UN-AUDITED FINANCIAL STATEMENTS

For the period ended 30 September 2018



Dhaka Bank Limited and its Subsidiaries Consolidated Balance Sheet As at 30 September 2018 30.09.2018 31.12.2017 PROPERTY AND ASSETS 13,726,613,000 13,684,691,050 Cash In Hand (Including foreign currencies) Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) 2,524,217,419 11,202,395,581 1,839,941,316 11,844,749,734 11,394,521,216 **Balance With Other Banks & Financial Institutions** 16,173,100,117 10,190,843,071 3,030,942,690 1,203,678,144 Outside Bangladesh Money at call and on short notice 11,300,000 6.334.079.223 6,381,380,326 Loans, advances and lease/invest 173,642,810,536 153,867,641,893 Loans, cash credits, overdrafts, etc./Investments 170,719,940,346 Bills purchased and discounted 2,922,870,190 3,210,833,048 4,882,391,885 4,269,381,541 23,199,611,095 23,166,033 Non-Banking Assets 23,166,033 Total Assets 260.812.322.563 230,828,490,415 LIABILITIES & CAPITAL Liabilities Borrowings from other banks, financial institutions and agents 25.077.630.758 21.633.548.366 **185,728,775,446** 22,013,374,921 Current Accounts & Other Accounts 1.715.533.397 2.826,174,811 Savings Bank Deposits Term Deposits 19,061,994,573 127,816,154,943 141,915,197,749 Non Convertible Subordinated Bond Other Liabilities 25,152,041,005 **Total Liabilities** 243,958,447,210 215,000,609,110 Capital / Shareholders' Equity Equity attributable to equity holders of the parent company Paid-up Capital 15,827,823.976 16,853,816,752 7,222,957,200 6,418,181,801 Statutory Reserve 6,792,564,016 683,698,592 684,339,747 Non-controlling interest 15,827,881,305 16,853,875,352 **Total Shareholders' Equity** Total Liabilities & Shareholders' Equity 260,812,322,563 230,828,490,415 Off-Balance Sheet Items **Contingent Liabilities** Acceptances and endorsements 40.217.159.605 32.868.131.246 31,373,424,263 34,249,811,897 27,085,569,676 23,083,135,224 Letter of guarantee Bills for collection 11,666,539,785 11.591.497.583 6,879,776,361 124,386,711,910 3,493,879,200 **98,122,212,930** Other commitments Documentary credit and short term trade-related transaction Forward assets purchased and forward deposits placed Undrawn note Issuance and revolving underwriting facilities Total off-balance sheet items including contingent liabilities 124,386,711,910 98,122,212,930

Dhaka Bank Li				<u> </u>			
Consolidated Profit & Loss Account For the period ended 30 September 2018							
Particulars	01-Jan-18 to 30-Sep-18	01-Jan-17 to 30-Sep-17	01-Jul-18 to 30-Sep-18	01-Jul-17 to 30-Sep-17			
Operating Income	<u>Taka</u>	Taka	<u>Taka</u>	Taka			
Interest income/profit on investments	13,562,257,866	9,797,624,935	4,723,293,203	3,398,413,721			
Interest paid/profit on deposits and borrowings, etc. Net Interest Income	(9,880,818,848) 3,681,439,018	(7,258,270,714) 2,539,354,222	(3,495,102,332) 1,228,190,871	(2,591,146,480) 807,267,241			
Investment income	1,699,279,608	2,375,440,776	591,448,979	1,075,984,570			
Commission & exchange earnings	1,832,030,456	1,989,409,241	648,355,164	608,817,459			
Other operating income	161,359,982	150,855,430	42,168,197	20,485,157			
Total operating income (a)	7,374,109,064	7,055,059,669	2,510,163,210	2,512,554,427			
Operating Expenses							
Salary and allowances	1,651,937,256	1,634,441,274	543,540,992	630,197,131			
Rent, taxes, insurance, electricity, etc.	494,643,328	465,934,148	167,588,520	169,970,022			
Legal expenses	37,910,724	11,072,571	12,389,842	2,420,700			
Postage, stamps, telecommunication, etc.	69,008,393	58,502,392	26,103,853	10,659,790			
Stationery, printing, advertisement, etc.	123,687,538	101,554,653	33,726,632	34,014,908			
Chief executive's salary and fees Directors' fees	11,943,500 3.054,370	11,915,000 3,106,741	4,324,000 888,540	3,950,000 846,880			
Auditors' fees	1,361,250	1,346,250	1,138,750	1,138,750			
Charges on Loan Losses	175,460,319	1,540,250	69,364,517	1,130,730			
Depreciation and repairs of Bank's assets	351,928,784	268,350,940	115,445,388	88,522,826			
Other expenses	499,635,984	492,458,296	191,424,516	168,905,874			
Total operating expenses (b)	3,420,571,447	3,048,682,265	1,165,935,550	1,110,626,881			
Profit before provision & Taxes (c = (a-b))	3,953,537,617	4,006,377,404	1,344,227,660	1,401,927,546			
Provision against loans and advances	1,809,418,970	1,801,854,874	564,731,569	477,368,888			
Provision against good borrower							
Provision for diminution in value of investments				-			
Other Provisions	238,035,596	232,238,817	56,677,626	75,852,054			
Total provision (d)	2,047,454,566	2,034,093,691	621,409,195	553,220,942			
Profit before taxation (c-d)	1,906,083,051	1,972,283,713	722,818,465	848,706,604			
Provision for taxation	879,447,849	892,254,731	294,092,152	363,795,228			
Provision for Current Tax	823,877,594	889,054,731	241,221,897	360,595,228			
Provision for Deferred Tax	55,570,255	3,200,000	52,870,255	3,200,000			
Net profit after taxation	1,026,635,202	1,080,028,982	428,726,312	484,911,376			
Appropriations							
Statutory reserve	374,382,215	365,221,070	138,974,232	157,338,694			
General reserve	-	(115,519,953)	-				
Investment Fluctuation Fund Dividends etc.	003 960 650	9,100,000 1,031,851,026	-	5,000,000			
Dividends etc. Retained earnings	902,869,650 1,251,727,293	1,031,851,026	289,751,264	322,568,049			
Netalieu carriiga	2,528,979,159	2,465,594,396	428,725,495	484,906,743			
Consolidated Earning per Share (CEPS) [Restated]	1.26	1.33	0.53	0.60			
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Dhaka Bank Limited and its Cubaidians

Consolidated Cash Flow Statement For the period ended 30 September 2018

Particulars	Jan-18 to 30 Sep-18	Jan-17 to 30 Sep-17
	<u>Taka</u>	<u>Taka</u>
Cash Flows from Operating Activities Interest / Profit receipts	15 206 050 007	12 101 504 670
Interest / Profit receipts Interest / Profit payments	15,306,859,807 (9,540,799,464)	12,101,564,679
Dividend receipts		(7,164,312,865) 32,986,982
Recovery of loans previously written off	25,158,686 20,237,245	17,644,646
Fee and commission receipts	1,286,407,436	1,063,037,816
Payments to employees	(1,663,880,756)	(1,668,809,711)
Payments to employees Payments to suppliers	(247,925,760)	(159,676,337)
Income taxes paid	(1,308,944,118)	(1,142,070,294)
Receipts from other operating activities	168,138,017	168,377,403
Payments for other operating activities	(1,056,248,910)	(1,000,465,531)
(i) Operating profit before changes in operating assets & liabilities	2,989,002,184	2,248,276,789
Changes in operating assets and liabilities	2,505,002,104	2,240,270,703
Purchase / Sale of trading securities	(257,942,258)	(390,134,692)
Loans and advances to customers	(19,771,948,203)	(11,981,316,981)
Other assets	(3,434,890,123)	(6,136,295,217)
Deposits from other banks	(2,556,660,014)	4,779,876,121
Deposits from customers	18,250,014,533	4,900,076,240
Other liabilities account of customers	(16,859,256)	(93,233,910)
Other liabilities	2,301,883,481	1.033.922.394
(ii) Cash flow from opeerating assets and liabilities	(5,486,401,841)	(7,887,106,044)
Net cash flow from operating activities (a)= (i+ii)	(2,497,399,657)	(5,638,829,256)
Cash Flows from Investing Activities		
Proceeds from sale of securities	58,913,515	811,202
Sale/ (Purchase) of securities	(2,856,203,639)	(3,131,010,999)
Purchase of property, plant & equipment	861,151,411	(219,566,918)
Sale of property, plant & equipment	369,626	311,640
Purchase / sale of subsidiary	-	-
let cash flow from investing activities (b)	(1,935,769,087)	(3,349,455,075)
ash Flow from Financing Activities		
Borrowing from other banks	3,440,861,951	11,680,865,619
Issuance of Non Convertible Subordinated Bond	5,000,000,000	-
Redemption of Non Convertible Subordinated Bond	-	-
Dividends paid	-	(687,900,686)
Net cash flow from financing activities (C)	8,440,861,951	10,992,964,933
Net increase/ (decrease) in cash and cash equivalents (a+b+c)	4,007,693,207	2,004,680,602
Add: Effects of exchange rate changes on cash & cash equivalent	507,071,968	857,487,225
Add: Cash and cash equivalents at 01 January, 2018	25,400,107,442	29,000,627,043
Closing Cash and cash equivalents at end of period (*)	29,914,872,617	31,862,794,870
(*) Cash and cash equivalents		
Cash in Hand	2,524,217,419	2,015,567,536
Balance with Bangladesh Bank & Sonali Bank	11,202,395,581	14,062,614,122
Balance with other banks & Financial Institutions	16,173,100,117	15,768,252,712
Money at call & Short Notice	11,300,000	11,300,000
Prize Bond	3,859,500	5,060,500
Total	29,914,872,617	31,862,794,870
Net Operating Cash Flow per Share (NOCFPS)	(3.07)	(6.94)
not operating cash flow per share (notifes)	(3.07)	(0.94)

Dhaka Bank Limited and its Subsidiaries Consolidated Statement of Changes in Equity For the period ended 30 September 2018

									(Amount in Take
Particulars	Paid up capital	Statutory Reserve	General Reserve	Asset Revaluation Reserve	Investment revaluation reserve	Investment Fluctuation Fund	Non- controlling interest	Retained Earnings	Total
Balance as at 1 January 2018	7,222,957,200	6,418,181,801	6,560,631	622,516,800	21,562,316	33,700,000	57,329	1,502,345,228	15,827,881,30
Changes in accounting policy	-	-		-	-		-	-	-
Restated belance	7,222,957,200	6,418,181,801	6,560,631	622,516,800	21,562,316	33,700,000	57,329	1,502,345,228	15,827,881,30
Surplus/deficit on account of revaluation of properties	-			-	-			-	-
Surplus/deficit on account of revaluation of investments	-	-	-	1-1	(641,155)	-	-	1.5	(641,15
Currency transaction differences	-	-	-	-		-	-	-	-
Net gains and losses not recognized in the income statement			-		20,921,161	-	-		
Share Capital of subsidiary company									1-
Net Profit for the period	-	-	-		-	-		1,026,635,202	1,026,635,20
Stock dividend paid by Subsidiary Company		-	-	191	-	-	-	-	-
Transfer to reserve									
Dividend:						-			1-
Stock dividend	902,869,650	-		-			-	(902,869,650)	1=
Cash dividend						-		141	12
Changes In reserve		374,382,215			-			(374,382,215)	-
Non-controlling Interest					-		1,272	(1,272)	-
Balance as at 30 September 2018	8,125,826,850	6,792,564,016	6,560,631	622,516,800	20,921,161	33,700,000	58,601	1,251,727,293	16,853,875,35

Balance Sheet As at 30 September 2018					
Particulars	30.09.2018	31.12.2017			
	<u>Taka</u>	<u>Taka</u>			
PROPERTY AND ASSETS					
Cash	13,726,513,000	13,684,591,050			
Cash in Hand (including foreign currencies)	2,524,117,419	1,839,841,316			
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	11,202,395,581	11,844,749,734			
Balance With Other Banks & Financial Institutions	16,022,578,141	11,224,922,706			
In Bangladesh	12,991,635,451	10,021,244,562			
Outside Bangladesh	3,030,942,690	1,203,678,144			
Money at call and on short notice	11,300,000	11,300,000			
Investments	26,060,952,712	23,181,794,347			
Government	22,771,949,571	19,706,422,487			
Others	3,289,003,140	3,475,371,860			
Loans, advances and lease/investments	173,740,772,584	154,017,029,266			
Loans, cash credits, overdrafts, etc./Investments	170,817,902,394	150,806,196,218			
Bills purchased and discounted	2,922,870,190	3,210,833,048			
Fixed assets including premises, furniture and fixtures	4,877,108,693	4,262,893,303			
Other Assets	24,875,108,083	23,047,157,792			
Non-Banking Assets	23,166,033	23,166,033			
Total Assets	259,337,499,246	229,452,854,497			
LIABILITIES & CAPITAL	, , ,	, , , , , , , , , , , , , , , , , , , ,			
Liabilities					
Borrowings from other banks, financial institutions and agents	24,977,630,758	21,533,553,426			
Deposits and Other Accounts	186,095,500,981	170,035,420,927			
Current Accounts & Other Accounts	22,013,374,921	20,025,396,323			
Bills Payable	1,715,533,397	2,826,174,811			
Savings Bank Deposits	20,084,669,379	19,061,994,573			
Term Deposits	142,281,923,284	128,121,855,220			
Non Convertible Subordinated Bond	8,000,000,000	3,000,000,000			
Other Liabilities	24,005,846,083	19,638,634,359			
Total Liabilities	243,078,977,822	214,207,608,713			
Capital/Shareholders' Equity					
Total Shareholders' Equity	16,258,521,424	15,245,245,785			
Paid-up capital	8,125,826,850	7,222,957,200			
Statutory reserve	6,792,564,016	6,418,181,801			
Other reserve	649,998,592	650,639,747			
Retained earnings	690,131,965	953,467,037			
Total Liabilities & Shareholders' Equity	259,337,499,246	229,452,854,497			
Off-Balance Sheet Items Contingent Liabilities	124,386,711,910	98,122,212,930			
Acceptances and endorsements	40,217,159,605	32,868,131,246			
Letter of credit	31,373,424,263 34,249,811,897	27,085,569,676 23,083,135,224			
Bills for collection	11,666,539,785	11,591,497,583			
Other contingent liabilities	6,879,776,361	3,493,879,200			
Other commitments	0,079,770,301	3/793/0/9/200			
Occumentary credit 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					
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Dhaka Bank Limited

Dhaka Bank Limited Profit & Loss Account

Total off-balance sheet items including contingent liabilities 124,386,711,910

For the period ended 30 September 2018

Particulars	01-Jan-18 to 30-Sep-18	01-Jan-17 to 30-Sep-17	01-Jul-18 to 30-Sep-18	01-Jul-17 to 30-Sep-17
OPERATING INCOME	Taka	Taka	Taka	<u>Taka</u>
			1	
Interest income/profit on investments	13,581,125,999	9,829,957,019	4,792,304,868	3,416,174,750
Interest paid/profit on deposits and borrowings, etc.	(9,875,521,673)	(7,251,585,928)	(3,548,802,414)	(2,588,053,425
Net Interest Income	3,705,604,326	2,578,371,090	1,243,502,455	828,121,326
Investment income	1,621,633,407	2,159,939,400	544,003,587	987,158,101
Commission & exchange earnings	1,782,079,262	1,891,588,225	622,626,988	574,976,349
Other operating income	160,107,814	149,933,888	41,566,857	19,873,540
Total operating income (a)	7,269,424,809	6,779,832,604	2,451,699,886	2,410,129,317
Operating Expenses				
Salary and allowances	1,618,947,982	1,602,307,785	531,963,973	618,965,239
Rent, taxes, insurance, electricity, etc.	482,997,085	455,326,426	163,643,439	166,320,139
egal expenses	37,885,597	11,044,071	12,384,715	2,392,200
Postage, stamps, telecommunication, etc.	68,387,595	57,879,839	25,926,182	10,518,657
Stationery, printing, advertisement, etc.	122,521,399	100,328,318	33,529,402	33,499,104
Chief executive's salary and fees	11,943,500	11,915,000	4,324,000	3,950,000
Directors' fees	2,305,540	2,408,130	772,800	624,640
Auditors' fees	1,050,000	1,035,000	1,035,000	1,035,000
Charges on Loan Losses	175,460,319		69,364,517	-
Depreciation and repairs of Bank's assets	346,031,858	261,933,030	113,457,394	86,199,827
Other expenses	492,528,291	485,455,963	189,018,110	166,710,101
Total operating expenses (b)	3,360,059,167	2,989,633,561	1,145,419,532	1,090,214,906
Profit before provision & Taxes $(c = (a-b))$	3,909,365,642	3,790,199,043	1,306,280,354	1,319,914,411
Provision against loans and advances	1,809,418,970	1,801,854,874	564,731,569	477,368,888
Provision against good borrower	-	-	-	-
Provision for diminution in value of investments	-		-	-
Other Provisions	228,035,596	162,238,817	46,677,626	55,852,054
Total provision (d)	2,037,454,566	1,964,093,691	611,409,195	533,220,942
Profit before taxation (c-d)	1,871,911,076	1,826,105,352	694,871,159	786,693,469
Provision for taxation	857,994,282	847,120,620	283,410,082	348,120,319
Provision for Current Tax	802,424,027	843,920,620	230,539,827	344,920,319
Provision for Deferred Tax	55,570,255	3,200,000	52,870,255	3,200,000
Net profit after taxation	1,013,916,794	978,984,732	411,461,077	438,573,150
Aurora della ca				
Appropriations	274 202 215	365 221 070	120 074 222	157 220 604
Statutory reserve	374,382,215	365,221,070	138,974,232	157,338,694
General reserve Dividends etc.	902,869,650	(115,519,953)	•	
		1,031,851,026	272 496 945	281,234,456
Retained earnings	690,131,965	639,701,861	272,486,845	281,234,450 438,573,150
	1,967,383,831	1,921,254,005	411,461,077	438,573,1

Earning per Share (EPS) [Restated] **Dhaka Bank Limited**

Cash Flow Statement For the period ended 30 September 2018					
Particulars	Jan-18 to 30 Sep-18	Jan-17 to 30 Sep-17			
Cash Flow From Operating Activities	<u>Taka</u>	<u>Taka</u>			
Interest / Profit receipts	15,322,948,644	11,951,382,369			
Interest / Profit payments	(9,535,502,288)	(7,157,628,079)			
Dividend receipts					
Recovery of loans previously written off Fee and commission receipts	20,237,245	17,644,646			
Payments to employees	1,236,456,242 (1,630,891,482)	965,216,800 (1,636,676,222)			
Payments to suppliers	(229,844,592)	(142,052,847)			
Income taxes paid	(1,271,055,962)	(1,109,715,341)			
Receipts from other operating activities	178,051,994	167,455,861			
Payments for other operating activities	(1,056,692,987)	(992,764,587)			
Operating profit before changes in current assets & liabilities	3,033,706,816	2,062,862,600			
Increase / Decrease in operating assets and liabilities:	(24 272 427)	44 704 605			
Purchase / Sale of trading securities Loans and advances to customers	(24,272,435) (19,723,743,318)	11,794,635 (12,135,910,289)			
Other assets	(3,021,352,157)	(6,211,026,157)			
Deposits from other banks	(2,556,660,014)	4,779,876,121			
Deposits from customers	18,616,740,068	5,011,407,048			
Other liabilities account of customers	(49,672,237)	(93,233,910)			
Other liabilities	1,601,608,548	973,256,582			
Net cash flow from operating activities (A)	(2,123,644,729)	(5,600,973,371)			
Cash Flow From Investing Activities					
Proceeds from sale of securities	6,426,000	811,202			
Sale/ (Purchase) of securities	(2,856,203,639)	(3,131,010,999)			
Purchase of property, plant & equipment	861, 44 5,428	(218,689,210)			
Proceeds from sale of fixed assets	369,626	311,640			
Purchase / sale of subsidiary Net cash used in investing activities (B)	(1,987,962,585)	(3,348,577,367)			
Cash Flow From Financing Activities					
Borrowing from other banks	3,444,077,332	11,718,449,293			
Issuance of Non Convertible Subordinated Bond	5,000,000,000	-			
Redemption of Non Convertible Subordinated Bond	-				
Dividends paid	-	(687,900,686)			
Net cash flow from financing activities (C)	8,444,077,332	11,030,548,607			
Net increase / (Decrease) in cash (A+B+C)	4,332,470,017	2,080,997,870			
Effects of exchange rate changes on cash & cash equivalent	507,071,968	857,487,225			
Opening cash & cash equivalent as at 1 January, 2018	24,924,708,656	28,941,560,751			
Closing Cash and cash equivalents at end of period (*)	29,764,250,641	31,880,045,845			
Closing cash & cash equivalents					
Cash in Hand	2,524,117,419	2,015,477,536			
Balance with Bangladesh Bank & Sonali Bank	11,202,395,581	14,062,614,122			
Balance with other banks & Financial Institutions	16,022,578,141	15,785,593,687			
Money at call & Short Notice Prize Bond	11,300,000 3,859,500	11,300,000 5,060,500			
Total	29,764,250,641	31,880,045,845			
	23/104/200/041	32,000,010,013			
Net Operating Cash Flow per Share (NOCFPS)	(2.61)	(6.89)			

Dhaka Bank Limited

Statement of Changes in Equity For the period ended 30 September 2018

							(Amount in Ta
Particulars	Pald up capital	Statutory Reserve	General Reserve	Asset Revaluation Reserve	Investment Revaluation Reserve	Retained Earnings	Total
Balance as at 1 January 2018 Changes in accounting policy	7,222,957,200 -	6,418,181,801 -	6,560,631 -	622,516,800 -	21,562,316	953,467,037 -	15,245,245
Restated balance	7,222,957,200	6,418,181,801	6,560,631	622,516,800	21,562,316	953,467,037	15,245,245,
Surplus/deficit on account of revaluation of properties	-		-		-	-	
Surplus/deficit on account of revaluation of investments					(641,155)		(64)
Currency transaction differences							
Net gains and losses not recognized in the income statement	-				20,921,161	-	
Net Profit for the period					-	1,013,916,794	1,013,916
Adjustment for deferred tax	-		-		-	-	
Transfer to reserve							
Dividend:							
Stock dividend	902,869,650				-	(902,869,650)	
Cash dividend							
Changes in reserve		374,382,215			-	(374,382,215)	
Balance as at 30 September 2018	8,125,826,850	6,792,564,016	6,560,631	622,516,800	20,921,161	690,131,965	16,258,521

Dhaka Bank Limited and its Subsidiaries

Notes to the Consolidated & Separate Financial Statements As at and for the period ended 30 September 2018

Dhaka Bank Limited: A Brief Profile

The Dhaka Bank Limited (the "Bank") was incorporated in Bangladesh as a public limited company as on 06 April 1995 under the Companies Act, 1994 and commenced commercial operation on 05 July 1995. Now it has 100 branches all over Bangladesh which includes 63 urban and 37 rural branches, two offshore banking units at DEPZ & CEPZ, and 03 SME Service Centers. Out of the above, 2 branches of the bank are run under Islamic Sharlah, the modus operandi of which is substantially different from other non-Islamic branches.

The principal activities of the bank are to provide all kinds of commercial banking services to its customers through its branches and SME Centers and alternative delivery channels in Bangladesh. The principal place of business is the registered office at 100, Motijheel Commercial Area, Biman Bhaban, Dhaka-1000, Bangladesh. Its corporate office is located at 71, Purana Paltan Lane, Dhaka-1000.

Bank has two subsidiaries of which Dhaka Bank Securities Limited has been in operations. It was formed to carry out the stock broker and stock dealer activities of Capital Market Services Division of the Bank. The other subsidiary, Dhaka Bank Investment Limited, is yet to start full-fledged business operations which will be commenced after getting license from BSEC. DBIL is intended to conduct Merchant Banking Activities, to act as Issue Manager, Securities Management and Brokerage, Custodian Service, Investment and Asset Management, Portfolio Management, Capital Market operation etc. Dhaka Bank Foundation

The Bank has a dedicated philanthropic unit named Dhaka Bank Foundation which has been operating since 28 July 2004.

Significant accounting policies and basis of preparation of the financial states

The financial statements of the Bank and its subsidiaries (the "Group") as at and for the period ended 30 September 2018 have been prepared in accordance with the first schedule of Bank Companies Act, 1991, BRPD Circular No. 14 dated 25 June 2003, other Bangladesh Bank circulars, International Accounting Standards (IAS) and International International Accounting Standards (IAS) and International International Accounting Standards (IAS) and Bangladesh (ICAB) as Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Listing Regulations of the Stock Exchanges, the Securities and Exchange Rules 1987 and other laws and rules applicable in Bangladesh. In case the requirement of Bangladesh Bank differs with those of BAS/BFRS, the requirement of Bangladesh Bank has been applied.

The operations of Islamic Banking branches are accounted for in accordance with Financial Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions for which a separate set of books and records are being maintained. Functional and presentation currency

These consolidated financial statements of the Group and the separate financial statements of the Bank are presented in BDT which is the Group's and the Bank's functional currency except OBU where functional currency is US Dollar (USD). All financial information presented in BDT has been rounded to the nearest integer, except when otherwise indicated. Use of estimates and judgments

The preparation of the consolidated financial statements of the Group and the separate financial statements of the Bank in conformity with BFRSs require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expense. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected.

Significant accounting policies

The accounting policies set out have been applied consistently to all periods presented in these financial statements, and have been applied consistently by group entities, except otherwise instructed by the Central Bank as prime regulator. The financial statements of subsidiaries which are included in Consolidated Financial Statements of the Group have been prepared using uniform accounting policies of the Bank (Parent) for transactions and other events in similar nature. Certain comparative amounts in these financial statements have been reclassified and rearranged to conform to the current period's presentation.

Basis of consolidation

98,122,212,930

Subsidiaries (investees) are entities controlled by the parent (the bank). Control exists when the bank has the power over the subsidiaries that give right to direct relevant activities, exposure, or rights, to variable returns from its involvement with these subsidiaries, and the ability to use its power over the subsidiaries to affect the amount of the

The consolidated financial statements incorporate the financial statements of the Bank and those of its subsidiaries from the date that control commences until the date that control ceases. The financial statements of such subsidiary companies are incorporated on a line by line basis and the investments held by the bank are eliminated against the corresponding share capital of subsidiaries in the consolidated financial statements. Intra-group balances and transactions, and any incomes and expenses arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements.

Cash Flow Statement Cash Flow Statement is prepared in accordance with Bangladesh Accounting Standard (BAS) 7 'Cash Flow Statement' and under the guideline of Bangladesh Bank BRPD Circular No. 14 dated 25 June 2003. The Statement shows the Structure of Changes in cash and cash equivalents during the period.

Statement of Changes in Equity

Statement of changes in Equity is prepared in accordance with Bangladesh Accounting Standard (BAS) 1 'Presentation of Financial Statements' and relevant guidelines of Bangladesh Bank.

Earnings per share

Earnings per share (EPS) has been computed by dividing the profit after tax (PAT) by the number of ordinary shares outstanding as on 30 September 2018 as per BAS- 33 "Earnings Per Share". Diluted earnings per share were not required to calculate as there were no dilution possibilities during the period.

2.8.1 Reporting Period

The reporting period of these financial statements of the Group and the Bank cover from 01 January 2018 to 30 September 2018. 2.8.2 Review of the Financial Statements

These financial statements were reviewed by the Audit Committee of the Board in its 86th meeting held on October 23, 2018 and was subsequently approved by the Board of Directors in its 336th meeting held on October 30, 2018. 2.8.3 Variance in Net Interest Income

Net Interest Incomeof the Bank for the period of Jan-Sep '18 was 370. 56 Crore against 257.84 Crore BDT for the 2.8.4 Variance in Net Cash Flow from Operating Activities

Net Cash Flow from Operating Activities of the Bankfor the period of Jan-Sep '18 was (212.36) Crore BDT against (560.10) Crore BDT for the corresponding period of 2017 and depicted significant growth. Increase of 1,861 Crore BDT & 160 Crore BDT respectively in Depositsfrom Customers and Other Liabilities contributed most in this growth.

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L	Particulars	Taka	Taka	
1	Composition of Shareholders' Equity:			
•	Solo:	16,258,521,424	14,735,185,683	
	Paid-up capital	8,125,826,850	7,222,957,200	
	Statutory reserve	6,792,564,016	6,215,559,850	
	General reserve	6,560,631	6,560,63	
	Assets revaluation reserve	622,516,800	622,516,80	
	Investment revaluation reserve	20,921,161	27,889,34	
	Retained earnings	690,131,965	639,701,86	
	Consolidated:	16,853,875,352	15,305,482,16	
	Paid-up capital	8,125,826,850	7,222,957,20	
	Statutory reserve	6,792,564,016	6,215,559,85	
	General reserve	6,560,631	6,560,63	
	Assets revaluation reserve	622,516,800	622,516,80	
	Investment revaluation reserve	20,921,161	27,889,34	
	Investment Fluctuation Fund	33,700,000	35,000,00	
	Retained earnings	1,251,727,293	1,174,942,25	
	Non-controlling interest	58,601	56,09	
	No. of Ordinary Shares Outstanding (Tk.10 each)	812,582,685	722,295,72	
		012,502,005	722,233,72	
4	Net Asset Value Per Share			
	Shareholders' Equity (Solo) [A1]	16,258,521,424	14,735,185,68	
	Shareholders' Equity (Consolidated) [A2]	16,853,875,352	15,305,482,16	
	No. of Ordinary Shares Outstanding (Tk.10 each) [B]	812,582,685	722,295,72	
	Net Asset Value (NAV) per Share (Solo) [Restated] [A1/B]	20.01	18.1	
	Net Asset Value (NAV) per Share (Consol) [Restated] [A2/B]	20.74	18.8	
3	Earnings per Share [EPS]			
	Net profit after taxation [Solo] [E1]	1,013,916,794	978,984,73	
	Net profit after taxation [Consolidated] [E2]	1,026,635,202	1,080,028,98	
	No. of Ordinary Shares Outstanding (Tk.10 each) [B]	812,582,685	722,295,72	
	Basic EPS:	,,		
	Earnings per Share [EPS] [Solo] [E1/B]	1.25	1.3	
	Earnings per Share [EPS] [Consolidated] [E2/B]	1.25	1.5	
		1.20	1.5	
	Restated EPS:			
	Earnings per Share [EPS] [Solo] [E1/812,582,685]	1.25	1.2	
	Earnings per Share [EPS] [Consolidated] [E2/812,582,685]	1.26	1.3	
ı	Net Operating Cash Flows per Share (NOCFPS)			
	Net cash flow from operating activities- Solo [A1]	(2,123,644,729)	(5,600,973,37	
	Net cash flow from operating activities- Consolidated [A2]	(2,497,399,657)	(5,638,829,25	
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	No. of Ordinary Shares Outstanding (Tk.10 each) [B]	812,582,685	722,295,72	
	NOCFPS [Solo-Restated] [A1/B]	(2.61)	(6.8	
	NOCFPS [Consol-Restated] [A2/B]	(3.07)	(6.9	
	Reconciliation of Net Profit after Taxation with Cash Flows from			
•	Operating Activities before changes in Operating Assets &			
	Liabilities as on 30.09.2018:			
		Solo	Consolidated	
	Net profit after taxation	1,013,916,794	1,026,635,20	
	Provision for taxation	857,994,282	879,447,84	
	Provision for Loans & Off BS Exposure	2,037,454,566	2,047,454,56	
	Changes in interest and others receivable	(120,189,238)	(120,189,23	
		255,212,212	255,212,21	
	Changes in accrual interest expense			
	Depreciation & Amortization of Fixed Assets	267,169,788	268,668,85	
	Depreciation & Amortization of Fixed Assets Proceeds from sale of securities	267,169,788 (6,426,000)	268,668,85 (58,913,51	
	Depreciation & Amortization of Fixed Assets Proceeds from sale of securities Proceeds from sale of fixed assets	267,169,788 (6,426,000) (369,626)	268,668,85 (58,913,51 (369,62	
	Depreciation & Amortization of Fixed Assets Proceeds from sale of securities	267,169,788 (6,426,000)	268,668,85 (58,913,51	









