

Dhaka Bank Limited and its Subsidiaries

Consolidated Balance Sheet

As at 30 September 2018

Particulars	30.09.2018		31.12.2017	
	Taka	Taka	Taka	Taka
PROPERTY AND ASSETS				
Cash	13,726,613,000	13,684,691,050		
Cash in Hand (Including foreign currencies)	2,524,217,419	1,839,941,316		
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	16,173,100,117	11,394,521,216		
In Bangladesh	13,142,157,427	10,190,843,071		
Outside Bangladesh	3,030,942,690	1,203,678,144		
Money at call and on short notice	11,300,000	11,300,000		
Investments	29,153,329,897	26,040,581,710		
Government	22,771,949,571	19,706,422,487		
Others	6,381,380,326	6,334,159,223		
Loans, advances and lease/investments	173,642,810,536	153,867,641,893		
Loans, cash credits, overdrafts, etc./Investments	170,719,940,346	150,656,808,845		
Blis purchased and discounted	2,922,870,190	3,210,833,048		
Fixed assets including premises, furniture and fixtures	4,882,391,885	4,269,381,541		
Other Assets	23,199,811,095	21,537,286,973		
Non-Banking Assets	23,166,033	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		
Deposits and Other Accounts	185,728,775,446	169,729,720,650		
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	19,061,994,571		
Term Deposits	141,915,197,749	127,816,154,943		
Non Convertible Subordinated Bond	8,000,000,000	3,000,000,000		
Other Liabilities	25,152,041,005	20,637,340,094		
Total Liabilities	243,958,447,210	215,000,609,110		
Capital / Shareholders' Equity				
Equity attributable to equity holders of the parent company	16,853,816,752	15,827,823,976		
Paid-up Capital	8,125,826,850	7,222,957,200		
Statutory Reserve	6,792,564,016	6,418,181,801		
Other Reserve	683,698,592	684,339,747		
Retained Earnings	1,251,727,293	1,502,345,228		
Non-controlling interest	58,601	57,329		
Total Shareholders' Equity	16,853,816,752	15,827,823,976		
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		
Letter of credit	31,373,424,263	27,085,569,676		
Letter of guarantee	34,249,811,897	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		
Total contingent liabilities	124,386,711,910	98,122,212,930		
Other commitments				
Documentary 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	-	-		
Total off-balance sheet items including contingent liabilities	124,386,711,910	98,122,212,930		

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Particulars	30.09.2018		31.12.2017	
	Taka	Taka	Taka	Taka
PROPERTY AND ASSETS				
Cash	13,726,613,000	13,684,691,050		
Cash in Hand (Including foreign currencies)	2,524,217,419	1,839,941,316		
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	3,289,003,141	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		
Blis 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	19,061,994,571		
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	243,078,977,622	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				
Acceptances and endorsements	40,217,159,605	32,868,131,246		
Letter of credit	31,373,424,263	27,085,569,676		
Letter of guarantee	34,249,811,897	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				
Documentary 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	-	-		
Total off-balance sheet items including contingent liabilities	124,386,711,910	98,122,212,930		

Dhaka Bank Limited

Statement of Changes in Equity

For the period ended 30 September 2018

Particulars	Paid up Capital	Statutory Reserve	General Reserve	Asset Revaluation Reserve	Investment Revaluation Reserve	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	953,467,037	15,245,245,785
Changes in accounting policy	-	-	-	-	-	-	-
Restated balance	7,222,957,200	6,418,181,801	6,560,631	622,516,800	21,562,316	953,467,037	15,245,245,785
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	-	(64,155)	-	(64,155)
Currency transaction differences	-	-	-	-	-	-	-
Net gain and losses not recognized in the income statement							20,921,161
Net Profit for the period	-	-	-	-	-	-	1,013,916,794
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	16,258,521,424

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 Shariah, 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 Pallan Lane, Dhaka-1000.
- Subsidiaries of the Bank**
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 statements**
2.1 Statement of compliance
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 Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of 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 BFRS requires 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.
- Business combination**
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 bank's returns.
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.
- 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 at 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.
- Others**
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 Income of the Bank for the period of Jan-Sep '18 was 370.56 Crore against 257.84 Crore BDT for the corresponding period of 2017 and depicted 44% growth. 13% growth in Loans & Advances contributed most in this period-over-period year growth.
2.8.4 Variance in Net Cash Flow from Operating Activities
Net Cash Flow from Operating Activities of the Bank for 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 1,361 Crore BDT & 160 Crore BDT respectively in Depositors from Customers and Other Liabilities contributed most in this growth.

Disclosures related to Q3 Financial Statements: September 30, 2018

Sl	Particulars	30.09.2018	30.09.2017
		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	6,560,631
	Assets revaluation reserve	622,516,800	622,516,800
	Investment revaluation reserve	20,921,161	27,889,341
	Retained earnings	690,131,965	639,701,861
	Consolidated:	16,859,875,352	15,905,482,169
	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	6,560,631
	Assets revaluation reserve	622,516,800	622,516,800
	Investment revaluation reserve	20,921,161	27,889,341
	Investment Fluctuation Fund	33,700,000	35,000,000
	Retained earnings	1,251,727,293	1,174,942,252
	Non-controlling interest	58,601	56,095
	No. of Ordinary Shares Outstanding (Tk.10 each)	812,582,685	722,295,720
2 Net Asset Value Per Share	Shareholders' Equity (Consolidated) [A1]	16,258,521,424	14,735,185,683
	Shareholders' Equity (Consolidated) [A2]	16,859,875,352	15,905,482,169
	No. of Ordinary Shares Outstanding (Tk.10 each) [B]	812,582,685	722,295,720
	Net Asset Value (NAV) per Share (Solo) [Restated] [A1/B]	20.01	18.13
	Net Asset Value (NAV) per Share (Consol) [Restated] [A2/B]	20.74	18.84
3 Earnings per Share (EPS)	Net profit after taxation [Solo] [E1]	1,013,916,794	978,984,732
	Net profit after taxation [Consolidated] [E2]	1,026,635,202	1,020,