**

### **2.7.1 Loans and advances**

a) Loans and advances are stated at gross amount. Provision and interest suspense against loans and advances are shown separately as other liabilities. Interest income is accounted for on accrual basis until the loans and advances are defined as classified accounts as per Bangladesh Bank guidelines.

Interest on classified loans (other than bad/loss loans) are credited to interest suspense account instead of income account. Such interest kept in suspense account is reversed to income account only when respective loan accounts are regularized and /or realized in cash.

As per Bangladesh Bank directives, interest on loans and advances classified as bad/loss is not accounted for. A separate memorandum record is maintained for such interest on bad/loss loans.

- b) Provision for loans and advances is made on the basis of the period end review by the management of the Bank in line with the instructions contained in BRPD Master Circular No. 14 dated 23 September 2012, BRPD Circular No. 19 dated 27 December 2012, BRPD Circular No. 05 and 06 dated 29 May, 2013 and BRPD Circular No. 15 dated 23 December 2013 issued by Bangladesh Bank on the following basis:

| Category / status of loans and advances  | Rates   |                        |
|--|---------|------------------------|
|  |         | Maintained by the Bank |
| <b>General provisions for unclassified loans and advances :</b>  |         |                        |
| All unclassified loans (Other than loans under small and medium enterprise financing, consumer financing, loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares, short term agricultural credit and staff loans) | 1.00%   | 1.00%                  |
| Small and medium enterprise financing  | 0.25%   | 0.25%                  |
| Consumer financing (other than housing finance and loans for professionals under consumer financing scheme)  | 5.00%   | 5.00%                  |
| Consumer financing for housing finance, loans to professionals and loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares etc.  | 2.00%   | 2.00%                  |
| Short term agricultural credit   | 5.00%   | 5.00%                  |
| <b>Special mention account</b>   |         |                        |
| All loans (Other than loans under small and medium enterprise financing, consumer financing, loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares, short term agricultural credit and staff loans)              | 1.00%   | 1.00%                  |
| Small & Medium enterprise financing  | 0.25%   | 0.25%                  |
| Consumer financing (other than housing finance and loans for professionals under consumer financing scheme)  | 5.00%   | 5.00%                  |
| Consumer financing for housing finance, loans to professionals and loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against Shares etc.  | 2.00%   | 2.00%                  |
| Short term agricultural credit   | 5.00%   | 5.00%                  |
| <b>Specific provision for classified loans and advances:</b>   |         |                        |
| Substandard  | 20.00%  | 20.00%                 |
| Doubtful   | 50.00%  | 50.00%                 |
| Bad/loss   | 100.00% | 100.00%                |

#### **Specific provision**

Specific provision for classified loans and advances has been maintained @ 20% to 100% as prescribed by Bangladesh Bank.

#### **General provision**

General provision for consumer financing, short term agricultural credit and loans to Brokerage Houses (BHs) / Merchant Banks (MBs) / Stock Dealers (SDs) against shares has been maintained @ 2% to 5%.

General provision for all unclassified and SMA loans and advance under small & medium enterprise financing has been maintained @ 0.25%.

General provision for all unclassified and SMA loans and advances (other than short term agricultural credit, loans to Brokerage House (BHs)/ Merchant Banks (MBs)/ Stock Dealers (SDs) against shares, consumer financing, small & medium enterprise financing and staff loans) has been maintained @ 1%.

- c) Loans and advances are written-off in line with Bangladesh Bank's BRPD Circular No. 02 dated 13 January 2003 and DOS Circular No. 01 dated 29 December 2004, when prospect of recovery of such loans and advances become non-existent. However, such write-off does not reduce the claim against the borrower. Detailed records for all write-off accounts are separately maintained by the Bank to continue the recovery efforts.

## 2.7.2 Investments

- a) Investments have been accounted for as follows :

| <u>Particulars</u>        | <u>Valuation method</u>  |
|---------------------------|--|
| Government treasury bills | Present value  |
| Government treasury bonds | Present value  |
| Subordinated bonds        | At redemption value  |
| ICB's debenture           | At redemption value  |
| Prize bond                | Cost price   |
| Shares:                   |  |
| Quoted                    | Cost or market price whichever is lower                            |
| Unquoted                  | Cost or Book value as per last audited accounts whichever is lower |

- b) The investment in government securities (Treasury bills and bonds) are classified into **Held to Maturity (HTM)** and **Held for Trading (HFT)** as per Bangladesh Bank's guidelines contained in DOS Circular Letter No. 05 dated 26 May 2008, DOS Circular Letter No. 05 dated 28 January 2009, DOS Circular No. 06 dated 15 July 2010 and under reference Letter No. DOS (SR)1153/120-A/2011-746 dated 29 December 2011. Reclassification of HTM securities into HFT securities are also done in compliance with Bangladesh Bank's guidelines.

The government securities under '**Held to Maturity (HTM)**' category are valued at present value at amortized cost at the end of the period. The Held to Maturity securities are amortized to ensure a constant yield over the remaining period of maturity of the securities. The resulting gains / (losses) are credited to revaluation reserve account and shown in the equity. Such gains / (losses) are credited to income account at the time of maturity or sale of the security.

The government securities under '**Held for Trading (HFT)**' category are valued at present value on the basis of marking to market method. The resulting gains / (losses) are transferred to other reserve account. The gains / (losses) arising on maturity or sale of such securities are credited to income.

## 2.7.3 Fixed assets

- a) All fixed assets are stated at cost or revalued amount less accumulated depreciation.
- b) Depreciation is charged over the estimated useful life of fixed assets excepting land on a straight line method. The useful life of fixed assets are reviewed on a yearly basis to determine if there has been any significant change in the expected pattern of consumption resulting in changes in estimated residual value and useful life of the fixed assets and if considered appropriate, adjustment is made at the balance sheet date.

The annual rates of depreciation based on estimated useful life for fixed assets are given below:

|                                 |        |
|---------------------------------|--------|
| Furniture and fixtures          | 10.00% |
| Computer equipment and software | 20.00% |
| Other machinery and equipment   | 15.00% |
| Motor vehicles                  | 20.00% |
| Interior decoration             | 15.00% |
| Building                        | 2.50%  |
| ATM/Fast Track                  | 12.50% |
| ATM Booth                       | 10.00% |
| Books                           | 10.00% |

- c) As at 31 December 2010, all immovable properties of the Bank including land, building and ready made floor spaces were

revalued by a professionally qualified valuation firm and certified by the external auditors, M/S. A. Qasem & Co., Chartered Accountants. Accordingly, revaluation surplus is included in fixed assets and equity in terms of instructions contained in BRPD Circular No. 10 dated 25 November 2002.

## 2.8 Off-balance sheet exposures

In compliance with the instruction contained in BRPD Circular No. 10 dated 18 September 2007 issued by Bangladesh Bank, provision against the off-balance sheet exposures of the Bank as at reporting date has been made as under:

| Category / status of Off-balance sheet exposures         | Rates                         |                        |
|--|-------------------------------|------------------------|
|  | Bangladesh Bank's requirement | Maintained by the Bank |
| <b>General provision for Off-balance sheet exposures</b> |                               |                        |
| All types of Off-balance sheet exposures                 | 1.00%                         | 1.00%                  |

## 2.9 Bases for valuation of liabilities and provisions

### 2.9.1 Retirement benefits to the employees

The retirement benefits accrued for the employees of the Bank as at the reporting date have been accounted for in accordance with the provisions of **Bangladesh Accounting Standard (BAS) 19, 'Employee Benefits'** as outlined below:

#### a) Provident fund

There is a Provident Fund Scheme under defined contribution plan. The Fund is operated by a separate Board of Trustees approved by the National Board of Revenue as per Income Tax Ordinance, 1984. All eligible employees contribute 10% of their basic pay to the Fund. The Bank also contributes equal amount of employees' contribution to the Fund. Benefits from the Fund is given to eligible employees at the time of retirement/resignation as per approved rules of the Fund.

#### b) Gratuity fund

The Bank has a separate Board of Trustees for operating the staff gratuity fund approved by the National Board of Revenue. The provision for the gratuity fund is made in the books of account of the Bank for the eligible employees on the basis of the assessment made by the management at the year / period end. The amount of provision is transferred to the Board of Trustees of the Fund on a yearly basis.

#### c) Superannuation fund

The Bank has a separate Board of Trustees for operating the staff superannuation fund approved by the National Board of Revenue. The provision for the superannuation fund is made in the books of account of the Bank for the eligible employees on the basis of the assessment made by the management at the year / period end. The amount of provision is transferred to the Board of Trustees of the Fund on a yearly basis.

## 2.10 Revenue recognition

The revenues of the Bank during the period have been recognized in terms of the provisions of **Bangladesh Accounting Standard (BAS) 18, 'Revenue'** as outlined below:

### **2.10.1 Interest income**

#### **a) Interest income from loans and advances and lease finance**

The policy for accounting of interest income on loans and advances is stated in **2.7.1.a** and **2.7.2** above.

#### **b) Other interest income**

Interest income from investments, money at call and short notice and fund placement with other banks and financial institutions are recognized on accrual basis.

### **2.10.2 Fees and commission income**

Fees and commission income arising from different services provided by the Bank are recognized on cash receipt basis. Commission realized on letters of credit and letters of guarantee is credited to income at the time of effecting the respective transactions.

### **2.10.3 Dividend income**

Dividend income from investments in shares is accounted for on cash receipt basis.

### **2.10.4 Interest paid on deposits and borrowings**

Interest paid on deposits, borrowings etc. are accounted for on accrual basis.

### **2.10.5 Other operating expenses**

All other operating expenses are provided for in the books of the accounts on accrual basis.

### **2.11 Earnings per share**

Earnings per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as at 30 September 2015 as per **Bangladesh Accounting Standard (BAS) 33, 'Earnings Per Share'**.

### **2.12 Cash flow statement**

Cash flow statement has been prepared in accordance with the **Bangladesh Accounting Standard (BAS) 7, 'Cash Flow Statement'** under Direct method as recommended in the BRPD Circular No. 14 dated 25 June 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

### 2.13 Statement of liquidity

The liquidity statement of assets and liabilities as at the reporting date has been prepared on residual maturity term as per the following bases:

- a) Balance with other banks and financial institutions, money at call and short notice etc. are on the basis of their maturity term.
- b) Investments are on the basis of their maturity.
- c) Loans and advances are on the basis of their repayment / maturity schedule.
- d) Fixed assets are on the basis of their useful life.
- e) Other assets are on the basis of their realization/adjustment.
- f) Borrowing from other banks, financial institutions and agents are as per their maturity /repayment term.
- g) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors.
- h) Other long term liabilities are on the basis of their maturity term.
- i) Provisions and other liabilities are on the basis of their payment /adjustment schedule.

### 2.14 Events after the reporting period

There were no material post balance sheet events which could materially affect the values stated in these financial statements.

### 2.15 Reconciliation of books of account

Books of account with regard to inter-bank (in Bangladesh and outside Bangladesh) transactions and inter-branch transactions are reconciled in all material respects. There were no un-reconciled entries which could materially affect the financial condition or results of the Bank.

### 2.16 Reporting period

The reporting period of these financial statements cover nine months of the calendar year from 1 January 2015 to 30 September 2015.

### 2.17 Offsetting

No asset or liability has been offset or reduced by any other asset or liability unless a legal right [Note 10, 28 (revaluation gain on securities), 29.2 and 30.2] of set-off exists and the offsetting represents the expectation as to the realization or settlement of the asset or liability.

### 2.18 Compliance report on Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the official standard setting body as well as the regulator of accounting profession in the country. ICAB has adopted most of the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs). The Bank has complied with all the applicable Bangladesh Accounting Standards and Bangladesh Financial Reporting Standards for preparation and presentation of the financial statements of the Bank as at 30 September 2015 as noted below:

| Bangladesh Accounting Standards (BASs) | BAS Number | Status of compliance by DBBL |
|--|------------|------------------------------|
|--|------------|------------------------------|

|  |         |                |
|--|---------|----------------|
| Presentation of Financial Statements   | BAS -1  | Complied       |
| Inventories  | BAS -2  | Complied       |
| Cash Flow Statements   | BAS -7  | Complied       |
| Accounting Policies, Changes in Accounting Estimates and Errors                  | BAS -8  | Complied       |
| Events After the Reporting Period  | BAS -10 | Complied       |
| Construction Contracts   | BAS -11 | Not applicable |
| Income Taxes   | BAS -12 | Complied       |
| Property, Plant and Equipment  | BAS -16 | Complied       |
| Leases   | BAS -17 | Complied       |
| Revenue  | BAS -18 | Complied       |
| Employee Benefits  | BAS -19 | Complied       |
| Accounting for Government Grants and Disclosure of                               | BAS -20 | Not applicable |
| The Effects of Changes in Foreign Exchange Rates                                 | BAS -21 | Complied       |
| Borrowing Costs  | BAS -23 | Complied       |
| Related Party Disclosures  | BAS -24 | Complied       |
| Accounting and Reporting by Retirement Benefit Plans                             | BAS -26 | Complied       |
| Consolidated Financial Statements and Accounting for Investments in Subsidiaries | BAS -27 | Not applicable |
| Accounting for Investments in Associates   | BAS -28 | Not applicable |
| Financial Reporting of Interests in Joint Ventures                               | BAS -31 | Not applicable |
| Financial Instruments: Presentation  | BAS -32 | Complied       |
| Earnings Per Share   | BAS -33 | Complied       |
| Interim Financial Reporting  | BAS -34 | Complied       |
| Impairment of Assets   | BAS -36 | Complied       |
| Provisions, Contingent Liabilities and Contingent Assets                         | BAS -37 | Complied       |
| Intangible assets  | BAS -38 | Not applicable |
| Financial Instruments: Recognition and Measurement                               | BAS -39 | Complied       |
| Investment Property  | BAS -40 | Not applicable |
| Agriculture  | BAS -41 | Not applicable |

| <b>Bangladesh Financial Reporting Standards (BFRSs)</b>         | <b>BFRS Number</b> | <b>Status of compliance by DBBL</b> |
|---|--------------------|-------------------------------------|
| First-time Adoption of Bangladesh Financial Reporting Standards | BFRS - 1           | Complied                            |
| Share-based Payment   | BFRS - 2           | Not applicable                      |
| Business Combinations   | BFRS - 3           | Not applicable                      |
| Insurance Contracts   | BFRS - 4           | Not applicable                      |
| Non-current Assets Held for Sale and Discontinued Operations    | BFRS - 5           | Not applicable                      |
| Exploration for and Evaluation of Mineral Resources             | BFRS - 6           | Not applicable                      |
| Financial Instruments : Disclosures                             | BFRS - 7           | Complied                            |
| Operating Segments  | BFRS - 8           | Complied                            |
| Consolidated Financial Statements                               | BFRS - 10          | Not applicable                      |
| Joint Arrangements  | BFRS - 11          | Not applicable                      |
| Disclosure of Interests in other Entities                       | BFRS - 12          | Not applicable                      |
| Fair Value Measurement  | BFRS - 13          | Complied                            |

### 2.19 Approval of the financial statements

The Board of Directors of the Bank in its 160th meeting held on 27 October 2015 approved the financial statements of the Bank for the third quarter ended 30 September 2015.

### 3. General

Wherever considered necessary previous period's figures have been rearranged to conform with the current period's presentation.

|  | <u>Taka</u>                  | <u>Taka</u>                  |
|--|------------------------------|------------------------------|
| <b>4. Cash in hand (including foreign currencies)</b>  |                              |                              |
| Local currency   | 7,840,420,177                | 6,303,495,306                |
| Foreign currencies   | 13,187,664                   | 28,583,543                   |
|  | <b><u>7,853,607,841</u></b>  | <b><u>6,332,078,849</u></b>  |
| <b>5. Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)</b>  |                              |                              |
| Bangladesh Bank  |                              |                              |
| Local currency   | 11,268,005,936               | 11,540,970,257               |
| Foreign currencies   | 4,205,124,972                | 4,771,872,470                |
|  | <b>15,473,130,908</b>        | <b>16,312,842,727</b>        |
| Sonali Bank Limited (as an agent of Bangladesh Bank) - Local currency  | 185,528,620                  | 894,486,510                  |
|  | <b><u>15,658,659,528</u></b> | <b><u>17,207,329,237</u></b> |
| <b>5.1 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)</b>  |                              |                              |
| Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 33 of the Bank Companies Act, 1991 and of instructions contained in BRPD Circular No. 11 dated 25 August 2005, BRPD Circular No. 12 dated 25 August 2005, Monetary Policy Department (MPD) Circular No. 1 dated 4 May 2010, MPD Circular No. 2 dated 4 May 2010, MPD Circular No. 4 dated 1 December 2010, MPD Circular No. 5 dated 1 December 2010, DOS Circular No. 1 date 19 January 2014, MPD Circular No. 1 date 23 June 2014 and MPD Circular No. 116/2014-853 date 23 June 2014 issued by Bangladesh Bank . |                              |                              |
| <b>5.1.1 Cash Reserve Requirement (CRR): 6.5% of average demand and time liabilities</b>   |                              |                              |
| Required reserve   | 11,583,199,000               | 10,349,511,350               |
| Actual reserve maintained  |                              |                              |
| Balance with Bangladesh Bank-Local currency [Note 5]   | 11,268,005,936               | 11,540,970,257               |
| <b>Surplus/(deficit)*</b>  | <b><u>(315,193,064)</u></b>  | <b><u>1,191,458,907</u></b>  |
| <b>Cash Reserve Maintained (%)</b>   | <b>6.32%</b>                 | <b>7.25%</b>                 |
| <b>5.1.2 Statutory Liquidity Ratio (SLR): 13% of average demand and time liabilities</b>   |                              |                              |
| Required reserve   | 23,166,397,000               | 20,699,022,710               |
| Available for maintenance:   |                              |                              |
| Cash in hand (including foreign currencies)  | 7,853,607,841                | 6,332,078,849                |
| Balance with Bangladesh Bank - Foreign currencies  | 4,205,124,972                | 4,771,872,470                |
| Balance with Sonali Bank Limited (as an agent of Bangladesh Bank)  | 185,528,620                  | 894,486,510                  |
| Unencumbered approved securities (treasury bills and bonds, debentures etc.)   | 20,494,673,312               | 18,328,337,592               |
|  | <b>32,738,934,745</b>        | <b>30,326,775,421</b>        |
| <b>Surplus</b>   | <b><u>9,572,537,745</u></b>  | <b><u>9,627,752,711</u></b>  |
| <b>Total surplus (5.1.1+5.1.2)</b>   | <b><u>9,257,344,681</u></b>  | <b><u>10,819,211,618</u></b> |
| <b>Statutory Liquidity Ratio (SLR) Maintained (%)</b>  | <b>18.37%</b>                | <b>19.05%</b>                |
| <b>6. Balance with other banks and financial institutions</b>  |                              |                              |
| <b>Main Operation [Note 6.1]</b>   |                              |                              |
| In Bangladesh  | 17,210,289,688               | 25,346,349,029               |
| Outside Bangladesh   | (421,504,064)                | 1,155,914,730                |
|  | 16,788,785,624               | 26,502,263,759               |
| <b>Off-shore Banking Unit</b>  |                              |                              |
| In Bangladesh  | 2,000,065,048                | 688,728,198                  |
| Outside Bangladesh   | -                            | -                            |
|  | 2,000,065,048                | 688,728,198                  |
| <b>Total Balance with other banks and financial institutions</b>   | <b><u>18,788,850,672</u></b> | <b><u>27,190,991,957</u></b> |
|  | <b>30-Sep-15</b>             | <b>31-Dec-14</b>             |

**6.1 Balance with other banks and financial institutions - Main Operation**

**(a) In Bangladesh**

In current deposit accounts with

Janata Bank Limited  
Sonal Bank Limited  
Standard Chartered Bank, Dhaka  
Islami Bank Bangladesh Limited  
Agrani Bank Limited  
National Bank Limited

|  | Taka               | Taka               |
|--|--------------------|--------------------|
|  | 44,526             | 6,045,452          |
|  | 45,197,732         | 112,141,273        |
|  | 182,091,254        | 35,732,010         |
|  | 24,210,537         | 11,322,319         |
|  | 31,053             | 1,633              |
|  | 160,638            | 168,062            |
|  | <b>251,735,739</b> | <b>165,410,749</b> |

In special notice deposit accounts with

Sonal Bank Limited  
National Bank Limited  
The City Bank Limited  
Rupali Bank Limited  
Agrani Bank Limited  
Janata Bank Limited  
Dhaka Bank Limited  
Islami Bank Limited

|  |                      |                    |
|--|----------------------|--------------------|
|  | 1,406,787,254        | 132,453,594        |
|  | 25,349,079           | 24,165,642         |
|  | (5,169)              | (2,896)            |
|  | 24,328               | 18,509             |
|  | 14,401,020           | 24,553,766         |
|  | 78,820,516           | 261,210            |
|  | 1,614,019            | 1,614,019          |
|  | 648,916,912          | 178,873,527        |
|  | <b>2,175,907,959</b> | <b>361,937,371</b> |

In fixed deposit accounts with

The City Bank Limited  
Standard Bank Limited

|  |   |                      |
|--|---|----------------------|
|  | - | 1,250,000,000        |
|  | - | 1,000,000,000        |
|  | - | <b>2,250,000,000</b> |

In fixed deposit accounts (in foreign currency) with

Off-shore Banking Unit, Agrabad Branch-Chittagong, Dutch-Bangla Bank Ltd

|  |                      |                      |
|--|----------------------|----------------------|
|  | 7,632,645,990        | 3,769,000,909        |
|  | <b>7,632,645,990</b> | <b>3,769,000,909</b> |

**Other financial institutions**

In fixed deposit accounts with

Investment Corporation of Bangladesh  
Industrial and Infrastructure Development Finance Company Limited (IIDFC)  
Uttara Finance and Investment Limited  
United Leasing Company Limited  
Phoenix Finance & Investments Limited  
International Leasing & Financial Services Limited  
Bangladesh Industrial Finance Company Limited  
Fareast Finance & Investment Limited  
Lanka Bangla Finance Limited  
IDLC Finance Limited  
Delta Brac Housing Finance Corporation Limited  
Premier Leasing & Finance Limited  
Prime Finance and Investment Limited  
Bay Leasing Company Limited  
National Finance Limited  
Union Capital Limited

|  |                       |                       |
|--|-----------------------|-----------------------|
|  | 3,000,000,000         | 13,000,000,000        |
|  | 100,000,000           | 500,000,000           |
|  | -                     | 200,000,000           |
|  | 650,000,000           | 300,000,000           |
|  | 200,000,000           | 200,000,000           |
|  | 400,000,000           | 200,000,000           |
|  | 400,000,000           | 400,000,000           |
|  | 250,000,000           | 250,000,000           |
|  | 900,000,000           | 350,000,000           |
|  | 700,000,000           | 2,400,000,000         |
|  | -                     | 200,000,000           |
|  | 150,000,000           | 200,000,000           |
|  | 50,000,000            | 350,000,000           |
|  | -                     | 150,000,000           |
|  | 100,000,000           |                       |
|  | 250,000,000           | 100,000,000           |
|  | <b>7,150,000,000</b>  | <b>18,800,000,000</b> |
|  | <b>17,210,289,688</b> | <b>25,346,349,029</b> |

**Total (a) In Bangladesh**

**(b) Outside Bangladesh**

In demand deposit accounts (interest bearing) with

| Name of the correspondent Bank     | Currency | 30-Sep-15                  |   |                      | 31-Dec-14                  |   |                    |
|------------------------------------|----------|----------------------------|---|----------------------|----------------------------|---|--------------------|
|                                    |          | Amount in foreign currency | Exchange rate for per unit foreign currency | Amount in Taka       | Amount in foreign currency | Exchange rate for per unit foreign currency | Amount in Taka     |
| Mashreqbank PSC, New York, USA     | USD      | 160,604                    | 77.4750                                     | 12,442,793           | 1,896,332                  | 77.9494                                     | 147,817,970        |
| Commerzbank AG, Frankfurt, Germany | EURO     | 212,400                    | 87.2482                                     | 18,531,505           | 73,649                     | 94.7007                                     | 6,974,653          |
| AB Bank Ltd., Mumbai, India        | ACU      | 89,228                     | 77.4750                                     | 6,912,915            | 218,600                    | 77.9494                                     | 17,039,701         |
| Citibank N.A., New York, USA       | USD      | (5,885,075)                | 77.4750                                     | (455,946,221)        | 1,090,166                  | 77.9494                                     | 84,977,749         |
| Unicredit S.P.A., Milano, Italy    | EURO     | (6,798)                    | 87.2482                                     | (593,076)            | 12,711                     | 94.7007                                     | 1,203,728          |
| ICICI Bank Limited, Mumbai, India  | ACU      | 8,655                      | 77.4750                                     | 670,576              | 25,783                     | 77.9494                                     | 2,009,767          |
|                                    |          |                            |   | <b>(417,981,509)</b> |                            |   | <b>260,023,568</b> |

In demand deposit account (non-interest bearing) with

| Name of the correspondent Bank                                       | Currency | 30-Sep-15                  |   |                       | 31-Dec-14                  |   |                       |
|--|----------|----------------------------|---|-----------------------|----------------------------|---|-----------------------|
|  |          | Amount in foreign currency | Exchange rate for per unit foreign currency | Amount in Taka        | Amount in foreign currency | Exchange rate for per unit foreign currency | Amount in Taka        |
| Standard Chartered Bank, London, UK                                  | GBP      | 21,358                     | 117.3867                                    | 2,507,101             | 39,002                     | 120.9151                                    | 4,715,948             |
| Standard Chartered Bank, New York, USA                               | USD      | 1,357,238                  | 77.4750                                     | 105,152,016           | 8,282,898                  | 77.9494                                     | 645,646,901           |
| HSBC Bank USA N.A., New York, USA                                    | USD      | (1,769,160)                | 77.4750                                     | (137,065,681)         | 1,779,781                  | 77.9494                                     | 138,732,859           |
| JP Morgan Chase Bank N.A., New York, USA                             | USD      | 504,783                    | 77.4750                                     | 39,108,094            | 724,501                    | 77.9494                                     | 56,474,393            |
| Standard Chartered Bank, Colombo, Sri Lanka                          | ACU      | 757                        | 77.4750                                     | 58,652                | 2,567                      | 77.9494                                     | 200,115               |
| Commerzbank AG, Frankfurt, Germany                                   | CHF      | 54,468                     | 79.9063                                     | 4,352,326             | 36,860                     | 78.7288                                     | 2,901,948             |
| The Bank of Tokyo-Mitsubishi UFJ Ltd., Tokyo, Japan                  | JPY      | 8,197,012                  | 0.6531                                      | 5,353,469             | 2,711,225                  | 0.6459                                      | 1,751,180             |
| The Bank of Nova Scotia, Mumbai, India                               | ACU      | -                          | 77.4750                                     | -                     | 3,132.31                   | 77.9494                                     | 244,162               |
| Wells Fargo Bank, N.A., New York, USA                                | USD      | -                          | 77.4750                                     | -                     | 414,185                    | 77.9494                                     | 32,285,450            |
| The Bank of Nova Scotia, Toronto, Canada                             | CAD      | 48,914                     | 57.6889                                     | 2,821,767             | 11,033                     | 66.9323                                     | 738,457               |
| The Hongkong and Shanghai Banking Corporation Limited, Mumbai, India | ACU      | -                          | 77.4750                                     | -                     | -                          | 77.9494                                     | -                     |
| HSBC Bank Australia Limited, Sydney, Australia                       | AUD      | 56,761                     | 54.3717                                     | 3,086,170             | 145,699                    | 63.3807                                     | 9,234,523             |
| Citibank, N.A., Mumbai, India  | ACU      | -                          | 77.4750                                     | -                     | -                          | 77.9494                                     | -                     |
| Mashreqbank PSC, Mumbai, India                                       | ACU      | 8,373                      | 77.4750                                     | 648,692               | 3,403                      | 77.9494                                     | 265,272               |
| Mashreqbank PSC, Mumbai, India                                       | EUR      | 3,570                      | 87.2482                                     | 311,505               | 682                        | 94.7007                                     | 64,617                |
| Standard Chartered Bank, Mumbai, India                               | ACU      | 8,034                      | 77.4750                                     | 622,402               | 9,570                      | 77.9494                                     | 746,007               |
| HDFC Bank Limited  | ACU      | (1,144)                    | 77.4750                                     | (88,626)              | 5,710                      | 77.9494                                     | 445,087               |
| HSBC Bank Middle East Limited, Karachi, Pakistan                     | ACU      | -                          | 77.4750                                     | -                     | -                          | 77.9494                                     | -                     |
| Union de Banques Arabes et Francaises (UBAF), Tokyo, Japan           | JPY      | -                          | 0.6531                                      | -                     | -                          | 0.6459                                      | -                     |
| Habib Metropolitan Bank, Karachi, Pakistan                           | ACU      | (392,261)                  | 77.4750                                     | (30,390,441)          | 18,528                     | 77.9494                                     | 1,444,243             |
|  |          |                            |   | <b>(3,522,555)</b>    |                            |   | <b>895,891,162</b>    |
| <b>Total (b) Outside Bangladesh</b>                                  |          |                            |   | <b>(421,504,064)</b>  |                            |   | <b>1,155,914,730</b>  |
| <b>Total (a+b)</b>   |          |                            |   | <b>16,788,785,624</b> |                            |   | <b>26,502,263,759</b> |

|   | 30-Sep-15<br>Taka     | 31-Dec-14<br>Taka     |
|---|-----------------------|-----------------------|
| <b>7. Money at call and short notice</b>          |                       |                       |
| <b>a) With banks</b>                              |                       |                       |
| Mutual Trust Bank Limited                         | -                     | 200,000,000           |
| Midland Bank Ltd.                                 | 290,000,000           | 300,000,000           |
| Commercial Bank of Ceylon                         | -                     | 400,000,000           |
| The City Bank Limited                             | -                     | 500,000,000           |
| NRB Bank Limited                                  | 120,000,000           | 300,000,000           |
| Bank Asia Limited                                 | -                     | 450,000,000           |
| Bank Alfalah                                      | 300,000,000           | 50,000,000            |
| Brac Bank Limited                                 | 800,000,000           | 700,000,000           |
| Standard Bank Limited                             | 200,000,000           | -                     |
| South Bangla Agr. Bank Limited                    | 300,000,000           | -                     |
| Jamuna Bank Limited                               | 50,000,000            | -                     |
| Dhaka Bank Limited                                | 1,000,000,000         | -                     |
| Southeast Bank Limited                            | 600,000,000           | -                     |
|   | <b>3,660,000,000</b>  | <b>2,900,000,000</b>  |
| <b>b) With non bank financial institutions</b>    |                       |                       |
| Investment Corporation of Bangladesh              | -                     | 550,000,000           |
| Union Capital Limited                             | 90,000,000            | 50,000,000            |
| Fareast Finance Limited                           | 200,000,000           | 50,000,000            |
| Delta Brac Housing Finance Corporation Limited    | 50,000,000            | -                     |
| Phoenix Finance Limited                           | 50,000,000            | -                     |
| BDFC Limited                                      | 200,000,000           | -                     |
| BIFC Limited                                      | 90,000,000            | -                     |
| Lanka Bangla Finace Limited                       | 270,000,000           | -                     |
| International Leasing Limited                     | 90,000,000            | -                     |
| Prime Finance Limited                             | 260,000,000           | -                     |
| United Finance Limited                            | 300,000,000           | -                     |
| Premier Leasing Limited                           | 50,000,000            | -                     |
| Bay Leasing Limited                               | 220,000,000           | -                     |
|   | <b>1,870,000,000</b>  | <b>650,000,000</b>    |
| Total (a+b)                                       | <b>5,530,000,000</b>  | <b>3,550,000,000</b>  |
| <b>8. Investments</b>                             |                       |                       |
| In Government securities                          |                       |                       |
| Treasury bills                                    |                       |                       |
| 91-day treasury bills                             | 1,860,000,000         | 292,806,832           |
| 182-day treasury bills                            | -                     | 410,851,231           |
| 364-day treasury bills                            | 273,839,515           | 610,729,099           |
| 30-day Bangladesh Bank bills                      | 1,553,296,680         | -                     |
|   | 3,687,136,195         | 1,314,387,162         |
| Treasury bonds                                    |                       |                       |
| 2-year treasury bonds                             | 84,710,470            | 291,123,783           |
| 5-year treasury bonds                             | 5,783,736,046         | 5,783,736,046         |
| 10-year treasury bonds                            | 8,649,155,008         | 8,649,155,008         |
| 15-year treasury bonds                            | 1,995,763,283         | 1,995,763,283         |
| 20-year treasury bonds                            | 294,172,310           | 294,172,310           |
|   | 16,807,537,117        | 17,013,950,430        |
| <b>Total treasury bills and bonds</b>             | <b>20,494,673,312</b> | <b>18,328,337,592</b> |
| Prize bonds                                       | 7,793,800             | 7,554,300             |
|   | <b>20,502,467,112</b> | <b>18,335,891,892</b> |
| Other investments                                 |                       |                       |
| Subordinated bonds [Note 8.2]                     | 874,000,000           | 914,000,000           |
| Shares [Note 8.3]                                 | 11,283,434            | 11,283,434            |
|   | <b>885,283,434</b>    | <b>925,283,434</b>    |
|   | <b>21,387,750,546</b> | <b>19,261,175,326</b> |
| <b>8.1 Classification of investments</b>          |                       |                       |
| Government treasury bills and bonds               |                       |                       |
| Held for trading (HFT)                            | -                     | -                     |
| Held to maturity (HTM)                            | 20,494,673,312        | 18,328,337,592        |
| <b>Total investments in government securities</b> | <b>20,494,673,312</b> | <b>18,328,337,592</b> |
| Prize bonds                                       | 7,793,800             | 7,554,300             |
| Other investments                                 | 885,283,434           | 925,283,434           |
|   | <b>21,387,750,546</b> | <b>19,261,175,326</b> |

|  | <b>30-Sep-15</b>       | <b>31-Dec-14</b>       |
|--|------------------------|------------------------|
|  | <b>Taka</b>            | <b>Taka</b>            |
| <b>8.2 Other investments -Subordinated Bonds</b>                 |                        |                        |
| Prime Bank 7 Years Bond  | 400,000,000            | 400,000,000            |
| Mutual Trust Bank Bond   | 150,000,000            | 150,000,000            |
| Dhaka Bank Bond  | 100,000,000            | 100,000,000            |
| National Bank Bond   | 64,000,000             | 64,000,000             |
| First Security Islami Bank Mudaraba Bond                         | 160,000,000            | 200,000,000            |
|  | <b>874,000,000</b>     | <b>914,000,000</b>     |
| <b>8.3 Other investments - shares</b>                            |                        |                        |
| <b>In shares (quoted and unquoted)</b>                           |                        |                        |
| <b>Quoted</b>  |                        |                        |
| RAK Ceramics (Bangladesh) Limited                                | 5,664                  | 5,664                  |
|  | <b>5,664</b>           | <b>5,664</b>           |
| <b>Unquoted</b>  |                        |                        |
| Central Depository Bangladesh Limited                            | 6,277,770              | 6,277,770              |
| Market Stabilization Fund (MSF) Asset Management Company Limited | 5,000,000              | 5,000,000              |
|  | <b>11,277,770</b>      | <b>11,277,770</b>      |
|  | <b>11,283,434</b>      | <b>11,283,434</b>      |
| <b>9. Loans and advances</b>                                     |                        |                        |
| <b>Main Operation [Note 9.1]</b>                                 |                        |                        |
| Loans, cash credits, overdrafts, etc.                            | 134,242,175,524        | 119,217,549,292        |
| Bills purchased and discounted                                   | 4,639,846,209          | 4,401,086,578          |
|  | <b>138,882,021,733</b> | <b>123,618,635,870</b> |
| <b>Off-shore Banking Unit</b>                                    |                        |                        |
| Loans, cash credits, overdrafts, etc.                            | -                      | -                      |
| Bills purchased and discounted                                   | 4,255,900,630          | 804,354,747            |
|  | <b>4,255,900,630</b>   | <b>804,354,747</b>     |
| <b>Total loans and advances</b>                                  | <b>143,137,922,363</b> | <b>124,422,990,617</b> |
| <b>9.1 Loans, cash credits, overdrafts etc. - Main operation</b> |                        |                        |
| <b>In Bangladesh</b>   |                        |                        |
| Overdraft  | 18,599,139,796         | 13,821,674,153         |
| Cash credit  | 41,592,855,023         | 38,375,518,581         |
| Export cash credit   | 10,508,585,711         | 10,364,424,019         |
| Transport loan   | 1,606,661,439          | 1,229,095,787          |
| House building loan  | 762,376,501            | 259,902,243            |
| Loan against trust receipt                                       | 8,957,299,532          | 6,787,016,685          |
| Term loan - industrial   | 35,443,298,314         | 34,207,020,686         |
| Term loan - other  | 12,332,498,570         | 9,401,935,531          |
| Payment against document - cash                                  | 121,793,760            | 27,955,889             |
| Payment against document - EDF                                   | 1,627,508,058          | 2,067,546,125          |
| Consumer finance   | 2,129,447,229          | 2,138,305,945          |
| Staff loan   | 560,711,590            | 537,153,648            |
|  | <b>134,242,175,524</b> | <b>119,217,549,292</b> |
| <b>Outside Bangladesh</b>  | -                      | -                      |
|  | <b>134,242,175,524</b> | <b>119,217,549,292</b> |
| <b>Bills purchased and discounted</b>                            |                        |                        |
| <b>Payable in Bangladesh</b>                                     |                        |                        |
| Inland bills purchased   | 4,550,930,420          | 4,335,337,943          |
| <b>Payable outside Bangladesh</b>                                |                        |                        |
| Foreign bills purchased and discounted                           | 88,915,789             | 65,748,635             |
|  | <b>4,639,846,209</b>   | <b>4,401,086,578</b>   |
|  | <b>138,882,021,733</b> | <b>123,618,635,870</b> |
| <b>Total loans and advances</b>                                  | <b>138,882,021,733</b> | <b>123,618,635,870</b> |

|  | 30-Sep-15<br>Taka      | 31-Dec-14<br>Taka      |
|--|------------------------|------------------------|
| <b>9.2 Net loans and advances including bills purchased and discounted</b>       |                        |                        |
| Total loans and advances [Note 9.1]  | 138,882,021,733        | 123,618,635,870        |
| Less : Provision against loans and advances (specific and general) [Note 9.4(b)] | 4,974,208,358          | 4,201,656,301          |
| Less : Cumulative balance of interest suspense account [Note 14.1.4]             | 1,374,729,853          | 1,062,236,453          |
|  | <b>132,533,083,521</b> | <b>118,354,743,116</b> |

**9.3 Loans and advances including bills purchased and discounted are classified into the following broad categories**

**a) Loans and advances**

In Bangladesh

Loans

Cash credit

Overdraft

Outside Bangladesh

|                        |                        |
|------------------------|------------------------|
| 74,050,180,705         | 67,020,356,558         |
| 41,592,855,023         | 38,375,518,581         |
| 18,599,139,796         | 13,821,674,153         |
| <b>134,242,175,524</b> | <b>119,217,549,292</b> |
| -                      | -                      |
| <b>134,242,175,524</b> | <b>119,217,549,292</b> |

**b) Bills purchased and discounted**

Payable in Bangladesh

Payable outside Bangladesh

**Total (a+b)**

|                        |                        |
|------------------------|------------------------|
| 4,550,930,420          | 4,335,337,943          |
| 88,915,789             | 65,748,635             |
| <b>4,639,846,209</b>   | <b>4,401,086,578</b>   |
| <b>138,882,021,733</b> | <b>123,618,635,870</b> |

**9.4 a) Classification of loans and advances including bills purchased and discounted**

| Status of loans and advances                 | Year                        |                        |                        |                |                                 |                |
|--|-----------------------------|------------------------|------------------------|----------------|---------------------------------|----------------|
|  | 30-Sep-15                   |                        |                        | Mix (%)        | 31-Dec-14                       |                |
|  | Outstanding amount (Taka)   |                        |                        |                | Total Outstanding amount (Taka) | Mix (%)        |
|  | Main Operation [Note 9.4.b] | Off-shore Banking Unit | Total                  |                |                                 |                |
| <b>Unclassified loans and advances</b>       |                             |                        |                        |                |                                 |                |
| Standard (including staff loans)             | 129,472,111,188             | 4,255,899,287          | 133,728,010,475        | 93.43%         | 118,715,610,830                 | 95.41%         |
| Special mention account                      | 4,315,634,048               | -                      | 4,315,634,048          | 3.02%          | 232,095,775                     | 0.19%          |
| <b>Total unclassified loans and advances</b> | <b>133,787,745,235</b>      | <b>4,255,899,287</b>   | <b>138,043,644,523</b> | <b>96.44%</b>  | <b>118,947,706,605</b>          | <b>95.60%</b>  |
| <b>Classified loans and advances</b>         |                             |                        |                        |                |                                 |                |
| Substandard                                  | 225,998,823                 | -                      | 225,998,823            | 0.16%          | 475,257,003                     | 0.38%          |
| Doubtful                                     | 247,933,854                 | -                      | 247,933,854            | 0.17%          | 777,040,007                     | 0.62%          |
| Bad/loss                                     | 4,620,343,821               | -                      | 4,620,343,821          | 3.23%          | 4,222,987,002                   | 3.39%          |
| <b>Total classified loans and advances</b>   | <b>5,094,276,498</b>        | <b>-</b>               | <b>5,094,276,498</b>   | <b>3.56%</b>   | <b>5,475,284,012</b>            | <b>4.40%</b>   |
| <b>Total loans and advances</b>              | <b>138,882,021,733</b>      | <b>4,255,899,287</b>   | <b>143,137,921,020</b> | <b>100.00%</b> | <b>124,422,990,617</b>          | <b>100.00%</b> |

b) Classification and provisioning of loans and advances including bills purchased and discounted

b.1) Main Operation

| Classification / Status of loans and advances  | Amount of outstanding loans and advances as at 30 September 2015 | Base for provision<br>(Taka) | Percentage (%) of provision required as per Bangladesh Bank's directives | Amount of provision required as at 30 September 2015<br>(Taka) | Amount of provision required as at 31 December 2014<br>(Taka) |
|--|--|------------------------------|--|--|---|
| <b>Unclassified loans and advances</b>   |  |                              |  |  |   |
| All unclassified loans (other than loans under small and medium enterprise, consumer financing and short term agricultural credit) | 103,045,420,282  | 102,484,708,692              | 1%   | 1,035,188,839  | 912,851,393   |
| Small and medium enterprise financing  | 20,659,523,278   | 20,659,523,278               | 0.25%  | 51,648,808   | 52,158,626  |
| Consumer financing (other than housing finance under consumer financing scheme)  | 2,711,470,552  | 2,711,470,552                | 5%   | 135,573,528  | 137,885,672   |
| Consumer financing (for housing finance)   | 1,028,304,301  | 1,028,304,301                | 2%   | 20,566,086   | 10,690,913  |
| Loans to BHs/MBs/SDs   | 204,948,373  | 204,948,373                  | 2%   | 4,098,967  | 1,911,427   |
| Short term agricultural credit   | 1,822,444,401  | 1,822,444,401                | 2.5%   | 45,561,110   | 45,942,062  |
|  | <b>129,472,111,188</b>   | <b>128,911,399,598</b>       |  | <b>1,292,637,338</b>   | <b>1,161,440,092</b>  |
| <b>Special mention account</b>   |  |                              |  |  |   |
| All unclassified loans (other than loans under small enterprise and consumer financing)  | 3,502,285,609  | 3,502,285,609                | 1%   | 35,022,856   | 953,628.25  |
| Small & Medium enterprise financing  | 749,290,585  | 749,290,585                  | 0.25%  | 1,873,226  | 173,862.53  |
| Consumer financing (other than housing finance under consumer financing scheme)  | 52,463,218   | 52,463,218                   | 5%   | 2,623,161  | 2,625,401   |
| Consumer financing (for housing finance)   | 11,594,635   | 11,594,635                   | 2%   | 231,893  | 293,598.51  |
|  | <b>4,315,634,048</b>   | <b>4,315,634,048</b>         |  | <b>39,751,136</b>  | <b>4,046,490</b>  |
|  | <b>133,787,745,235</b>   | <b>133,227,033,645</b>       |  | <b>1,332,388,474</b>   | <b>1,165,486,582</b>  |
| <b>Classified loans and advances</b>   |  |                              |  |  |   |
| Substandard  | 225,998,823  | 94,555,200                   | 20%  | 18,911,040   | 76,676,850  |
| Doubtful   | 247,933,854  | 119,997,439                  | 50%  | 59,998,720   | 145,267,868   |
| Bad /loss  | 4,620,343,821  | 2,859,021,776                | 100%   | 2,859,021,776  | 2,814,141,359   |
|  | <b>5,094,276,498</b>   | <b>3,073,574,415</b>         |  | <b>2,937,931,536</b>   | <b>3,036,086,077</b>  |
| <b>Total-Main Operation</b>  | <b>138,882,021,733</b>   | <b>136,300,608,060</b>       |  | <b>4,270,320,010</b>   | <b>4,201,572,659</b>  |
| <b>b.1.1) Main Operation</b>   |  |                              |  |  |   |
| Provision required   |  |                              |  | 4,270,320,010  | 4,201,572,659   |
| Provision maintained   |  |                              |  | 4,974,208,358  | 4,201,656,301   |
| <b>Provision surplus (i)</b>   |  |                              |  | <b>703,888,348</b>   | <b>83,642</b>   |
| <b>b.2) Off-shore Banking Unit</b>   |  |                              |  |  |   |
| Provision required   |  |                              |  | 42,558,993   | 2,010,887   |
| Provision maintained   |  |                              |  | 42,558,993   | 4,613,721   |
| <b>Provision surplus (ii)</b>  |  |                              |  | <b>-</b>   | <b>2,602,834</b>  |
| <b>Provision surplus</b>   |  |                              |  |  |   |
| Main Operation (i)   |  |                              |  | 703,888,348  | 83,642  |
| Off-shore Banking Unit (ii)  |  |                              |  | -  | 2,602,834   |
| <b>Total provision surplus (i+ii)</b>  |  |                              |  | <b>703,888,348</b>   | <b>2,686,476</b>  |

|   | <b>30-Sep-15</b>      | <b>31-Dec-14</b>      |
|---|-----------------------|-----------------------|
|   | <b>Taka</b>           | <b>Taka</b>           |
| <b>10. Fixed assets at cost or revalued amount including land, building, furniture and fixtures</b>   |                       |                       |
| <b>Main Operation [Note 10.1]</b>   |                       |                       |
| Total cost  | 9,544,220,817         | 8,523,858,293         |
| Less: Accumulated depreciation  | 5,086,052,454         | 4,382,170,419         |
|   | <b>4,458,168,363</b>  | <b>4,141,687,874</b>  |
| <b>Off-shore Banking Unit</b>   |                       |                       |
| Total cost  | 101,633               | 101,633               |
| Less: Accumulated depreciation  | 86,371                | 71,129                |
|   | <b>15,262</b>         | <b>30,504</b>         |
| <b>Total Fixed assets at cost or revalued</b>   | <b>4,458,183,625</b>  | <b>4,141,718,378</b>  |
| <b>10.1 Fixed assets at cost or revalued amount including land, building, furniture and fixtures - Main Operation</b>                           |                       |                       |
| Land  | 748,360,000           | 748,360,000           |
| Building  | 399,543,957           | 399,543,957           |
| Interior decoration   | 826,607,880           | 863,796,573           |
| Furniture and fixtures  | 283,378,788           | 261,801,647           |
| Other machinery and equipment   | 1,251,706,252         | 1,072,923,880         |
| Computer equipment and software   | 2,856,769,776         | 2,423,516,008         |
| Motor vehicles  | 385,562,313           | 363,369,944           |
| ATM Booth   | 779,163,580           | 688,017,513           |
| ATM and Fast Track (ATM & Deposit Machine)  | 2,012,933,680         | 1,702,334,180         |
| Books   | 194,591               | 194,591               |
|   | <b>9,544,220,817</b>  | <b>8,523,858,293</b>  |
| Less: Accumulated depreciation  | 5,086,052,454         | 4,382,170,419         |
|   | <b>4,458,168,363</b>  | <b>4,141,687,874</b>  |
| <b>11. Other assets</b>   |                       |                       |
| <b>Main Operation [Note 11.1]</b>   | <b>16,075,283,267</b> | <b>13,885,342,346</b> |
| <b>Off-shore Banking Unit</b>   | <b>11,185,687</b>     | <b>1,919,152</b>      |
| <b>Total Other assets</b>   | <b>16,086,468,954</b> | <b>13,887,261,498</b> |
| <b>11.1 Other assets</b>  |                       |                       |
| Income generating other assets (Note 11.1.a)  | -                     | -                     |
| Non-income generating other assets (Note 11.1.b)  | 16,075,283,267        | 13,885,342,346        |
|   | <b>16,075,283,267</b> | <b>13,885,342,346</b> |
| <b>11.1.a Income generating other assets</b>  |                       |                       |
| i) Investment in shares of subsidiary companies:  |                       |                       |
| In Bangladesh   | -                     | -                     |
| Outside Bangladesh  | -                     | -                     |
|   | -                     | -                     |
| <b>11.1.b Non-income generating other assets</b>  |                       |                       |
| i) Stationery, stamps, printing materials in stock  | 162,281,522           | 100,868,071           |
| ii) Advance rent and advertisement  | 488,857,419           | 539,741,737           |
| iii) Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable | 563,184,038           | 973,855,933           |
| iv) Security deposits   | 11,010,379            | 7,654,009             |
| v) Preliminary, formation and organization expenses, renovation/development expenses and prepaid expenses                                       | 1,418,676,562         | 867,189,543           |
| vi) Branch adjustment (net)   | 1,344,930             | 4,939,911             |
| vii) Suspense account   | 1,526,522             | 10,237,479            |
| viii) Silver  | -                     | -                     |
| ix) Others [Note 11.2]  | 13,428,401,896        | 11,380,855,663        |
|   | <b>16,075,283,267</b> | <b>13,885,342,346</b> |
| <b>11.2 Break-up of others</b>  |                       |                       |
| Encashment of Sanchaya Patra (awaiting realization)   | 254,400,866           | 62,700,463            |
| Advance tax [Note 11.2.1]   | 11,272,415,907        | 9,328,418,185         |
| Deferred tax [Note 11.2.2]  | 1,358,583,692         | 1,179,446,527         |
| Sundry assets [Note 11.2.3]   | 543,001,431           | 810,290,488           |
|   | <b>13,428,401,896</b> | <b>11,380,855,663</b> |

|  | <b>30-Sep-15</b>      | <b>31-Dec-14</b>      |
|--|-----------------------|-----------------------|
|  | <b>Taka</b>           | <b>Taka</b>           |
| <b>11.2.1 Advance tax</b>  |                       |                       |
| The amount is stated after adjustment of advance income tax against final assessment orders for the accounting years 1996, 1997, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008 and 2009. [Note 14.1.2 and 14.1.2.2] |                       |                       |
| <b>11.2.2 Deferred tax</b>   |                       |                       |
| Opening balance  | 1,179,446,527         | 793,737,137           |
| Add: Deferred tax assets / (liability) for the period  | 179,137,165           | 385,709,390           |
| Closing balance  | <b>1,358,583,692</b>  | <b>1,179,446,527</b>  |
| <b>11.2.3 Sundry assets</b>  |                       |                       |
| Sundry debtors   | 62,374,788            | 66,314,565            |
| Cash remittance  | 71,333,882            | 138,815,354           |
| Others   | 409,292,761           | 605,160,569           |
|  | <b>543,001,431</b>    | <b>810,290,488</b>    |
| <b>12. Borrowings from other banks, financial institutions and agents</b>  |                       |                       |
| Main Operation [Note 12.1]   | 11,513,126,960        | 10,624,109,220        |
| Off-shore Banking Unit   | 6,156,650,642         | 1,430,587,427         |
|  | <b>17,669,777,602</b> | <b>12,054,696,647</b> |
| <b>12.1 Borrowings from other banks, financial institutions and agents- Main operation</b>   |                       |                       |
| <b>a) In Bangladesh</b>  |                       |                       |
| Secured  |                       |                       |
| Refinance from Bangladesh Bank   |                       |                       |
| Housing [Note 12.3]  | 883,922               | 964,280               |
| Investment Promotion and Financing Facility (IPFF) [Note 12.3]   | 473,705,806           | 742,358,678           |
| Export Development Fund (EDF)  | 8,949,609,892         | 9,047,143,806         |
| Small and Medium Enterprise (SME) [Note 12.2 , 12.3]   | 37,166,607            | 70,849,075            |
|  | <b>9,461,366,228</b>  | <b>9,861,315,839</b>  |
| Unsecured  |                       |                       |
| Call Money Borrowng  |                       |                       |
| From other Banks, Financial Institutions and Agents  | -                     | -                     |
| Credit lines   |                       |                       |
| From Rupantarita Prakritik Gas Company Limited (RPGCL)   | 122,129,992           | 153,243,883           |
|  | <b>122,129,992</b>    | <b>153,243,883</b>    |
|  | <b>9,583,496,220</b>  | <b>10,014,559,722</b> |
| <b>b) Outside Bangladesh</b>   |                       |                       |
| Secured  | -                     | -                     |
| Unsecured  |                       |                       |
| Credit lines   | 1,929,630,740         | 609,549,498           |
|  | 1,929,630,740         | 609,549,498           |
|  | <b>1,929,630,740</b>  | <b>609,549,498</b>    |
| Total (a+b)  | <b>11,513,126,960</b> | <b>10,624,109,220</b> |
| <b>12.2 Small and Medium Enterprise (SME)</b>  |                       |                       |
| Refinance facility (ies) availed from Bangladesh Bank under the following schemes for Small and Medium Enterprises :   |                       |                       |
| Asian Development Bank Fund [Note 12.3]  | 23,523,750            | 53,318,075            |
| International Development Agency (IDA) and Enterprise Growth and Bank Modernization Programme (EGBMP) Fund [Note 12.3]   | 357,143               | 2,857,429             |
| Women Entrepreneur Fund [Note 12.3]  | 13,285,714            | 14,673,571            |
|  | <b>37,166,607</b>     | <b>70,849,075</b>     |

|   | <b>30-Sep-15</b><br><b>Taka</b> | <b>31-Dec-14</b><br><b>Taka</b> |
|---|---------------------------------|---------------------------------|
| <b>12.3 Assets pledged as security for liability</b>  |                                 |                                 |
| As at the reporting date of these financial statements, the Bank had no assets pledged as security except the Balance with Bangladesh Bank (local currency) against liability of refinance facility availed from Bangladesh Bank under the Housing Loan, Investment Promotion and Financing Facility (IPFF), Small & Medium Enterprising Financing under Asian Development Bank Fund, International Development Agency (IDA) and Enterprise Growth and Bank Modernization Programme (EGBMP) Fund and Women Entrepreneur Fund by the Bank. [Note 12.1] |                                 |                                 |
| <b>13. Deposits and other accounts</b>  |                                 |                                 |
| <b>Main Operation [Note 13.1]</b>   |                                 |                                 |
| Current deposits and other accounts   | 42,332,182,696                  | 40,455,941,913                  |
| Bills payable   | 1,807,290,862                   | 3,256,599,630                   |
| Savings bank deposits   | 68,302,098,045                  | 60,757,726,582                  |
| Term deposits   | 61,089,928,960                  | 62,272,869,666                  |
|   | <b>173,531,500,562</b>          | <b>166,743,137,791</b>          |
| <b>Off-shore Banking Unit</b>   |                                 |                                 |
| Current deposits and other accounts   | 27,393,284                      | 19,194,721                      |
| Bills payable   | -                               | -                               |
| Savings bank deposits   | -                               | -                               |
| Term deposits   | -                               | -                               |
|   | <b>27,393,284</b>               | <b>19,194,721</b>               |
| <b>Total Deposits and other accounts</b>  | <b>173,558,893,846</b>          | <b>166,762,332,512</b>          |
| <b>13.1 Deposits and other accounts - Main Operation</b>  |                                 |                                 |
| Current deposits and other accounts   |                                 |                                 |
| Current deposits  | 30,227,880,589                  | 30,826,425,780                  |
| Foreign currency deposits   | 1,021,671,195                   | 1,006,351,859                   |
| Sundry deposits [Note 13.1.1]   | 11,082,630,912                  | 8,623,164,274                   |
|   | <b>42,332,182,696</b>           | <b>40,455,941,913</b>           |
| Bills payable   |                                 |                                 |
| Payment order   | 1,776,443,189                   | 3,225,300,837                   |
| Demand draft  | 30,847,673                      | 31,298,793                      |
|   | <b>1,807,290,862</b>            | <b>3,256,599,630</b>            |
| Savings bank deposits   | 68,302,098,045                  | 60,757,726,582                  |
| Term deposits   |                                 |                                 |
| Fixed deposits  | 45,315,834,483                  | 43,969,516,065                  |
| Special notice deposits   | 14,820,502,329                  | 17,107,947,450                  |
| Non resident foreign currency deposits  | 80,145,766                      | 2,715,970                       |
| Resident foreign currency deposits  | 35,100,216                      | 29,145,155                      |
| Monthly term deposits   | 838,346,165                     | 1,163,545,026                   |
|   | <b>61,089,928,960</b>           | <b>62,272,869,666</b>           |
|   | <b>173,531,500,562</b>          | <b>166,743,137,791</b>          |
| <b>13.1.1 Details of sundry deposits</b>  |                                 |                                 |
| Margin on irrevocable letters of credit   | 909,602,248                     | 770,021,785                     |
| Margin on letters of guarantee  | 220,927,058                     | 204,172,128                     |
| Margin on inward foreign documentary bills for collection (IFDBC)   | 629,825,614                     | 1,080,780,988                   |
| Sundry deposit on foreign bills purchased awaiting for realization (FBPAR)  | 7,013,644,783                   | 4,222,297,472                   |
| Sundry deposit - withholding tax -IT  | 131,413,895                     | 288,745,898                     |
| Sundry deposit - excise duty  | 10,893,971                      | 394,237,858                     |
| Sundry deposit - withholding tax -VAT   | 90,978,806                      | 105,294,555                     |
| Sundry deposits-sale proceeds of Sanchay Patra  | 16,753,125                      | 89,501,143                      |
| Interest payable on deposit accounts  | 1,271,563,098                   | 933,071,060                     |
| Deposits on lease finance   | 200,000                         | 200,000                         |
| Others sundry deposits  | 786,828,314                     | 534,841,387                     |
|   | <b>11,082,630,912</b>           | <b>8,623,164,274</b>            |

|  | <b>30-Sep-15</b>       | <b>31-Dec-14</b>       |
|--|------------------------|------------------------|
|  | <b>Taka</b>            | <b>Taka</b>            |
| <b>13.1.2 Segregation of deposits and other accounts</b>                           |                        |                        |
| Other than inter-bank deposits   | 173,486,068,006        | 166,656,793,963        |
| Inter-bank deposits [Note 13.3]  | 45,432,556             | 86,343,828             |
|  | <b>173,531,500,562</b> | <b>166,743,137,791</b> |
| <b>13.1.3 Details of inter-bank deposits</b>                                       |                        |                        |
| In current deposits account  |                        |                        |
| Al-Arafah Islami Bank Limited  | 17,257,618             | 6,153,193              |
| Dhaka Bank Limited   | 85,780                 | 13,108,204             |
| Standard Bank Ltd  | -                      | 5,472,347              |
| Southeast Bank Limited   | 11,700                 | 12,275                 |
|  | <b>17,355,098</b>      | <b>24,746,019</b>      |
| In special notice deposits account   |                        |                        |
| Janata Bank Limited  | 55,990                 | 55,559                 |
| Bangladesh Development Bank Limited  | -                      | 110,904                |
| Dhaka Bank Limited   | 6,678,539              | 8,307,608              |
| Mutual Trust Bank Limited  | 64,001                 | 63,428                 |
| National Credit and Commerce Bank Limited  | 4,074,681              | 10,245,349             |
| Prime Bank Limited   | 822,669                | 801,516                |
| ICB Islami Bank Limited  | 9,459,238              | 2,056,698              |
| Southeast Bank Limited   | -                      | -                      |
| Bank Asia Limited  | 1,326                  | 1,867                  |
| The City Bank Limited  | 3,746,464              | 3,675,729              |
| First Security Islami Bank Limited   | 3,246                  | 3,753                  |
| The Trust Bank Limited   | 3,171,303              | 36,275,397             |
| Standard Bank Limited  | -                      | -                      |
| National Bank of Pakistan  | 1                      | 1                      |
|  | <b>28,077,458</b>      | <b>61,597,809</b>      |
|  | <b>45,432,556</b>      | <b>86,343,828</b>      |
| <b>14. Other liabilities</b>   |                        |                        |
| Main Operation [Note 14.1]   | 21,506,836,254         | 17,987,925,129         |
| Off-shore Banking Unit   | 75,517,173             | 13,543,160             |
|  | <b>21,582,353,427</b>  | <b>18,001,468,289</b>  |
| <b>14.1 Other liabilities- Main operation</b>                                      |                        |                        |
|  | <u>Notes</u>           |                        |
| Unclaimed dividends  |                        | 8,754,669              |
| Provision for expenses   |                        | 185,034,197            |
| Contribution to Dutch-Bangla Bank Limited Employees' Superannuation Fund           |                        | 30,000,000             |
| Contribution to Dutch-Bangla Bank Limited Employees' Gratuity Fund                 |                        | 200,000,000            |
| Provision for interest on credit lines, refinance scheme and subordinated debt     |                        | 144,160,780            |
| Branch adjustment (net)  |                        | -                      |
| Provision for classified assets  | 14.1.1                 | 60,763,000             |
| Provision for taxation   | 14.1.2                 | 13,702,861,027         |
| Accumulated provision for loans and advances including off-balance sheet exposures | 14.1.3                 | 5,557,322,135          |
| Cumulative balance of interest suspense account                                    | 14.1.4                 | 1,374,729,853          |
| Others   |                        | 193,095,201            |
|  |                        | <b>21,506,836,254</b>  |
|  |                        | <b>17,987,925,129</b>  |

|   | <b>30-Sep-15</b>  | <b>31-Dec-14</b>  |
|---|-------------------|-------------------|
|   | <b>Taka</b>       | <b>Taka</b>       |
| <b>14.1.1 Other provisions</b>                        |                   |                   |
| Provision for other classified assets [Note 14.1.1.1] | 60,763,000        | 60,763,000        |
| Provision for nostro accounts [Note 14.1.1.2]         | -                 | -                 |
|   | <b>60,763,000</b> | <b>60,763,000</b> |

#### 14.1.1.1 Provision for other classified assets

As per BRPD Circular No. 14 dated 25 June 2001, the following amount has been provided in the financial statements of the Bank as provision for other classified assets (legal expenses recoverable from the defaulted borrowers):

|                                    |                   |                   |
|------------------------------------|-------------------|-------------------|
| Opening balance                    | 60,763,000        | 39,413,000        |
| Add: Provision made for the period | -                 | 21,350,000        |
| Closing balance                    | <b>60,763,000</b> | <b>60,763,000</b> |

#### 14.1.1.2 Provision for nostro accounts

As per instructions contained in the Circular Letter No. FEPD (FEMO)/01/2005-677 dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank, following provision has been made against the un-reconciled debit balance of nostro accounts:

|                                   |          |          |
|-----------------------------------|----------|----------|
| Opening balance                   | -        | -        |
| Add: Adjustment during the period | -        | -        |
| Closing balance                   | <b>-</b> | <b>-</b> |

#### 14.1.2 Provision for taxation

##### Current tax

|  |                       |                       |
|--|-----------------------|-----------------------|
| Opening balance  | 11,503,373,078        | 11,972,292,108        |
| Add: Provision made for the period [Note 14.1.2.1]   | 2,199,487,949         | 2,697,845,723         |
| Less: Adjustment made against Advance Tax/Adjustment made against final assessment orders by the Deputy Commissioner of Taxes or the Appellate Authority | -                     | 3,166,764,753         |
| Closing balance [Note 14.1.2.2]  | <b>13,702,861,027</b> | <b>11,503,373,078</b> |

#### 14.1.2.1 Current tax - Provision for the period

|   |                      |                      |
|---|----------------------|----------------------|
| Provision made for the current period on taxable income | 2,199,487,949        | 2,697,845,723        |
| Adjustment for the previous period                      | -                    | -                    |
|   | <b>2,199,487,949</b> | <b>2,697,845,723</b> |

#### 14.1.2.2 Assessment of income tax has been finalized with the tax authority for the accounting years 1996, 1997, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008 and 2009 [Note 11.2.1]

Final assessment of income tax for accounting years 1998, 1999, 2000, 2010 and 2011 are pending with Appellate Authorities. Full tax provision has been made in the accounts for the respective years based on the latest assessment orders made by the Deputy Commissioner of Taxes or Appellate Authorities.

| 30-Sep-15 | 31-Dec-14 |
|-----------|-----------|
| Taka      | Taka      |

### 14.1.3 Accumulated provision for loans and advances and Off-balance sheet exposures

(A) Specific provision for bad and doubtful loans and advances

|  |                      |                      |
|--|----------------------|----------------------|
| Opening balance  | 3,036,086,501        | 2,297,380,200        |
| Less : Fully provided debt written-off                 | -                    | -                    |
| Add: Recoveries of amounts previously written-off      | 1,300,330            | 68,036,301           |
| Add: Specific provision for the period                 | 603,916,727          | 670,670,000          |
| Less: Provision no more required for advances realized | -                    | -                    |
| Add: Net charge to profit and loss account             | -                    | -                    |
| Provision held at the end of the period [Note 9.4(b)]  | <b>3,641,303,558</b> | <b>3,036,086,501</b> |

(B) General provision

General provision against unclassified loans and advances

|   |                      |                      |
|---|----------------------|----------------------|
| Opening balance                                       | 1,165,569,800        | 1,059,169,800        |
| General provision for the period                      | 167,335,000          | 106,400,000          |
| Provision held at the end of the period [Note 9.4(b)] | <b>1,332,904,800</b> | <b>1,165,569,800</b> |

General provision against Off-balance sheet exposures

As per the instructions contained in BRPD Circular No. 8 dated 7 August 2007 and BRPD Circular No. 10 dated 18 September 2007, following provision has been made against the Off-balance sheet exposures of the Bank:

|   |                      |                      |
|---|----------------------|----------------------|
| Opening balance                         | 472,799,305          | 465,618,508          |
| Add: Provision made for the period      | 110,314,472          | 7,180,797            |
| Provision held at the end of the period | <b>583,113,777</b>   | <b>472,799,305</b>   |
| Total (A) + (B)                         | <b>1,916,018,577</b> | <b>1,638,369,105</b> |
|   | <b>5,557,322,135</b> | <b>4,674,455,606</b> |

(C) General provision against unclassified loans and advances

|                        |                      |                      |
|------------------------|----------------------|----------------------|
| Main Operation         | 1,332,904,800        | 1,165,569,800        |
| Off-Shore Banking Unit | 42,558,993           | 4,613,721            |
|                        | <b>1,375,463,793</b> | <b>1,170,183,521</b> |

### 14.1.4 Cumulative balance of interest suspense account

|   |                      |                      |
|---|----------------------|----------------------|
| Opening balance   | 1,062,236,453        | 838,908,959          |
| Add: Amount transferred to interest suspense account during the period    | 729,812,306          | 656,659,670          |
| Less: Amount transferred from interest suspense account during the period | 417,279,170          | 394,535,621          |
| Less: Amount written-off/waived during the period                         | 39,736               | 38,796,555           |
| Balance at the end of the period  | <b>1,374,729,853</b> | <b>1,062,236,453</b> |

|   | <b>30-Sep-15</b>     | <b>31-Dec-14</b>     |
|---|----------------------|----------------------|
|   | <b>Taka</b>          | <b>Taka</b>          |
| <b>15. Subordinated debt</b>  |                      |                      |
| <b>Subordinated debt - 1</b>  |                      |                      |
| The Bank arranged a subordinated debt from FMO, the Netherlands of Taka 442,860,000 equivalent to EURO 5 million for a term of nine years to strengthen the capital base of the Bank. Principal amount of Taka 316,328,572 has been restructured in 2010 with the approval of Bangladesh Bank. The principal amount is repayable in five (5) equal yearly installments, last installment of which is payable on 15 October 2015.                | 63,265,714           | 63,265,714           |
| The interest rate for the subordinated debt is determined on the basis of the weighted average yield of 364-day treasury bills plus 3.90% margin. The effective rate of interest of which as at the reporting date was approximately 12.10%.  |                      |                      |
| <b>Subordinated debt - 2</b>  |                      |                      |
| The Bank arranged a subordinated debt from FMO, the Netherlands of Taka 492,884,500 equivalent to EURO 5 million for a term of nine years to strengthen the capital base of the Bank. Principal amount of Taka 457,678,464 has been restructured in 2010 with the approval of Bangladesh Bank. The principal amount is repayable in five (5) equal yearly installments, last installment of which is payable on 15 December 2016.               | 183,071,386          | 183,071,386          |
| The interest rate for the subordinated debt is determined on the basis of the weighted average yield of 364-day treasury bills plus 3.90% margin. The effective rate of interest of which as at the reporting date was approximately 12.03%.  |                      |                      |
| <b>Subordinated debt - 3</b>  |                      |                      |
| The Bank arranged a subordinated debt from FMO, the Netherlands totaling Taka 642,252,440 equivalent to EURO 6.6 million for a term of ten years to strengthen the capital base of the Bank. Principal amount of Taka 642,252,440 has been restructured in 2010 with the approval of Bangladesh Bank. The principal amount is repayable in five (5) equal yearly installments, last installment of which is payable on 15 December 2018.        | 513,801,952          | 513,801,952          |
| The interest rate for the Subordinated debt is fixed at 7%.   |                      |                      |
| <b>Subordinated debt - 4</b>  |                      |                      |
| The Bank arranged a subordinated debt from FMO, the Netherlands for USD 25 million equivalent to Taka 1,934,375,000 for a term of six years to strengthen the Tier-2 capital as well as total capital of the Bank during December 2013 with the approval of Bangladesh Bank. The principal amount is repayable in eight (8) equal half-yearly installments with two years moratorium, last installment of which is payable on 15 February 2020. | 1,936,875,000        | 1,963,095,000        |
| The interest rate for the subordinated debt is six (6) month LIBOR plus 5% margin.  |                      |                      |
| <b>Subordinated debt - 5</b>  |                      |                      |
| The Bank arranged a subordinated debt from DEG, Germany for USD 25 million equivalent to Taka 1,934,375,000 for a term of six years to strengthen the Tier-2 capital as well as total capital of the Bank during June 2014 with the approval of Bangladesh Bank. The principal amount is repayable in eight (8) equal half-yearly installments with two years moratorium, last installment of which is payable on 15 August 2020.               | 1,936,875,000        | 1,934,375,000        |
| The interest rate for the subordinated debt is six (6) month LIBOR plus 5% margin.  |                      |                      |
| <b>Total</b>  | <b>4,633,889,052</b> | <b>4,657,609,052</b> |

As per BRPD Circular No. 13 dated 14 October 2009, BRPD Circular No. 35 dated 29 December 2010 and Letter No. BRPD(BIC)661/14B(P)/2010-340 dated 22 December 2010, FEPD (external debts & grants section)/701/K-1/2013-463 dated 17 December 2013 and Letter No. BRPD(BIC)661/148(P)/2013/2560 dated 30 December 2013 issued by Bangladesh Bank, the above noted debt capital (Subordinated debt - 1, 2, 3, 4 and 5 is considered as a component of supplementary capital (Tier 2 capital) of the Bank within the regulatory limits.

|   | 30-Sep-15            | 31-Dec-14            |
|---|----------------------|----------------------|
|   | Taka                 | Taka                 |
| <b>16. Share capital</b>  |                      |                      |
| <b>16.1 Authorized share capital</b>  |                      |                      |
| 400,000,000 ordinary shares of Taka 10 each   | 4,000,000,000        | 4,000,000,000        |
| <b>16.2 Issued, subscribed and fully paid up share capital</b>  |                      |                      |
| 200,000,000 ordinary shares of Taka 10 each   | 2,000,000,000        | 2,000,000,000        |
| <b>16.2.1 Raising of capital</b>  |                      |                      |
| The paid-up share capital of the Bank was raised in the following manner:   |                      |                      |
| <b>From the sponsor shareholders before IPO</b>   |                      |                      |
| *By issuing of 18,000,000 ordinary shares of Taka 10 each   | 180,000,000          | 180,000,000          |
| <b>Through Initial Public Offering (IPO)</b>  |                      |                      |
| *The Bank raised Taka 22,135,000 through initial public offering in the year 2001 against issuance of 2,213,500 ordinary shares of Taka 10 each | 22,135,000           | 22,135,000           |
| *The premium of Taka 5 was also applied for 2,213,500 shares against face value of Taka 10 each [Note 17]                                       |                      |                      |
| <b>Bonus shares</b>   |                      |                      |
| *Bonus shares @3.94719 against 1 existing share of Taka 10 each for the year 2007   | 797,865,000          | 797,865,000          |
| *Bonus shares @0.50 against 1 existing share of Taka 10 each for the year 2008  | 500,000,000          | 500,000,000          |
| *Bonus shares @0.333 against 1 existing share of Taka 10 each for the year 2009   | 500,000,000          | 500,000,000          |
|   | <b>2,000,000,000</b> | <b>2,000,000,000</b> |

\* Restated

**16.3 Capital to Risk Weighted Assets Ratio (CRAR):**

As per Section 13 of the Bank Company Act, 1991 (Amended upto 2013) and instructions contained in BRPD Circular Letter No. 18 dated 21 December 2014, [Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)], the risk based capital (eligible regulatory capital) of the Bank as of 30 September 2015 stood at Taka 19,629,752,185 against the risk based capital requirement of Taka 14,562,666,666. As a result, there was a capital surplus of Taka 5,067,085,519 in risk based capital adequacy ratio as on 30 September 2015.

As per Section 13(2) of the Bank Company Act, 1991 (Amended upto 2013) and the instruction contained in BRPD Circular Letter No. 11 dated 14 August 2008, the paid-up share capital and statutory reserve should be at least Taka 4,000.00 million, in which, the paid-up share capital should be minimum Taka 2,000.00 million. Against that, the paid-up share capital and statutory reserve of the Bank was Taka 8,990.79 million (Paid-up share capital, Taka 2,000.00 million and statutory reserve, Taka 6,990.79 million) as on 30 September 2015.

The details of capital adequacy ratio are furnished below:

|  | 30-Sep-15<br>Taka      | 31-Dec-14<br>Taka      |
|--|------------------------|------------------------|
|  | Under Basel III        | Under Basel II         |
| Total assets ( excluding off-balance sheet assets)   | 232,901,443,529        | 215,993,545,862        |
| Total off-balance sheet assets   | 58,311,377,662         | 47,279,930,503         |
| Total Risk weighted assets [RWA] against   |                        |                        |
| i. Credit Risk   |                        |                        |
| On-balance sheet   | 115,854,202,528        | 103,171,103,255        |
| Off-balance sheet  | 7,520,049,033          | 6,812,479,573          |
|  | 123,374,251,561        | 109,983,582,828        |
| ii. Market Risk  | 175,796,868            | 619,461,868            |
| iii. Operational Risk  | 22,076,618,227         | 20,106,471,055         |
| <b>A) Total Risk weighted assets (RWA) [i+ii+iii]</b>  | <b>145,626,666,656</b> | <b>130,709,515,751</b> |
| <b>B) Minimum Capital Requirement (MCR) [10% of risk weighted assets]</b>  | <b>14,562,666,666</b>  | <b>13,070,951,575</b>  |
| <b>C) Common Equity Tire 1 (CET1) capital</b>  |                        |                        |
| Paid -up share capital   | 2,000,000,000          | 2,000,000,000          |
| Share premium  | 11,067,500             | 11,067,500             |
| Statutory reserve  | 6,990,785,699          | 6,234,120,766          |
| Dividend equalization account  | 966,827,195            | 966,827,195            |
| Proposed dividend  | -                      | 800,000,000            |
| Retained earnings (Including OBU)  | 4,561,388,128          | 3,555,079,179          |
|  | <b>14,530,068,522</b>  | <b>13,567,094,640</b>  |
| Less : Deferred tax asset  | 1,456,521,423          | 1,290,336,763          |
|  | <b>13,073,547,099</b>  | <b>12,276,757,877</b>  |
| <b>D) Additional Tier-1 Capital</b>  |                        |                        |
| Non-cumulative irredeemable preference shares  | -                      | -                      |
| Instruments issued by the banks that meet the qualifying criteria for AT1  | -                      | -                      |
| Others (if any item approved by Bangladesh Bank)   | -                      | -                      |
| Less Regulatory Adjustments from AT-1 Capital  | -                      | -                      |
|  | -                      | -                      |
| <b>E) Tier 1 Capital [C+D]</b>   | <b>13,073,547,099</b>  | <b>12,276,757,877</b>  |
| <b>F) Tier 2 Capital</b>   |                        |                        |
| General provision maintained against unclassified loans and off-balance sheet exposures<br>(Actual or 1.25% of RWA of credit risks whichever is lower) | 1,542,178,145          | 1,642,982,826          |
| Subordinated debt capital  | 4,633,889,052          | 3,683,027,363          |
| Assets revaluation reserves  | 425,206,889            | 425,206,889            |
| Revaluation reserves of HTM securities   | 49,965,473             | 49,965,473             |
|  | <b>6,651,239,558</b>   | <b>5,801,182,551</b>   |
| Less : 20% Revaluation Reserves for Fixed Assets, Securities   | 95,034,472             | -                      |
|  | <b>6,556,205,086</b>   | <b>5,801,182,551</b>   |
| <b>G) Total Eligible Regulatory Capital (Tier 1 and 2) [C+D+F]</b>   | <b>19,629,752,185</b>  | <b>18,077,940,428</b>  |
| <b>Total capital surplus [G - B]</b>   | <b>5,067,085,519</b>   | <b>5,006,988,853</b>   |
| <b>Capital to Risk Weighted Assets Ratio (CRAR):</b>   |                        |                        |
| Common Equity Tier-1 to RWA (C/A)*100  | 8.98%                  | 9.39%                  |
| Tier-1 Capital to RWA (E/A)*100  | 8.98%                  | 9.39%                  |
| Tier-2 Capital to RWA (F/A)*100  | 4.50%                  | 4.44%                  |
| <b>Capital to Risk Weighted Assets Ratio (CRAR) (G/A)*100</b>  | <b>13.48%</b>          | <b>13.83%</b>          |

|  | 30-Sep-15<br>Taka    | 31-Dec-14<br>Taka    |
|--|----------------------|----------------------|
| <b>17. Share premium</b>   |                      |                      |
| *Taka 5 per share on 2,213,500 ordinary shares of Taka 10 each at the time of issuing shares through initial public offering in the year 2001.   | 11,067,500           | 11,067,500           |
| * <b>Restated.</b>   |                      |                      |
| <b>18. Statutory reserve</b>   |                      |                      |
| As per Section 24 (1) of the Bank Companies Act, 1991, an amount equivalent to 20% of profit before taxes for the period has been transferred to the statutory reserve fund as under.:   |                      |                      |
| Opening balance  | 6,234,120,766        | 5,330,368,765        |
| Add: Transferred from profit during the period   | 756,664,933          | 903,752,001          |
| Closing balance  | <b>6,990,785,699</b> | <b>6,234,120,766</b> |
| <b>19. Other reserve</b>   |                      |                      |
| Revaluation reserve of HFT securities [Note 19.1]  | -                    | -                    |
|  | -                    | -                    |
| <b>19.1 Other reserve</b>  |                      |                      |
| In terms of First Schedule (Section 38) of the Bank Companies Act, 1991, and instructions contained in BRPD Circular No. 5 dated 26 May 2008 and Letter No. DOS (SR)1153/120-A/2011-746 dated 29 December 2011 the revaluation reserve for HFT securities has been made as under:  |                      |                      |
| Opening balance  | -                    | -                    |
| Add: Reserve made for the period   | -                    | -                    |
| Less: Adjustment during the period   | -                    | -                    |
| Closing balance  | -                    | -                    |
| <b>20. Dividend equalization account</b>   |                      |                      |
| As per BRPD Circular Letter No. 18 dated 20 October 2002 issued by Bangladesh Bank, ' <i>Dividend Equalization Account</i> ' has been created by transferring the amount from the profit that is equal to the cash dividend paid in excess of 20%.   |                      |                      |
| Opening balance  | 966,827,195          | 566,827,195          |
| Add: Transferred from profit for the period  | -                    | 400,000,000          |
| Closing balance  | <b>966,827,195</b>   | <b>966,827,195</b>   |
| <b>21. Assets revaluation reserve</b>  |                      |                      |
| In terms of <b>Bangladesh Accounting Standard (BAS) 16, 'Property, Plant and Equipment'</b> , and instructions contained in BRPD Circular No. 10 dated 25 November 2002 issued by Bangladesh Bank, all the immovable properties of the Bank has been revalued by a professionally qualified valuation firm of the country. The rationale of the valuation has also been certified by the Bank's external auditors, M/s. A. Qasem & Co., Chartered Accountants. Accordingly, revaluation surplus of Taka 850,413,777 has been included in equity. |                      |                      |
| Opening balance  | 850,413,777          | 850,413,777          |
| Add : Addition during the period (net)   | -                    | -                    |
| Closing balance  | <b>850,413,777</b>   | <b>850,413,777</b>   |
| <b>22. Revaluation reserve of HTM securities [Note 2.7.3(b)]</b>   |                      |                      |
| Opening balance  | 99,930,945           | 121,372,800          |
| Add: Reserve transferred to Income Account during the period   | (23,883,642)         | (21,441,855)         |
| Closing balance  | <b>76,047,303</b>    | <b>99,930,945</b>    |

|   | <b>30-Sep-15</b><br><b>Taka</b> | <b>31-Dec-14</b><br><b>Taka</b> |
|---|---------------------------------|---------------------------------|
| <b>23. Calculation of Earnings Per Share (EPS)</b>  |                                 |                                 |
| The earnings per share of the Bank has been calculated in accordance with the <b>Bangladesh Accounting Standard (BAS) 33, 'Earnings Per Share'</b> under Basic Earning Per Share method as follows: |                                 |                                 |
| Basic earnings (net profit after tax) [numerator]   | 1,762,973,882                   | 2,206,623,673                   |
| Number of ordinary shares outstanding (denominator)   | 200,000,000                     | 200,000,000                     |
| Earnings Per Share (Taka)   | <b>8.81</b>                     | <b>11.03</b>                    |
| <b>24. Contingent liabilities</b>   |                                 |                                 |
| Main Operation [Note 24.1]  | 58,311,377,662                  | 47,279,930,503                  |
| Off-shore Banking Unit  | -                               | -                               |
|   | <b>58,311,377,662</b>           | <b>47,279,930,503</b>           |
| <b>24.1 Contingent liabilities - Main Operation</b>   |                                 |                                 |
| a) Acceptances and endorsements   | -                               | 40,525,519                      |
| b) Letters of guarantee   |                                 |                                 |
| Local   | 3,571,576,496                   | 3,561,966,042                   |
| Foreign   | 232,522,165                     | 112,195,046                     |
|   | <b>3,804,098,661</b>            | <b>3,674,161,088</b>            |
| c) Irrevocable letters of credit  |                                 |                                 |
| Local   |                                 |                                 |
| Cash  | 934,361,043                     | 215,087,190                     |
| Usance  | 77,035,504                      | 25,809,747                      |
| Back to back  | 3,458,662,040                   | 2,803,363,558                   |
|   | <b>4,470,058,587</b>            | <b>3,044,260,495</b>            |
| Foreign   |                                 |                                 |
| Cash  | 4,978,107,614                   | 5,258,929,275                   |
| Usance  | 7,559,036,689                   | 6,672,216,676                   |
| Back to back  | 1,379,836,630                   | 905,099,659                     |
|   | <b>13,916,980,932</b>           | <b>12,836,245,610</b>           |
|   | <b>18,387,039,519</b>           | <b>15,880,506,105</b>           |
| d) Bills for collection   |                                 |                                 |
| Inward  | 32,092,763,140                  | 23,957,565,350                  |
| Outward   | -                               | 85,000                          |
|   | <b>32,092,763,140</b>           | <b>23,957,650,350</b>           |
| e) Other contingent liabilities   |                                 |                                 |
| Travellers' cheques   | -                               | -                               |
| Export Development Fund   | 1,880,731,341                   | 2,994,072,441                   |
| Bangladesh Shanchaya Patra  | 2,146,745,000                   | 733,015,000                     |
|   | <b>4,027,476,341</b>            | <b>3,727,087,441</b>            |
| Total (a+b+c+d+e)   | <b>58,311,377,662</b>           | <b>47,279,930,503</b>           |

|   |              | <b>30-Sep-15</b>      | <b>30-Sep-14</b>      |
|---|--------------|-----------------------|-----------------------|
|   |              | <b>Taka</b>           | <b>Taka</b>           |
| <b>25. Particulars of profit and loss account</b>               |              |                       |                       |
| Income  | <u>Notes</u> |                       |                       |
| Interest, discount and other similar income                     | 26           | 11,888,215,522        | 11,286,061,666        |
| Dividend income   | 28           | 425                   | 5,714,515             |
| Fees, commission and brokerage                                  | 29.1         | 576,493,965           | 474,816,990           |
| Gains less losses arising from dealing securities               |              | -                     | -                     |
| Gains less losses arising from investment securities            | 28           | 1,547,021,688         | 1,527,653,350         |
| Gains less losses arising from dealing in foreign currencies    | 29.2         | 507,952,616           | 503,253,816           |
| Income from non-banking assets                                  |              | -                     | -                     |
| Other operating income  | 30           | 1,561,257,032         | 1,546,500,674         |
| Profit less losses on interest rate changes                     |              | -                     | -                     |
|   |              | <b>16,080,941,248</b> | <b>15,344,001,011</b> |
| Expenses  |              |                       |                       |
| Interest, fee and commission                                    | 27           | 4,684,256,193         | 5,238,478,682         |
| Charges on loan losses  | 41           | -                     | 644,047               |
| Directors' fees   | 39           | 142,543               | 154,848               |
| Administrative expenses   | 31           | 4,197,736,862         | 3,881,779,115         |
| Other operating expenses  | 43           | 1,751,559,649         | 1,726,886,562         |
| Depreciation on banking assets                                  | 42           | 744,409,865           | 694,199,583           |
|   |              | <b>11,378,105,111</b> | <b>11,542,142,837</b> |
| Profit before provision   |              | <b>4,702,836,136</b>  | <b>3,801,858,174</b>  |
| <b>26. Interest income</b>                                      |              |                       |                       |
| Interest income - Main Operation [Note 26.1]                    |              | 11,799,199,324        | 11,247,501,176        |
| Interest income - Off-Shore Banking Unit                        |              | 89,016,198            | 38,560,490            |
|   |              | <b>11,888,215,522</b> | <b>11,286,061,666</b> |
| <b>26.1 Interest income - Main Operation</b>                    |              |                       |                       |
| Interest on loans and advances                                  |              |                       |                       |
| House building loan   |              | 39,543,375            | 15,235,464            |
| Transport loan  |              | 115,202,070           | 101,128,241           |
| Term loan - industrial  |              | 3,065,142,659         | 2,144,541,323         |
| Term loan - others  |              | 400,887,879           | 235,825,810           |
| Secured overdraft   |              | 983,972,073           | 751,933,711           |
| Cash credit   |              | 2,918,729,494         | 2,751,313,401         |
| Payment against document - cash                                 |              | 11,313,361            | 10,495,154            |
| Payment against document EDF- others                            |              | 190,928,743           | 98,194,531            |
| Loan against trust receipts                                     |              | 351,053,409           | 527,552,659           |
| Export cash credit  |              | 54,477,060            | 58,183,775            |
| Loan against accepted bills                                     |              | 283,824,064           | 383,890,495           |
| Staff loan  |              | 23,005,991            | 21,272,189            |
| SME and consumer finance  |              | 2,464,407,789         | 2,637,662,300         |
|   |              | <b>10,902,487,968</b> | <b>9,737,229,053</b>  |
| Interest on balance with other banks and financial institutions |              |                       |                       |
| Fixed deposits  |              | 497,498,403           | 1,145,967,342         |
| Special notice deposits   |              | 1,991,724             | 552,897               |
| Nostro accounts   |              | 641,105               | 391,890               |
| Money at call and short notice                                  |              | 396,580,124           | 363,359,994           |
|   |              | <b>896,711,356</b>    | <b>1,510,272,123</b>  |
|   |              | <b>11,799,199,324</b> | <b>11,247,501,176</b> |

|   | <b>30-Sep-15</b><br><b>Taka</b> | <b>30-Sep-14</b><br><b>Taka</b> |
|---|---------------------------------|---------------------------------|
| <b>27. Interest paid on deposits and borrowings etc.</b>                          |                                 |                                 |
| Main Operation [Note 27.1]  | 4,612,350,671                   | 5,210,454,024                   |
| Off-shore Banking Unit  | 71,905,522                      | 28,024,658                      |
|   | <b>4,684,256,193</b>            | <b>5,238,478,682</b>            |
| <b>27.1 Interest paid on deposits- Main Operation [Note 27.2]</b>                 | 4,316,600,412                   | 4,888,637,604                   |
| Interest paid on borrowings- Main Operation [Note 27.3]                           | 295,750,259                     | 321,816,420                     |
|   | <b>4,612,350,671</b>            | <b>5,210,454,024</b>            |
| <b>27.2 Interest paid on deposits- Main Operation</b>                             |                                 |                                 |
| Savings deposits  | 1,437,625,821                   | 1,490,276,518                   |
| Special notice deposits   | 439,418,956                     | 370,485,409                     |
| Fixed deposits  | 2,404,265,083                   | 2,964,342,519                   |
| Non-resident foreign currency deposits  | 34,071                          | 5,609                           |
| Resident foreign currency deposits  | 31,462                          | 25,722                          |
| Monthly term deposits   | 35,225,019                      | 63,501,827                      |
|   | <b>4,316,600,412</b>            | <b>4,888,637,604</b>            |
| <b>27.3 Interest paid on borrowings- Main Operation</b>                           |                                 |                                 |
| Interest on call loan borrowing   | 12,297,439                      | 15,828,705                      |
| Interest on credit lines  | 2,273,843                       | 3,034,251                       |
| Interest paid on subordinated debt  | 209,136,957                     | 183,419,538                     |
| Interest on borrowing under REPO and Re-financing facilities with Bangladesh Bank | 72,042,019                      | 119,533,926                     |
| Interest on borrowing under REPO with other banks                                 | -                               | -                               |
|   | <b>295,750,259</b>              | <b>321,816,420</b>              |
| <b>28. Investment income</b>  |                                 |                                 |
| Dividend on shares  | 425                             | 5,714,515                       |
| Interest on treasury bills, bonds and debentures                                  |                                 |                                 |
| Interest on treasury bills and bonds  | 1,455,946,620                   | 1,430,409,175                   |
| Interest on reverse REPO with other banks   | 11,075,342                      | 1,265,753                       |
| Interest on subordinated bonds  | 79,999,725                      | 95,978,422                      |
| Interest on debenture   | -                               | -                               |
|   | <b>1,547,021,688</b>            | <b>1,527,653,350</b>            |
| Gain on sale of shares  | -                               | -                               |
|   | <b>1,547,022,113</b>            | <b>1,533,367,865</b>            |
| <b>29. Commission, exchange and brokerage</b>                                     |                                 |                                 |
| Commission [Note 29.1]  | 576,493,965                     | 474,816,990                     |
| Exchange earnings (net) [Note 29.2]   | 507,952,616                     | 503,253,816                     |
|   | <b>1,084,446,582</b>            | <b>978,070,806</b>              |

|   | <b>30-Sep-15</b>     | <b>30-Sep-14</b>     |
|---|----------------------|----------------------|
|   | <b>Taka</b>          | <b>Taka</b>          |
| <b>29.1 Commission</b>                              |                      |                      |
| Commission on Remittances-Local                     | 8,835,837            | 6,824,311            |
| Commission on Remittances-Foreign                   | 32,108,220           | 27,900,079           |
| Commission on Letter of Credit-Import               | 82,533,308           | 75,332,529           |
| Commission on Letter of Credit-Export               | 400,229,909          | 316,373,294          |
| Commission on Export Bills                          | 12,521,379           | 14,837,605           |
| Commission on Letter of Guarantee                   | 35,717,412           | 29,149,662           |
| Commission on Sale of Government Saving Instruments | 3,914,198            | 4,071,328            |
| Commission on Banker to the issue & underwriting    | 205,051              | 237,929              |
| Other Commission                                    | 428,652              | 90,253               |
|   | <b>576,493,965</b>   | <b>474,816,990</b>   |
| <b>29.2 Exchange earnings (net)</b>                 |                      |                      |
| From commercial bills                               | 432,304,973          | 451,930,006          |
| From dealing operations                             | 75,647,644           | 51,323,810           |
|   | <b>507,952,616</b>   | <b>503,253,816</b>   |
| <b>30. Other operating income</b>                   |                      |                      |
| Main Operation [Note 30.1]                          | 1,560,132,126        | 1,540,337,607        |
| Off-shore Banking Unit                              | 1,124,905            | 6,163,067            |
|   | <b>1,561,257,032</b> | <b>1,546,500,674</b> |
| <b>30.1 Other operating income</b>                  |                      |                      |
| Charges for service                                 | 18,535,356           | 173,268,881          |
| Income from IT service                              | 1,037,737,809        | 997,767,531          |
| Recoveries from client                              | 81,542,191           | 78,079,698           |
| Service charges on deposit accounts                 | 188,570,247          | 18,281,719           |
| Income from Export-Import                           | 108,521,019          | 124,511,634          |
| Examination and appraisal fees                      | -                    | 6,800                |
| Document handling charges-Export                    | 172,622              | 499,899              |
| Locker Rent   | 5,442,504            | 1,952,400            |
| Gain on sale of fixed assets                        | -                    | 85,598               |
| Income from Mobile Banking Services                 | 35,858,777           | 66,089,939           |
| Other earning                                       | 83,751,602           | 79,793,508           |
|   | <b>1,560,132,126</b> | <b>1,540,337,607</b> |

| 31. Administrative expenses  | Notes | 30-Sep-15<br>Taka    | 30-Sep-14<br>Taka    |
|--|-------|----------------------|----------------------|
| Salary and allowances  | 32    | 2,526,533,448        | 2,434,743,642        |
| Rent, taxes, insurance, electricity, etc.  | 34    | 822,292,756          | 741,092,759          |
| Legal expenses   | 35    | 5,478,042            | 4,838,101            |
| Postage, stamp, telecommunications, etc.   | 36    | 181,900,522          | 181,236,227          |
| Stationery, printings, advertisements etc.   | 37    | 259,890,722          | 220,515,472          |
| Managing Director's salary and allowances  | 38    | 8,482,000            | 8,482,000            |
| Auditors' fees   | 40    | 190,500              | 52,500               |
| Repair and maintenance   | 42    | 392,968,872          | 290,818,414          |
|  |       | <b>4,197,736,862</b> | <b>3,881,779,115</b> |
| <b>32. Salary and allowances</b>   |       |                      |                      |
| Main Operation [Note 32.1]   |       | 2,522,809,127        | 2,431,023,515        |
| Off-shore Banking Unit   |       | 3,724,321            | 3,720,127            |
|  |       | <b>2,526,533,448</b> | <b>2,434,743,642</b> |
| <b>32.1 Salary and allowances-Main Operation</b>   |       |                      |                      |
| Basic salary   |       | 928,970,668          | 945,127,146          |
| Casual salary and allowances   |       | 453,247,264          | 301,238,687          |
| House rent allowance   |       | 465,156,473          | 460,038,172          |
| Conveyance allowance   |       | 108,566,856          | 112,502,772          |
| Other allowances   |       | 3,919,500            | 20,090,425           |
| Bank's contribution to provident fund  |       | 84,563,513           | 84,333,215           |
| Medical expenses   |       | 95,257,625           | 95,379,611           |
| Bonus  |       | 233,127,227          | 262,313,487          |
| Gratuity   |       | 150,000,000          | 150,000,000          |
| Superannuation   |       | -                    | -                    |
|  |       | <b>2,522,809,127</b> | <b>2,431,023,515</b> |
| <b>33. Number of employees and remuneration thereof</b>  |       |                      |                      |
| As per the Schedule XI of the Companies Act, 1994, the number of employees (including contractual employees) engaged for the whole year or part thereof who received a total remuneration of Taka 36,000 per annum or Taka 3,000 per month were 5,013 as at 30 September 2015 compared to 5,805 as at 30 September 2014. |       |                      |                      |
| <b>34. Rent, taxes, insurance, electricity, etc.</b>   |       |                      |                      |
| Rent   |       |                      |                      |
| Office premises  |       | 435,300,664          | 411,236,825          |
| ATM Booths and other installations   |       | 63,559,702           | 54,520,664           |
|  |       | <b>498,860,366</b>   | <b>465,757,489</b>   |
| Rates and taxes  |       |                      |                      |
| Rates  |       | 1,016,163            | 576,500              |
| Taxes  |       | 3,875,996            | 5,156,930            |
|  |       | <b>4,892,158</b>     | <b>5,733,430</b>     |
| Insurance  |       |                      |                      |
| Cash   |       | 34,082,634           | 24,863,227           |
| Vehicles   |       | 2,260,536            | 2,396,293            |
| Deposits   |       | 78,259,391           | 49,744,828           |
| Other properties   |       | 6,191,520            | 5,610,909            |
|  |       | <b>120,794,081</b>   | <b>82,615,257</b>    |
| Electricity and sanitation   |       |                      |                      |
| Light and power  |       | 192,081,830          | 181,814,933          |
| Water and sewerage   |       | 4,623,488            | 4,396,384            |
| Utilities  |       | 1,040,832            | 775,266              |
|  |       | <b>197,746,150</b>   | <b>186,986,583</b>   |
|  |       | <b>822,292,756</b>   | <b>741,092,759</b>   |
| <b>35. Legal expenses</b>  |       |                      |                      |
| Legal expenses   |       | 5,478,042            | 4,838,101            |
|  |       | <b>5,478,042</b>     | <b>4,838,101</b>     |

|  | <b>30-Sep-15</b>     | <b>30-Sep-14</b>   |
|--|----------------------|--------------------|
|  | <b>Taka</b>          | <b>Taka</b>        |
| <b>36. Postage, stamp, telecommunications, etc.</b>                            |                      |                    |
| Main Operation [Note 36.1]   | 181,860,484          | 181,236,227        |
| Off-shore Banking Unit   | 40,038               | 15,799             |
|  | <b>181,900,522</b>   | <b>181,252,026</b> |
| <b>36.1 Postage, stamp, telecommunications, etc.-Main Operation</b>            |                      |                    |
| Postage  | 19,762,914           | 17,724,623         |
| Telephone  | 11,694,745           | 11,366,297         |
| Radio link   | 138,602,081          | 144,286,802        |
| Swift, Reuters, internet, etc.   | 11,800,744           | 7,858,505          |
|  | <b>181,860,484</b>   | <b>181,236,227</b> |
| <b>37. Stationery, printings, advertisements etc.</b>                          |                      |                    |
| Printing and stationery:   |                      |                    |
| Printed stationery   | 24,948,326           | 26,124,513         |
| Security stationery  | 21,350,934           | 22,008,688         |
| Petty stationery   | 50,116,257           | 47,198,819         |
|  | 96,415,517           | 95,332,020         |
| Publicity and advertisement  | 163,475,205          | 125,183,452        |
|  | <b>259,890,722</b>   | <b>220,515,472</b> |
| <b>38. Managing Director's salary and allowances</b>                           |                      |                    |
| Basic salary   | 5,220,000            | 5,220,000          |
| House rent allowance   | 270,000              | 270,000            |
| House maintenance  | 180,000              | 180,000            |
| Bank's contribution to provident fund  | 522,000              | 522,000            |
| Leave fare assistance  | 270,000              | 270,000            |
| Other allowances   | 360,000              | 360,000            |
| Bonus  | 1,660,000            | 1,660,000          |
|  | <b>8,482,000</b>     | <b>8,482,000</b>   |
| <b>39. Directors' fees</b>   |                      |                    |
| Honorarium for attending meeting   | 141,620              | 133,748            |
| Incidental expenses for attending meeting                                      | 923                  | 21,100             |
|  | <b>142,543</b>       | <b>154,848</b>     |
| <b>40. Auditors' fees</b>  |                      |                    |
| Statutory annual audit fees  | 52,500               | 52,500             |
| Special audit fees   | 138,000              | -                  |
| Fees for various certification   | -                    | -                  |
|  | <b>190,500</b>       | <b>52,500</b>      |
| <b>41. Charges on loan losses</b>  |                      |                    |
| Loan written-off   | -                    | 644,047            |
| Interest waived  | -                    | -                  |
|  | <b>-</b>             | <b>644,047</b>     |
| <b>42. Depreciation and repair of bank's assets</b>                            |                      |                    |
| <b>Depreciation on fixed assets including building, furniture and fixtures</b> |                      |                    |
| Main Operation [Note 42.1]   | 744,394,623          | 694,189,422        |
| Off-shore Banking Unit   | 15,242               | 10,161             |
|  | <b>744,409,865</b>   | <b>694,199,583</b> |
| <b>Repair and maintenance</b>  |                      |                    |
| Main Operation [Note 42.2]   | 392,734,633          | 290,654,314        |
| Off-shore Banking Unit   | 234,239              | 164,100            |
|  | <b>392,968,872</b>   | <b>290,818,414</b> |
|  | <b>1,137,378,737</b> | <b>985,017,997</b> |

|   | <b>30-Sep-15</b>     | <b>30-Sep-14</b>     |
|---|----------------------|----------------------|
|   | <b>Taka</b>          | <b>Taka</b>          |
| <b>42.1 Depreciation on fixed assets including land, building, furniture and fixtures</b> |                      |                      |
| Land  | -                    | -                    |
| Building (including lease hold property)  | 7,491,449            | 7,491,451            |
| Interior decoration   | 65,549,325           | 68,588,925           |
| Furniture and fixtures  | 17,267,086           | 16,655,960           |
| Other machinery and equipment   | 113,356,689          | 93,152,673           |
| Computer equipment and software   | 285,180,162          | 270,231,220          |
| Motor vehicles  | 36,755,872           | 36,533,653           |
| ATM Booth   | 54,664,828           | 48,123,211           |
| ATM and Fast Track (ATM & Deposit Machine)  | 164,115,616          | 153,398,179          |
| Books   | 13,596               | 14,150               |
|   | <b>744,394,623</b>   | <b>694,189,422</b>   |
| <b>42.2 Repair and maintenance</b>  |                      |                      |
| Premises  | 112,218,553          | 108,685,202          |
| Vehicles  | 25,932,120           | 22,677,815           |
| Computers   | 254,583,960          | 159,291,297          |
|   | <b>392,734,633</b>   | <b>290,654,314</b>   |
| <b>43. Other expenses</b>   |                      |                      |
| Main Operation [Note 43.1]  | 1,751,181,415        | 1,726,508,407        |
| Off-shore Banking Unit  | 378,234              | 378,155              |
|   | <b>1,751,559,649</b> | <b>1,726,886,562</b> |
| <b>43.1 Other expenses- Main Operation</b>  |                      |                      |
| Entertainment expenses  | 24,313,676           | 26,604,363           |
| Fuel and lubricant  | 35,674,005           | 38,131,284           |
| Subscription and donations  | 7,820,969            | 4,576,704            |
| Annual general meeting  | 1,222,240            | 455,235              |
| Travelling expenses   | 201,924,426          | 206,435,058          |
| Petty conveyance  | 24,679,720           | 19,472,833           |
| Credit rating fees  | 345,000              | -                    |
| News papers, periodicals, learning materials etc.   | 975,913              | 822,905              |
| Crockeries  | 481,444              | 473,724              |
| Debit and Credit Card expenses  | 213,195,745          | 163,075,759          |
| ATM expenses  | 15,480,182           | 13,008,377           |
| Tele Banking Expenses   | 31,227,778           | 24,741,025           |
| Cash carrying charges   | 21,585,187           | 21,840,668           |
| ATM cash replenishment charges  | 207,006,600          | 177,500,000          |
| Recruitment, training, seminar and workshop   | 9,910,128            | 5,574,288            |
| Service charge on nostro account and others   | 45,971,167           | 26,429,729           |
| Consultancy fees  | 4,312,426            | 6,368,056            |
| Business promotion and development  | 805,495,599          | 930,464,470          |
| Laundry and cleaning  | 316,662              | 341,694              |
| Other expenses for Mobile Banking Services  | 54,925,133           | 57,433,841           |
| Other expenses for Agent Banking Services   | 432,891              | -                    |
| Fixed Assets written-off  | 34,848,262           | -                    |
| Miscellaneous   | 9,036,262            | 2,758,394            |
|   | <b>1,751,181,415</b> | <b>1,726,508,407</b> |

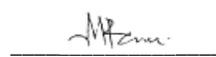
|  | <b>30-Sep-15</b><br><b>Taka</b> | <b>31-Dec-14</b><br><b>Taka</b> |
|--|---------------------------------|---------------------------------|
| <b>44. Cash and cash-equivalents</b>   |                                 |                                 |
| Cash in hand (including foreign currencies)                                    | 7,853,607,841                   | 6,332,078,849                   |
| Balance with Bangladesh Bank and its agent bank (including foreign currencies) | 15,658,659,528                  | 17,207,329,237                  |
| Balance with other banks and financial institutions                            | 16,788,785,624                  | 26,502,263,759                  |
| Treasury bills and bonds   | 3,413,296,680                   | 292,806,832                     |
| Prize bonds  | 7,793,800                       | 7,554,300                       |
| Money at call and short notice   | 5,530,000,000                   | 3,550,000,000                   |
|  | <b>49,252,143,473</b>           | <b>53,892,032,977</b>           |

  
Chairman

  
Director

  
Managing Director

  
Chief Financial Officer

  
Company Secretary

Dhaka, 27 October 2015