

AB Bank Limited

BCIC Bhaban

30-31 Dilkusha Commercial Area

Dhaka 1000

Un-Audited

AB Bank Limited and its Subsidiaries

Consolidated and separate financial statements
for the period ended September 30, 2016

AB Bank Limited & its Subsidiaries
Consolidated Balance Sheet
As at September 30, 2016

PROPERTY AND ASSETS	Notes	30.09.2016 Taka	31.12.2015 Taka
Cash	3(a)	18,816,274,856	17,034,569,843
In hand (including foreign currencies)	3.1(a)	1,517,853,534	1,205,441,602
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2(a)	17,298,421,322	15,829,128,241
Balance with other banks and financial institutions	4(a)	3,863,415,587	4,752,701,128
In Bangladesh	4.1(a)	1,744,522,338	2,196,851,448
Outside Bangladesh	4.2(a)	2,118,893,249	2,555,849,680
Money at call and on short notice	5(a)	9,352,066,257	4,566,844,263
Investments	6(a)	57,209,909,696	34,054,553,461
Government	6.1(a)	51,607,559,366	27,900,211,389
Others	6.2(a)	5,602,350,330	6,154,342,072
Loans, advances and lease/investments		224,698,493,874	216,364,880,127
Loans, cash credits, overdrafts, etc./Investments	7(a)	223,196,061,206	214,291,708,326
Bills purchased and discounted	8(a)	1,502,432,668	2,073,171,801
Fixed assets including premises, furniture and fixtures	9(a)	4,751,429,490	4,819,543,816
Other assets	10(a)	6,074,240,268	5,345,737,331
Non-banking assets		-	-
Total Assets		324,765,830,028	286,938,829,969
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Borrowings from other banks, financial institutions and agents	11(a)	14,050,480,065	24,098,598,784
AB Bank Subordinated Bond	12	6,500,000,000	6,500,000,000
Deposits and other accounts	13(a)	254,877,002,051	213,671,723,838
Current account and other accounts		22,108,152,906	20,050,332,586
Bills payable		1,799,978,026	3,699,973,387
Savings bank deposits		26,440,599,122	22,573,067,458
Fixed deposits		123,724,486,555	111,741,032,463
Other deposits		80,803,785,443	55,607,317,944
Other liabilities	14(a)	25,077,791,386	19,094,756,031
Total Liabilities		300,505,273,502	263,365,078,652
Capital/Shareholders' Equity			
Equity attributable to equity holders of the parent company		24,253,470,617	23,575,987,130
Paid-up capital	15	6,738,936,140	5,990,165,460
Statutory reserve	16	6,132,339,351	6,111,203,545
Other reserve	17(a)	3,653,528,340	4,039,376,532
Retained earnings	18(a)	7,728,666,786	7,435,241,593
Minority interest	18(b)	7,085,908	(2,235,814)
Total Equity		24,260,556,526	23,573,751,317
Total Liabilities and Shareholders' Equity		324,765,830,028	286,938,829,969

	Notes	30.09.2016 Taka	31.12.2015 Taka
Off-Balance Sheet Items			
Contingent liabilities			
	19	67,862,679,636	68,649,158,866
Acceptances and endorsements		28,337,138,550	24,351,049,686
Letters of guarantee	19.1	12,489,152,118	12,327,410,154
Irrevocable letters of credit		18,663,632,435	23,650,724,184
Bills for collection		8,038,168,479	8,319,974,842
Other contingent liabilities		334,588,055	-
Other commitments			
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		-	-
Total		<u>67,862,679,636</u>	<u>68,649,158,866</u>

-Sd-

Mahadev Sarker FCA
Chief Financial Officer

-Sd-

Md. Shahjahan
Head of ICCD

-Sd-

Shamim Ahmed Chaudhury
President & Managing Director

-Sd-

Shishir Ranjan Bose FCA
Independent Director

-Sd-

M. Wahidul Haque
Chairman

Dhaka,
October 27, 2016

AB Bank Limited and its Subsidiaries
Consolidated Profit and Loss Account
For the period ended September 30, 2016

	Notes	Jan'16- Sept.'16 Taka	Jan'15- Sept.'15 Taka	July'16-Sept.'16 Taka	July'15-Sept.'15 Taka
OPERATING INCOME					
Interest income/profit on investments	21(a)	15,423,232,772	15,904,148,461	4,717,119,431	5,277,856,940
Interest/profit paid on deposits and borrowings, etc.	22(a)	(12,137,732,966)	(12,453,198,573)	(4,230,516,852)	(4,252,552,597)
Net interest income		3,285,499,805	3,450,949,888	486,602,579	1,025,304,343
Investment income	23(a)	3,287,184,139	2,349,822,110	1,774,575,269	891,251,260
Commission, exchange and brokerage	24(a)	2,109,102,627	2,237,356,869	641,175,518	652,042,599
Other operating income	25(a)	134,461,173	119,117,884	41,719,781	42,030,405
		5,530,747,939	4,706,296,863	2,457,470,568	1,585,324,265
Total operating income (a)		8,816,247,744	8,157,246,751	2,944,073,147	2,610,628,608
OPERATING EXPENSES					
Salary and allowances	26(a)	2,201,135,532	2,121,425,510	754,614,179	845,998,445
Rent, taxes, insurance, electricity, etc.	27(a)	513,278,320	441,239,995	185,549,139	157,159,348
Legal expenses	28(a)	17,307,630	7,468,412	1,774,802	595,410
Postage, stamps, telecommunication, etc.	29(a)	107,118,482	106,630,514	34,011,746	36,076,320
Stationery, printing, advertisement, etc.	30(a)	158,113,859	126,785,575	63,329,152	43,532,086
Chief executive's salary and fees		9,900,000	9,900,000	3,450,000	3,900,000
Directors' fees	31(a)	6,463,883	5,703,150	2,360,639	2,522,316
Auditors' fees	32(a)	3,322,306	3,555,598	263,209	595,448
Depreciation and repairs of Bank's assets	33(a)	423,405,713	441,712,054	138,345,702	153,652,234
Other expenses	34(a)	1,007,078,118	963,407,374	311,540,508	300,420,074
Total operating expenses (b)		4,447,123,841	4,227,828,182	1,495,239,076	1,544,451,681
Profit before provision (c = (a-b))		4,369,123,903	3,929,418,569	1,448,834,071	1,066,176,926
Provision against loans and advances	35(a)	1,971,006,800	1,150,000,000	920,197,045	482,500,000
Provision for diminution in value of investments	36(a)	4,758,000	33,144,611	1,586,000	7,836,142
Other provisions	37(a)	57,511,545	163,300,000	13,900,708	85,300,000
Total provision (d)		2,033,276,345	1,346,444,611	935,683,753	575,636,142
Profit before tax (c-d)		2,335,847,558	2,582,973,959	513,150,317	490,540,784
Provision for taxation		1,088,852,157	1,631,849,319	258,366,688	385,174,077
Current tax		1,695,714,703	1,637,977,766	558,770,647	389,041,056
Deferred tax		(606,862,546)	(6,128,447)	(300,403,959)	(3,866,979)
Net profit after tax		1,246,995,401	951,124,640	254,783,630	105,366,707
Appropriations					
Statutory reserve		20,947,347	387,890,653	332,686	-
General reserve		-	-	-	-
Dividends, etc.		-	-	-	-
		20,947,347	387,890,653	332,686	-
Retained surplus		1,226,048,054	563,233,987	254,450,944	105,366,707
Minority interest		9,333,349	5,731,711	3,012,766	1,927,002
Net Profit attributable to the shareholders of parent company		1,216,714,705	557,502,277	251,438,177	103,439,705
Consolidated Earnings Per Share (EPS)	38(a)	1.84	1.40	0.37	0.15

-Sd-

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Shishir Ranjan Bose FCA
Independent Director

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M. Wahidul Haque
Chairman

Dhaka,
October 27, 2016

AB Bank Limited and its Subsidiaries
Consolidated Cash Flow Statement
For the period ended September 30, 2016

Cash Flows from Operating Activities	Jan'16- Sept.'16 Taka	Jan'15- Sept.'15 Taka
Interest receipts	15,083,723,236	15,491,912,001
Interest payments	(11,377,158,667)	(10,769,147,634)
Dividend receipts	119,989,794	113,012,358
Fee and commission receipts	1,457,014,386	1,497,420,972
Recoveries on loans previously written off	7,853,237	868,329
Payments to employees	(2,211,035,532)	(2,131,325,510)
Payments to suppliers	(158,113,859)	(126,785,575)
Income taxes paid	(1,264,025,648)	(2,061,615,070)
Receipts from other operating activities	3,945,890,522	3,094,995,204
Payments for other operating activities	(1,816,004,774)	(1,692,054,557)
Operating profit before changes in operating assets & liabilities	3,788,132,695	3,417,280,518
Increase/decrease in operating assets and liabilities		
Loans and advances to customers	(7,994,104,211)	(17,213,970,242)
Other assets	257,931,477	(697,003,066)
Deposits from other banks	3,543,315,063	(6,457,069,303)
Deposits from customers	36,901,388,851	26,467,463,962
Trading liabilities (short-term borrowings)	(10,107,408,403)	(2,676,816,000)
Other liabilities	3,573,936,498	2,347,387,712
	26,175,059,275	1,769,993,063
Net cash flow from operating activities (a)	29,963,191,969	5,187,273,581
Cash Flows from Investing Activities		
Purchase of government securities	(24,088,850,238)	(8,636,276,508)
(Purchase)/Sale of trading securities, shares, bonds, etc.	(64,744,173)	234,510,177
Purchase of property, plant and equipment	(191,731,792)	(95,547,144)
Net cash used in investing activities (b)	(24,345,326,203)	(8,497,313,475)
Cash Flows from Financing Activities		
Increase/(decrease) of long-term borrowings	59,289,685	4,202,748,922
Dividend paid	(137,987)	(334,049)
Net cash flow from financing activities (c)	59,151,698	4,202,414,872
Net (decrease)/increase in cash (a+b+c)	5,677,017,465	892,374,978
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the year	26,357,133,035	22,966,416,693
Cash and cash equivalents at end of the period (*)	32,034,150,501	23,858,791,671
(*) Cash and cash equivalents:		
Cash	1,517,853,534	1,483,885,857
Prize bonds	2,393,800	4,077,400
Money at call and on short notice	9,352,066,257	3,526,039,408
Balance with Bangladesh Bank and its agent bank(s)	17,298,421,322	14,337,390,288
Balance with other banks and financial institutions	3,863,415,587	4,507,398,718
	32,034,150,501	23,858,791,671
Net Operating Cash Flow Per Share (NOCFPS)	44.46	7.70

-Sd-

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Chairman

Dhaka,
October 27, 2016

AB Bank Limited and its Subsidiaries
Consolidated Statement of Changes in Equity
For the period ended September 30, 2016

(Amount in Taka)

Particulars	Paid-up capital	Statutory reserve	General reserve	Assets revaluation reserve	Foreign exchange revaluation reserve on investment in foreign operation	Investment revaluation reserve	Minority interest	Retained earnings	Total
Balance at 01 January 2016	5,990,165,460	6,111,203,545	1,298,786,918	1,305,535,181	944,469	1,434,109,964	(2,235,813)	7,435,241,593	23,573,751,317
Adjustment:									
Bonus for 2015:									
12.50% Stock Dividend	748,770,680	-	-	-	-	-	-	(748,770,680)	-
Restated balance at 01 January 2016	<u>6,738,936,140</u>	<u>6,111,203,545</u>	<u>1,298,786,918</u>	<u>1,305,535,181</u>	<u>944,469</u>	<u>1,434,109,964</u>	<u>(2,235,813)</u>	<u>6,686,470,913</u>	<u>23,573,751,317</u>
Net profit after taxation for the period	-	-	-	-	-	-	9,333,349	1,237,662,052	1,246,995,401
Addition/(Adjustment) made during the period	-	20,947,347	-	-	-	(380,878,261)	(11,627)	(122,890,184)	(482,832,725)
Foreign Exchange Rate Fluctuation	-	188,459	(126,464)	-	(4,843,466)	-	-	(72,575,995)	(77,357,466)
Balance at September 30, 2016	<u><u>6,738,936,140</u></u>	<u><u>6,132,339,351</u></u>	<u><u>1,298,660,454</u></u>	<u><u>1,305,535,181</u></u>	<u><u>(3,898,998)</u></u>	<u><u>1,053,231,703</u></u>	<u><u>7,085,909</u></u>	<u><u>7,728,666,786</u></u>	<u><u>24,260,556,526</u></u>
Balance at September 30, 2015	<u><u>5,990,165,460</u></u>	<u><u>5,963,446,264</u></u>	<u><u>923,108,577</u></u>	<u><u>1,323,567,485</u></u>	<u><u>1,539,887</u></u>	<u><u>1,164,423,308</u></u>	<u><u>(3,722,674)</u></u>	<u><u>5,908,798,739</u></u>	<u><u>21,271,327,049</u></u>

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Chief Financial Officer

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Shamim Ahmed Chaudhury
President & Managing Director

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Shishir Ranjan Bose FCA
Independent Director

-Sd-

M. Wahidul Haque
Chairman

Dhaka,
October 27, 2016

AB Bank Limited
Balance Sheet
As at September 30, 2016

<u>PROPERTY AND ASSETS</u>	Notes	30.09.2016 Taka	31.12.2015 Taka
Cash	3	18,816,189,124	17,033,284,356
In hand (including foreign currencies)	3.1	1,517,767,802	1,204,156,116
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2	17,298,421,322	15,829,128,241
Balance with other banks and financial institutions	4	3,762,871,266	4,711,003,257
In Bangladesh		1,665,089,822	2,159,121,205
Outside Bangladesh		2,097,781,444	2,551,882,052
Money at call and on short notice	5	9,916,546,257	5,284,337,005
Investments	6	56,301,474,455	33,175,877,479
Government	6.1	51,607,559,366	27,900,211,389
Others	6.2	4,693,915,089	5,275,666,091
Loans, advances and lease/investments	7	217,185,868,589	209,725,203,268
Loans, cash credits, overdrafts, etc./Investments		216,422,748,514	208,565,121,079
Bills purchased and discounted	8	763,120,076	1,160,082,188
Fixed assets including premises, furniture and fixtures	9	4,146,133,878	4,200,872,767
Other assets	10	12,384,641,310	10,879,676,588
Non-banking assets		-	-
Total Assets		<u>322,513,724,879</u>	<u>285,010,254,720</u>
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	13,747,980,065	23,693,344,309
AB Bank Subordinated Bond	12	6,500,000,000	6,500,000,000
Deposits and other accounts	13	255,184,554,720	213,818,905,499
Current accounts and other accounts		22,110,679,802	20,067,587,921
Bills payable		1,799,978,026	3,699,973,387
Savings bank deposits		26,440,599,122	22,573,067,458
Fixed deposits		123,724,486,555	111,741,032,463
Other deposits		81,108,811,216	55,737,244,271
Other liabilities	14	23,952,891,834	18,205,779,567
Total Liabilities		<u>299,385,426,619</u>	<u>262,218,029,375</u>
Capital/Shareholders' Equity			
Total Shareholders' Equity		23,128,298,258	22,792,225,345
Paid-up capital	15	6,738,936,140	5,990,165,460
Statutory reserve	16	6,132,339,351	6,111,203,545
Other reserve	17	3,479,031,158	3,859,909,419
Retained earnings	18	6,777,991,610	6,830,946,921
Total Liabilities and Shareholders' Equity		<u>322,513,724,879</u>	<u>285,010,254,720</u>

	Notes	30.09.2016 Taka	31.12.2015 Taka
Off-Balance Sheet Items			
Contingent liabilities			
	19	67,862,679,636	68,649,158,866
Acceptances and endorsements		28,337,138,550	24,351,049,686
Letters of guarantee	19.1	12,489,152,118	12,327,410,154
Irrevocable letters of credit		18,663,632,435	23,650,724,184
Bills for collection		8,038,168,479	8,319,974,842
Other contingent liabilities		334,588,055	-
Other commitments			
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		-	-
Total		<u>67,862,679,636</u>	<u>68,649,158,866</u>

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Independent Director

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M. Wahidul Haque
Chairman

Dhaka,
October 27, 2016

AB Bank Limited
Profit and Loss Account
For the period ended September 30, 2016

Notes	Jan'16- Sept.'16 Taka	Jan'15- Sept.'15 Taka	July'16-Sept.'16 Taka	July'15-Sept.'15 Taka	
OPERATING INCOME					
Interest income/profit on investments	21	15,027,367,680	15,624,477,376	4,586,315,904	5,167,390,710
Interest paid/profit on deposits and borrowings, etc.	22	(12,090,587,313)	(12,397,419,934)	(4,215,701,770)	(4,231,411,132)
Net interest income		2,936,780,367	3,227,057,442	370,614,134	935,979,578
Investment income	23	3,273,850,188	2,342,712,382	1,770,683,226	891,981,039
Commission, exchange and brokerage	24	2,012,472,904	2,070,968,374	607,863,442	597,634,754
Other operating income	25	94,392,183	87,023,083	26,446,706	28,342,088
		5,380,715,274	4,500,703,839	2,404,993,374	1,517,957,881
Total operating income (a)		8,317,495,641	7,727,761,281	2,775,607,508	2,453,937,459
OPERATING EXPENSES					
Salary and allowances	26	2,146,623,211	2,060,550,980	732,945,909	817,229,734
Rent, taxes, insurance, electricity, etc.	27	501,277,419	430,424,419	180,990,292	153,048,051
Legal expenses	28	17,241,848	7,194,986	1,714,971	422,387
Postage, stamps, telecommunication, etc.	29	102,841,098	100,735,127	31,636,258	34,067,830
Stationery, printing, advertisement, etc.	30	157,467,340	125,991,919	63,179,427	43,166,341
Chief executive's salary and fees		9,900,000	9,900,000	3,450,000	3,900,000
Directors' fees	31	5,687,200	5,175,485	2,133,967	2,248,651
Auditors' fees	32	3,322,306	3,394,482	263,209	541,588
Depreciation and repairs of Bank's assets	33	406,098,573	421,243,813	132,455,908	147,002,543
Other expenses	34	1,083,928,270	949,990,992	337,547,944	295,119,482
		4,434,387,265	4,114,602,202	1,486,317,884	1,496,746,607
Total operating expenses (b)		4,434,387,265	4,114,602,202	1,486,317,884	1,496,746,607
Profit before provision (c = (a-b))		3,883,108,376	3,613,159,079	1,289,289,623	957,190,852
Provision against loans and advances	35	1,971,006,800	1,150,000,000	920,197,045	482,500,000
Provision for diminution in value of investments	36	-	-	-	-
Other provisions	37	57,511,545	163,300,000	13,900,708	85,300,000
		2,028,518,345	1,313,300,000	934,097,753	567,800,000
Total provision (d)		2,028,518,345	1,313,300,000	934,097,753	567,800,000
Profit before taxation (c-d)		1,854,590,031	2,299,859,079	355,191,870	389,390,852
Provision for taxation		958,043,833	1,543,723,805	214,055,451	353,381,758
Current tax		1,568,149,847	1,550,296,769	515,396,889	357,248,737
Deferred tax		(610,106,014)	(6,572,964)	(301,341,438)	(3,866,979)
		896,546,198	756,135,274	141,136,419	36,009,093
Net profit after taxation		896,546,198	756,135,274	141,136,419	36,009,093
Appropriations					
Statutory reserve		20,947,347	387,890,653	332,686	-
General reserve		-	-	-	-
Dividends, etc.		-	-	-	-
		20,947,347	387,890,653	332,686	-
Retained surplus		875,598,851	368,244,621	140,803,733	36,009,093
Earnings Per Share (EPS)	38	1.33	1.12	0.21	0.05

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M. Wahidul Haque
Chairman

Dhaka,
October 27, 2016

AB Bank Limited
Cash Flow Statement
For the period ended September 30, 2016

	Notes	Jan'16- Sept.'16 Taka	Jan'15- Sept.'15 Taka
Cash flows from Operating Activities			
Interest receipts		14,687,858,143	15,212,240,917
Interest payments		(11,330,013,013)	(10,713,368,996)
Dividend receipts		102,862,507	105,088,398
Fees and commission receipts		1,362,912,043	1,332,439,921
Recoveries on loans previously written off		7,853,237	868,329
Payments to employees		(2,156,523,211)	(2,070,450,980)
Payments to suppliers		(157,467,340)	(125,991,919)
Income taxes paid		(1,173,062,106)	(1,934,112,030)
Receipts from other operating activities	39	3,907,087,487	3,062,307,191
Payments for other operating activities	40	(1,873,879,574)	(1,659,740,529)
Operating profit before changes in operating assets & liabilities		3,377,628,172	3,209,280,302
Increase/decrease in operating assets and liabilities			
Loans and advances to customers		(7,121,155,785)	(17,820,493,107)
Other assets		(452,339,884)	(649,106,563)
Deposits from other banks		3,543,315,063	(6,457,069,303)
Deposits from customers		37,061,759,859	26,581,896,186
Trading liabilities (short-term borrowings)		(10,004,653,928)	(2,686,387,930)
Other liabilities		3,318,219,776	2,185,474,465
		26,345,145,101	1,154,313,750
Net cash flow from operating activities (a)		29,722,773,273	4,363,594,052
Cash Flows from Investing Activities			
Purchase of government securities		(24,088,850,238)	(8,636,276,508)
(Purchase)/Sale of trading securities, shares, bonds, etc.		(34,984,914)	201,584,379
Purchase of property, plant and equipment		(191,731,792)	(95,547,144)
Net cash used in investing activities (b)		(24,315,566,944)	(8,530,239,273)
Cash Flows from Financing Activities			
Increase/(decrease) of long-term borrowings		59,289,685	4,202,748,922
Dividend paid		(137,987)	(334,049)
Net cash flow from financing activities (c)		59,151,698	4,202,414,872
Net Increase/(decrease) in cash (a+b+c)		5,466,358,027	35,769,651
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at beginning of the year		27,031,642,418	24,302,588,793
Cash and cash equivalents at end of the period (*)		32,498,000,447	24,338,358,444
(*) Cash and cash equivalents:			
Cash		1,517,767,802	1,482,370,306
Prize bonds		2,393,800	4,077,400
Money at call and on short notice		9,916,546,257	4,152,096,008
Balance with Bangladesh Bank and its agent bank(s)		17,298,421,322	14,337,390,288
Balance with other banks and financial institutions		3,762,871,266	4,362,424,443
		32,498,000,447	24,338,358,444
Net Operating Cash Flow Per Share (NOCFPS)		44.11	6.48

-Sd-

Mahadev Sarker FCA
Chief Financial Officer

-Sd-

Md. Shahjahan
Head of ICCD

-Sd-

Shamim Ahmed Chaudhury
President & Managing Director

-Sd-

Shishir Ranjan Bose FCA
Independent Director

-Sd-

M. Wahidul Haque
Chairman

AB Bank Limited
Statement of Changes in Equity
For the period ended September 30, 2016

(Amount in Taka)

Particulars	Paid-up capital	Statutory reserve	General reserve	Assets revaluation reserve	Investment revaluation reserve	Retained earnings	Total
Balance at 01 January 2016	5,990,165,460	6,111,203,545	1,222,199,200	1,305,535,182	1,332,175,037	6,830,946,921	22,792,225,345
Adjustment:							
Bonus for 2015:							
12.50% Stock Dividend	748,770,680	-	-	-	-	(748,770,680)	-
Restated balance at 01 January 2016	6,738,936,140	6,111,203,545	1,222,199,200	1,305,535,182	1,332,175,037	6,082,176,241	22,792,225,345
Net profit after taxation for the period	-	-	-	-	-	896,546,198	896,546,198
Addition/(Adjustment) made during the period	-	20,947,347	-	-	(380,878,261)	(122,901,813)	(482,832,727)
Foreign Exchange Rate Fluctuation	-	188,459	-	-	-	(77,829,016)	(77,640,557)
Balance at September 30, 2016	6,738,936,140	6,132,339,351	1,222,199,200	1,305,535,182	951,296,776	6,777,991,610	23,128,298,258
Balance at September 30, 2015	5,990,165,460	5,963,446,264	847,199,200	1,323,567,486	1,062,488,382	5,289,291,435	20,476,158,227

-Sd-

Mahadev Sarker FCA
Chief Financial Officer

-Sd-

Md. Shahjahan
Head of ICCD

-Sd-

Shamim Ahmed Chaudhury
President & Managing Director

-Sd-

Shishir Ranjan Bose FCA
Independent Director

-Sd-

M. Wahidul Haque
Chairman

Dhaka,
October 27, 2016

AB Bank Limited & its Subsidiaries

Notes to the Financial Statements for the period ended September 30, 2016

1 Accounting Policies:

Accounting policies have been followed in preparing these financial statements are same as applied in financial statements of the Bank of preceding financial year.

2(a) Provision:

i) Loans & Advances

Provisions for loans and advances has been made as per directives of Bangladesh Bank issued from time to time.

ii) Investments

Provisions for diminution in value of investment is made for loss arising on diminution value of investment in quoted shares and is given effect in the accounts on properly as per Bangladesh Bank Guidelines.

iii) Taxation

Provision for income tax has been made on taxable income after necessary add back in accordance with the provisions of Finance Act 2016, the Income Tax Ordinance 1984 and other relevant legislation as applicable.

2(b) Others:

Figures relating to previous year/period included in this report have been rearranged, where ever considered necessary.

AB Bank Limited

Notes to the financial statements for the period ended September 30, 2016

		30.09.2016	31.12.2015
		Taka	Taka
3. Cash			
Cash in hand	(Note: 3.1)	1,517,767,802	1,204,156,116
Balance with Bangladesh Bank and its agent bank(s)	(Note: 3.2)	17,298,421,322	15,829,128,241
		18,816,189,124	17,033,284,356

3(a) Consolidated Cash

AB Bank Limited	18,816,189,124	17,033,284,356
AB Investments Limited	25,000	25,000
AB International Finance Limited	-	-
AB Securities Limited	25,040	2,410
Cashlink Bangladesh Limited (CBL)	28,839	6,445
AB Exchange (UK) Ltd.	6,853	1,251,631
	18,816,274,856	17,034,569,843

3.1 Cash in hand

In local currency	1,492,688,264	1,174,908,808
In foreign currency	25,079,538	29,247,308
	1,517,767,802	1,204,156,116

3.1(a) Consolidated Cash in hand

AB Bank Limited	1,517,767,802	1,204,156,116
AB Investments Limited	25,000	25,000
AB International Finance Limited	-	-
AB Securities Limited	25,040	2,410
Cashlink Bangladesh Limited (CBL)	28,839	6,445
AB Exchange (UK) Ltd.	6,853	1,251,631
	1,517,853,534	1,205,441,602

3.2 Balance with Bangladesh Bank and its agent bank(s)

Balance with Bangladesh Bank		
In local currency	16,573,788,698	14,828,917,268
In foreign currency	456,103,753	636,067,309
	17,029,892,451	15,464,984,577
Sonali Bank Limited (as an agent bank of Bangladesh Bank) - local currency	268,528,871	364,143,664
	17,298,421,322	15,829,128,241

3.2(a) Consolidated Balance with Bangladesh Bank and its agent bank(s)

AB Bank Limited	17,298,421,322	15,829,128,241
AB Investments Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	17,298,421,322	15,829,128,241

AB Bank Limited
Notes to the financial statements for the period ended September 30, 2016

	30.09.2016	31.12.2015
	Taka	Taka
4. Balance with other banks and financial institutions		
In Bangladesh	1,665,089,822	2,159,121,205
Outside Bangladesh	2,097,781,444	2,551,882,052
	3,762,871,266	4,711,003,257
4(a) Consolidated balance with other banks and financial institutions		
In Bangladesh	(Note: 4.1.a) 1,744,522,338	2,196,851,448
Outside Bangladesh (Nostro Accounts)	(Note: 4.2.a) 2,118,893,249	2,555,849,680
	3,863,415,587	4,752,701,128
4.1.a Consolidated In Bangladesh		
AB Bank Limited	1,665,089,822	2,159,121,205
AB Investment Limited	750,299	407,792
AB International Finance Limited	-	-
AB Securities Limited	372,823,490	165,337,954
Cashlink Bangladesh Limited (CBL)	11,513,558	2,541,951
AB Exchange (UK) Ltd.	-	-
	2,050,177,168	2,327,408,902
Less: Inter company transaction	305,654,830	130,557,454
	1,744,522,338	2,196,851,448
4.2.a Consolidated Outside Bangladesh (Nostro Accounts)		
AB Bank Limited	2,097,781,444	2,551,882,052
AB Investment Limited	-	-
AB International Finance Limited	23,008,739	20,473,829
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	116,291
	2,120,790,183	2,572,472,172
Less: Inter company transactions	1,896,934	16,622,492
	2,118,893,249	2,555,849,680
5. Money at call and on short notice		
In Bangladesh	7,080,000,000	2,712,507,500
Outside Bangladesh	2,836,546,257	2,571,829,505
	9,916,546,257	5,284,337,005
5(a) Consolidated money at call and on short notice		
AB Bank Limited	9,916,546,257	5,284,337,005
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Limited	-	-
	9,916,546,257	5,284,337,005
Less: Inter-group transaction	(564,480,000)	(717,492,742)
	9,352,066,257	4,566,844,263
6. Investments	56,301,474,455	33,175,877,479

AB Bank Limited
Notes to the financial statements for the period ended September 30, 2016

	30.09.2016	31.12.2015
	Taka	Taka
6 (a) Consolidated investments		
AB Bank Limited	56,301,474,455	33,175,877,479
AB International Finance Limited	-	-
AB Investment Limited	712,900,141	686,571,505
AB Securities Limited	172,028,825	168,598,202
Cashlink Bangladesh Limited (CBL)	23,506,275	23,506,275
AB Exchange (UK) Ltd.	-	-
	57,209,909,696	34,054,553,461
6.1 Government securities		
Treasury bills	17,884,879,439	-
T.Bill-Local-RE.REPO	1,027,573,414	-
Treasury bonds	32,471,712,713	27,657,193,589
Bangladesh Bank Islami Investment bonds	221,000,000	240,000,000
Prize bonds	2,393,800	3,017,800
	51,607,559,366	27,900,211,389
6.1(a) Consolidated Government securities		
AB Bank Limited	51,607,559,366	27,900,211,389
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	51,607,559,366	27,900,211,389
6.2 Other investments		
Shares	4,212,395,239	4,748,878,849
Bond	75,000,000	120,000,000
	4,287,395,239	4,868,878,849
Investments -ABBL, Mumbai Branch		
Treasury bills	406,519,850	406,787,241
Debentures and Bonds	-	-
	406,519,850	406,787,241
Total Other investments	4,693,915,089	5,275,666,091
6.2 (a) Consolidated other investments		
AB Bank Limited	4,693,915,089	5,275,666,091
AB Investment Limited	712,900,141	686,571,505
AB International Finance Limited	-	-
AB Securities Limited	172,028,825	168,598,202
Cashlink Bangladesh Limited (CBL)	23,506,275	23,506,275
AB Exchange (UK) Ltd.	-	-
	5,602,350,330	6,154,342,072
6.2.1 Investments in shares		
Quoted (Publicly Traded)	3,981,124,309	3,900,872,005
Unquoted	231,270,930	848,006,845
	4,212,395,239	4,748,878,849

AB Bank Limited

Notes to the financial statements for the period ended September 30, 2016

	30.09.2016 Taka	31.12.2015 Taka
7. Loans, advances and lease/investments	217,185,868,589	209,725,203,268
7.1 Broad category-wise breakup		
In Bangladesh		
Loans	195,460,883,389	186,497,250,636
Overdrafts	20,810,205,370	21,933,481,587
Cash credits	-	-
	216,271,088,759	208,430,732,223
Outside Bangladesh: ABBL, Mumbai Branch		
Loans	126,935,660	118,274,428
Overdrafts	-	172,003
Cash credits	24,724,094	15,942,426
	151,659,754	134,388,856
	216,422,748,514	208,565,121,079
7.2 Net loans, advances and lease/investments		
Gross loans and advances	217,185,868,589	209,725,203,267
Less:		
Interest suspense	9,455,981,758	6,071,639,588
Provision for loans and advances	7,135,815,054	4,714,778,454
	16,591,796,812	10,786,418,042
	200,594,071,777	198,938,785,225
7.3 Geographical location-wise (division) distribution		
In Bangladesh		
Urban Branches		
Dhaka	150,461,330,291	138,170,897,293
Chittagong	49,402,700,063	53,176,711,427
Khulna	4,823,913,087	5,155,594,729
Sylhet	2,102,046,533	2,288,244,147
Barisal	240,601,137	291,274,020
Rajshahi	3,734,950,104	4,055,184,742
Rangpur	4,029,834,317	3,807,632,601
	214,795,375,532	206,945,538,959

AB Bank Limited
Notes to the financial statements for the period ended September 30, 2016

	30.09.2016 Taka	31.12.2015 Taka
<u>Rural Branches</u>		
Dhaka	1,269,118,118	1,435,259,973
Chittagong	466,966,549	480,644,102
Khulna	-	-
Sylhet	48,612,094	66,005,026
Barisal	-	-
Rajshahi	-	-
Rangpur	-	-
	1,784,696,762	1,981,909,101

Outside Bangladesh

ABBL, Mumbai Branch

605,796,296	797,755,207
217,185,868,589	209,725,203,268

7.4 Classification of loans, advances and lease/investments
In Bangladesh
Unclassified

Standard

Special Mention Account

186,576,670,572	194,703,648,060
20,243,400,809	7,715,500,000
206,820,071,381	202,419,148,060

Classified

Sub-Standard

Doubtful

Bad/Loss

826,700,000	266,500,000
532,600,000	241,200,000
8,400,700,914	6,000,600,000
9,760,000,914	6,508,300,000
216,580,072,294	208,927,448,060

Outside Bangladesh-Mumbai Branch

Unclassified Loan

Classified Loan

485,042,076	686,976,757
120,754,220	110,778,451
605,796,296	797,755,207
217,185,868,590	209,725,203,267

7(a) Consolidated Loans, advances and lease/investments

 AB Bank Limited
 AB Investment Limited
 AB International Finance Limited
 AB Securities Limited
 Cashlink Bangladesh Limited (CBL)
 AB Exchange (UK) Ltd.

216,422,748,514	208,565,121,079
7,041,359,279	6,990,517,740
-	-
987,351,037	990,300,833
-	-
-	-
224,451,458,829	216,545,939,652
1,255,397,623	2,254,231,326
223,196,061,206	214,291,708,326

Less: Inter company transaction

8 Bills purchased and discounted

In Bangladesh

Outside Bangladesh - ABBL, Mumbai Branch

308,983,534	496,715,837
454,136,541	663,366,351
763,120,076	1,160,082,188

8 (a) Consolidated Bills purchased and discounted

 AB Bank Limited
 AB Investment Limited
 AB International Finance Limited
 AB Securities Limited
 Cashlink Bangladesh Limited (CBL)
 AB Exchange (UK) Ltd.

763,120,076	1,160,082,188
-	-
739,312,593	913,089,613
-	-
-	-
-	-
1,502,432,668	2,073,171,801

AB Bank Limited

Notes to the financial statements for the period ended September 30, 2016

30.09.2016	31.12.2015
Taka	Taka

9. Fixed assets including premises, furniture and fixtures

Cost:

Land and Building	3,341,682,082	3,341,682,082
Furniture and fixtures	241,208,318	230,635,936
Office appliances	60,401,691	62,729,842
Electrical appliances	1,551,199,921	1,489,025,807
Motor vehicles	680,193,880	581,049,757
Intangible Assets	582,882,832	571,059,066
	6,457,568,724	6,276,182,491
Less: Accumulated depreciation and amortization	2,311,434,847	2,075,309,724
	4,146,133,878	4,200,872,767

9(a) Consolidated Fixed assets including premises, furniture and fixtures

Cost:

AB Bank Limited	6,457,568,724	6,276,182,491
AB Investments Limited	683,616,541	682,564,941
AB International Finance Limited	7,863,525	7,717,176
AB Securities Limited	29,647,397	29,343,095
Cashlink Bangladesh Limited (CBL)	250,270,880	250,270,880
AB Exchange (UK) Ltd.	15,202,061	15,274,525
	7,444,169,128	7,261,353,108

Accumulated depreciation:

AB Bank Limited	2,311,434,847	2,075,309,724
AB Investments Limited	82,039,437	68,747,827
AB International Finance Limited	7,678,422	7,626,814
AB Securities Limited	26,236,671	25,826,906
Cashlink Bangladesh Limited (CBL)	250,148,200	250,093,692
AB Exchange (UK) Ltd.	15,202,061	14,204,328
	2,692,739,638	2,441,809,292
	4,751,429,490	4,819,543,816

10 Other Assets:

Income generating-Equity Investment

In Bangladesh:

AB Investment Limited (99.99% owned subsidiary company of ABBL)	2,800,000,000	2,800,000,000
AB Securities Limited (99.91% owned subsidiary company of ABBL)	199,898,000	199,898,000
Cashlink Bangladesh Limited (CBL) (90% owned subsidiary company of ABBL)	212,581,228	212,581,228
	3,212,479,228	3,212,479,228

Outside Bangladesh:

AB International Finance Ltd., Hong Kong (wholly owned subsidiary company of ABBL)	5,203,944	5,203,944
AB Exchange (UK) Limited (wholly owned subsidiary company of ABBL)	50,423,392	50,423,392
Investment in Amana Bank Limited as Associates	442,518,824	-
	498,146,160	55,627,337
	3,710,625,388	3,268,106,565

AB Bank Limited
Notes to the financial statements for the period ended September 30, 2016

	30.09.2016 Taka	31.12.2015 Taka
Non-income generating		
Arab Bangladesh Bank Foundation (99.60% owned subsidiary company of ABBL)	19,920,000	19,920,000
Share Money Deposits - AB Investment Limited	3,011,431,750	2,199,999,000
Deferred Tax (Note:10.01)	2,038,358,746	1,428,252,732
Accounts receivable	1,060,721,428	1,058,534,763
Preliminary, formation, organisational, renovation, development, prepaid expenses and others	723,410,354	644,563,195
Exchange for clearing	500,971,035	1,044,718,906
Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures, and other income receivables	893,076,268	791,115,465
Security deposits	162,184,017	166,089,818
Advance rent and advertisement	230,859,837	233,138,317
Stationery, stamps, printing materials, etc.	31,566,401	25,237,828
Inter-branch adjustment	1,516,086	-
	8,674,015,921	7,611,570,024
	12,384,641,310	10,879,676,588
10(a) Consolidated Other assets		
AB Bank Limited	12,384,641,310	10,879,676,588
AB Investment Limited	51,338,390	34,254,324
AB International Finance Limited	10,032,754	4,603,844
AB Securities Limited	7,656,027	14,920,190
Cashlink Bangladesh Limited (CBL)	34,233,969	30,222,875
AB Exchange (UK) Ltd.	1,894,299	2,158,232
	12,489,796,748	10,965,836,053
Less: Inter-group transaction	6,415,556,484	5,620,098,722
	6,074,240,268	5,345,737,331
10.01 Deferred Tax Assets		
a) Deferred tax assets for specific provisions of loans and advances		
Opening Deferred Tax (Assets)/Liabilities	1,561,348,994	1,156,529,394
Add. Deferred Tax Income during the period/year (Tax @ 40% on Specific provision made during the period Tk. 1,505,700,000 & last year Tk. 1,012,049,000)	602,280,000	404,819,600
Closing Deferred Tax Assets	2,163,628,994	1,561,348,994
b) Deferred tax liabilities against Property, Plant & Equipment		
Balance at 01 January	133,096,262	136,219,062
Add/(less): Provision made during the period/year	(7,826,014)	(3,382,036)
Add/(Less): Adjustment for Rate Fluctuation during the period/year	-	259,236
Closing Deferred Tax Liabilities	125,270,248	133,096,262
Net Deferred Tax Assets (a-b)	2,038,358,746	1,428,252,732
Net Deferred Tax Income during the period/year	610,106,014	407,942,400
11. Borrowings from other banks, financial institutions and agents		
In Bangladesh (Note: 11.1)	5,514,265,653	14,281,704,120
Outside Bangladesh (Note: 11.2)	8,233,714,412	9,411,640,189
	13,747,980,065	23,693,344,309

AB Bank Limited**Notes to the financial statements for the period ended September 30, 2016**

30.09.2016	31.12.2015
Taka	Taka

11.1 In Bangladesh:**11.1.1 Bangladesh Bank**

ADB loan	1,406,250	6,334,875
Export Development Fund	2,432,591,298	-
Islamic Investment Bond	767,362	-
Refinance against IPFF	355,689,166	354,656,325
Refinance against Women Entr., Small Enterprise, ETP & Others	180,551,866	117,366,398
	2,971,005,943	478,357,598

11.1.2 Call & Term Borrowing from

Basic Bank Limited	-	400,000,000
Dutch Bangla Bank Limited	784,000,000	2,714,640,637
CITI Bank NA	300,000,000	220,000,000
Agrani Bank Limited	-	150,000,000
Prime Bank Limited	-	700,000,000
One Bank Limited	100,000,000	300,000,000
HSBC	-	300,000,000
Sonali Bank Limited	-	290,000,000
Bank Asia Limited	-	1,400,000,000
Mutual Trust Bank Limited	-	190,000,000
National Bank Limited	392,000,000	892,501,500
Premier Bank Limited	-	795,170,510
NCC Bank Limited	-	500,000,000
Uttara Bank Limited	-	892,501,500
Habib Bank Limited	78,400,000	79,010,552
Southeast Bank Limited	392,000,000	392,891,276
Bank Al Falah	50,000,000	157,000,600
Dhaka Bank Limited	-	392,501,500
Pubali Bank Limited	100,000,000	-
Trust Bank Limited	300,000,000	-
Brac Bank Limited	-	1,394,324,451
United Commercial Bank Limited	-	1,000,000,000
Commercial Bank of Ceylon	-	628,002,400
Accrued interest	46,859,710	14,801,596
	2,543,259,710	13,803,346,522
	5,514,265,653	14,281,704,120

11.2 Outside Bangladesh

Sonali Bank UK	507,002,412	598,215,467
ICICI BK LTD,HK	2,352,000,000	1,729,347,653
International Finance Corporation	-	2,752,715,811
Banca UBAE, Italy	392,000,000	-
Al-Noor Bank Limited	4,312,000,000	4,331,361,258
RAK BANK	670,712,000	-
	8,233,714,412	9,411,640,189

11(a) Consolidated Borrowings from other banks, financial institutions and agents

AB Bank Limited	13,747,980,065	23,693,344,309
AB Investment Limited	1,128,251,543	2,132,209,626
AB International Finance Limited	565,268,531	717,810,985
AB Securities Limited	260,806,131	284,303,246
Cashlink Bangladesh Limited (CBL)	26,741,029	106,741,029
AB Exchange (UK) Ltd.	-	-
	15,729,047,300	26,934,409,195
Less: Intercompany transactions	1,678,567,235	2,835,810,411
	14,050,480,065	24,098,598,784

AB Bank Limited
Notes to the financial statements for the period ended September 30, 2016

	30.09.2016 Taka	31.12.2015 Taka
12. AB Bank Subordinated Bond		
AB Bank Subordinated Bond-I	2,500,000,000	2,500,000,000
AB Bank Subordinated Bond-II	4,000,000,000	4,000,000,000
	6,500,000,000	6,500,000,000
<u>AB Bank Subordinated Bonds</u>		
Bank has issued 7 years Sub-Ordinated bonds in two phases, namely- AB Bank Subordinated Bond-I for BDT 250 crore in August 2014 and AB Bank Subordinated Bond-II for BDT 400 crore in September 2015 under Private Placement of Debt Securities Rules, 2012. These bonds are non-convertible, unsecured in nature and approved by the Central Bank for inclusion in Tier-II capital of the Bank.		
BRAC	1,000,000,000	1,000,000,000
Sonali Bank Limited	1,500,000,000	1,500,000,000
Agrani Bank Limited	1,000,000,000	1,000,000,000
Midland Bank Limited	200,000,000	200,000,000
BRAC Bank Limited	400,000,000	400,000,000
NRB Commercial Bank Limited	100,000,000	100,000,000
Mutual Trust Bank Limited	80,000,000	80,000,000
Grameen Capital Management Limited	20,000,000	20,000,000
Rupali Bank Limited	1,000,000,000	1,000,000,000
Janata Bank Limited	500,000,000	500,000,000
NRB Commercial Bank Limited	300,000,000	300,000,000
Uttara Bank Limited	300,000,000	300,000,000
National Life Insurance Co. Ltd.	100,000,000	100,000,000
	6,500,000,000	6,500,000,000
13. Deposit and other accounts		
Inter-bank deposits	7,261,881,550	3,718,566,487
Other deposits	247,922,673,170	210,100,339,012
	255,184,554,720	213,818,905,499
13(a) Consolidated Deposit and other accounts		
AB Bank Limited	255,184,554,720	213,818,905,500
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	255,184,554,720	213,818,905,500
Less: Inter-group transaction	307,552,670	147,181,662
	254,877,002,051	213,671,723,838
13.1 Demand and time deposits		
a) Demand Deposits	26,290,311,749	25,799,137,379
Current accounts and other accounts	22,110,679,802	20,067,587,921
Savings Deposits (9%)	2,379,653,921	2,031,576,071
Bills Payable	1,799,978,026	3,699,973,387
b) Time Deposits	228,894,242,972	188,019,768,120
Savings Deposits (91%)	24,060,945,201	20,541,491,386
Short Notice Deposits	62,152,308,841	37,757,866,523
Fixed Deposits	123,724,486,555	111,741,032,463
Other Deposits	18,956,502,375	17,979,377,748
Total Demand and Time Deposits	255,184,554,720	213,818,905,499

AB Bank Limited
Notes to the financial statements for the period ended September 30, 2016

		30.09.2016	31.12.2015
		Taka	Taka
14. Other liabilities			
Accumulated provision against loans and advances	(Note 14.1)	7,135,815,054	4,714,778,454
Inter-branch adjustment		-	366,832
Provision for current tax (net of advance tax)	(Note 14.2)	3,150,041,657	2,739,993,532
Interest suspense account		9,455,981,758	6,071,639,588
Provision against other assets	(Note 14.3)	673,998,969	764,251,969
Provision for outstanding debit entries in NOSTRO accounts		200,000	200,000
Accounts payable - Bangladesh Bank		676,311,045	186,568,806
Accrued expenses		73,045,271	341,172,292
Provision for off balance sheet items	(Note 14.4)	860,000,000	860,000,000
Provision against investments	(Note 14.5)	1,525,053,000	1,875,053,000
Others (*)		402,445,080	651,755,094
		23,952,891,834	18,205,779,567

(*) Others includes provision for audit fee, excise duty, income tax and VAT deducted at source, unclaimed dividend, accounts payable for safe keeping, earnest and security money.

14.1 Accumulated provision against loans and advances

The movement in specific provision for bad and doubtful debts

		2,564,529,261	2,891,323,484
Balance at 01 January			
Fully provided debts written off during the period	(-)	-	(1,338,843,223)
Recovery of amounts previously written off	(+)	-	-
Specific provision made during the period	(+)	1,505,700,000	1,012,049,000
Transferred to general provision of loans and advances	(-)	-	-
Transfer from general reserve	(+)	-	-
Recoveries and provision no longer required	(-)	-	-
Net charge to Profit and Loss Account	(+)	-	-
		1,505,700,000	(326,794,223)
Balance at 30 September		4,070,229,261	2,564,529,261
Provision made by ABBL, Mumbai Branch		44,073,680	31,640,080
Total provision on classified loans and advances		4,114,302,941	2,596,169,341

On unclassified loans

Balance at 01 January		2,115,067,313	1,925,867,313
Transfer from other assets provisions	(+)	100,000,000	-
Transfer from investment provisions	(+)	350,000,000	-
Transfer to general reserve during the period	(-)	-	(860,000,000)
General provision made during the period	(+)	452,900,000	1,049,200,000
		902,900,000	189,200,000
Balance at the period ended		3,017,967,313	2,115,067,313
Provision made by ABBL, Mumbai Branch		3,544,800	3,541,800
Total provision on un-classified loans and advances		3,021,512,113	2,118,609,113
Total provision on loans and advances		7,135,815,054	4,714,778,454

Provision for	Required	Maintained	Surplus
Un-classified loans and advances	2,080,244,800	3,021,512,113	941,267,313
Classified loans and advances	4,111,973,680	4,114,302,941	2,329,261
	6,192,218,480	7,135,815,054	943,596,574

14.1.1 Details of provision for loans and advances

	30.09.2016	
	Required	Maintained
General Provision	2,080,244,800	3,021,512,113
Standard	1,717,744,800	2,659,012,113
Special Mention Account	362,500,000	362,500,000
Specific Provision	4,111,973,680	4,114,302,941
Substandard	128,200,000	128,200,000
Doubtful	182,073,680	182,073,680
Bad/Loss	3,801,700,000	3,804,029,261
Surplus provision maintained at 30 September 2016		943,596,574

AB Bank Limited
Notes to the financial statements for the period ended September 30, 2016

		30.09.2016	31.12.2015
		Taka	Taka
14.2 Provision for current tax (net of advance tax)			
Current Tax	(note 14.2.1)	15,588,320,507	14,117,950,475
Advance Income Tax	(note 14.2.2)	12,438,278,849	11,377,956,943
Provision for current tax (net of advance tax)		<u>3,150,041,657</u>	<u>2,739,993,532</u>

14.2.1 Provision for current tax

Balance at 01 January	13,935,338,386	12,133,437,043
Add: Provision made during the period	1,499,961,761	1,801,901,343
Less: Adjustment during the period	-	-
Balance at the period ended	15,435,300,147	13,935,338,386
Provision held by ABBL, Mumbai Branch	153,020,359	182,612,089
	<u>15,588,320,507</u>	<u>14,117,950,475</u>

Corporate income tax assessment of the Bank is completed up to the income year ended 31 December 2012 (Assessment Year 2013-14). Corporate income tax return for the years 2013 & 2014 submitted under section 82BB corresponding to Assessment Years 2014-15 & 2015-16. Tax assessment for income years 2011 and 2012 are under appeal. Tax assessments for income years 1995,1996, 1997, 2007, 2009 and 2010 were completed but these were referred to the Hon'ble High Court on the application made by the Bank for some disputed points.

14.2.2 Advance corporate income tax

In Bangladesh:

Balance at 01 January 2015	11,180,990,162	9,125,367,470
Add: Paid during the period	1,020,513,887	1,948,415,000
Tax withheld during the period	87,657,322	105,955,561
	1,108,171,209	2,054,370,561
Less: Transfer/Adjustment during the period	-	1,252,131
Balance at 30 September	12,289,161,371	11,180,990,162
Advance tax of ABBL, Mumbai Branch	149,117,478	196,966,780
	<u>12,438,278,849</u>	<u>11,377,956,943</u>

14.3 Provision against other assets

Provision for

Prepaid legal expenses	82,030,000	72,030,000
Protested bills	26,065,610	26,065,610
Others	565,903,359	666,156,359
	<u>673,998,969</u>	<u>764,251,969</u>

Provision against other assets was made as per BRPD Circular # 14 dated 25 June 2001 issued by Bangladesh Bank.

14.3.1 Calculation of Provision against other assets

	Outstanding amount	Base for Provision	Rate	Provisions Requirement	Provisions Maintained
Prepaid legal expenses	81,501,016	81,501,016	50% & 100%	42,587,521	82,030,000
Protested bills	24,643,304	24,643,304	100%	24,643,304	26,065,610
Others	88,281,938	88,281,938	100%	88,281,938	565,903,359
Required provision for other assets				155,512,763	673,998,969
Total provision requirement					155,512,763
Total provision maintained					673,998,969
Excess provision maintained at 30 September 2016					<u>518,486,206</u>

14.4 Provision for off balance sheet items

Balance at 01 January	860,000,000	1,010,000,000
Less: Transferred to general reserve	-	(200,000,000)
Add: Provision made during the period	-	50,000,000
Less: Adjustment during the period	-	-
	<u>860,000,000</u>	<u>860,000,000</u>

AB Bank Limited

Notes to the financial statements for the period ended September 30, 2016

30.09.2016 Taka	31.12.2015 Taka
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14.4.1 Particulars of required provision for Off-Balance Sheet Items

	Base for Provision	Rate (%)	30.09.2016	31.12.2015
Acceptances and endorsements	28,216,592,967	1%	282,165,930	242,564,308
Letters of guarantee	12,489,152,118	1%	124,891,521	123,274,102
Irrevocable letters of credit	18,663,632,435	1%	186,636,324	236,507,242
Bills for collection	5,613,369,663	1%	56,133,697	61,096,751
Others	334,588,055	1%	3,345,881	-
Total Off Balance Sheet Items & required provision	65,317,335,237	1%	653,173,352	663,442,402
Total provision maintained			860,000,000	860,000,000
Surplus provision at 30 September 2016			206,826,648	196,557,598

No provision has been maintained against Off Balance Sheet items of Mumbai Branch amounting Tk. 2,545,344,399.54 as per Reserve Bank of India (RBI) guidelines.

14.5 Provision against investments

Balance at 01 January	1,875,053,000	1,995,053,000
Less: Transferred to general provision for loans and advances	350,000,000	-
Less: Transferred to General Reserve	-	(120,000,000)
	1,525,053,000	1,875,053,000
Provision for Mumbai Branch	-	-
Balance at 30 September	1,525,053,000	1,875,053,000

14(a) Consolidated Other liabilities

AB Bank Limited	23,952,891,834	18,205,779,567
AB Investment Limited	557,883,101	460,347,151
AB International Finance Limited	50,996,455	53,011,430
AB Securities Limited	786,871,698	571,452,230
Cashlink Bangladesh Limited (CBL)	14,049,250	14,245,142
AB Exchange (UK) Ltd.	5,554,634	3,388,419
	25,368,246,971	19,308,223,938
Less: Inter-group transaction	290,455,586	213,467,908
	25,077,791,386	19,094,756,031

15. Share Capital

6,738,936,140	5,990,165,460
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15.1 Authorised Capital

1500,000,000 ordinary shares of Taka 10 each	15,000,000,000	6,000,000,000
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15.2 Issued, Subscribed and Paid-up Capital

10,000,000 ordinary shares of Taka 10 each issued for cash	100,000,000	100,000,000
5,000,000 ordinary shares of Taka 10 each issued for rights	50,000,000	50,000,000
658,893,614 ordinary shares of Taka 10 each issued as bonus shares	6,588,936,140	5,840,165,460
	6,738,936,140	5,990,165,460

16. Statutory reserve

In Bangladesh

Opening balance	5,888,708,849	5,384,130,846
Add: Addition during the year	-	504,578,003
Add./less Adjustment for Foreign Exchange Rate Fluctuation	-	-
	5,888,708,849	5,888,708,849

Outside Bangladesh - ABBL, Mumbai Branch

Opening balance	222,494,695	198,309,382
Add: Addition during the year	20,947,347	31,248,121
Add: Transferred from Investment fluctuation reserve	-	-
Add/(Less): Adjustment for Foreign Exchange Rate Fluctuation	188,459	(7,062,808)
	243,630,501	222,494,695
	6,132,339,351	6,111,203,545

AB Bank Limited
Notes to the financial statements for the period ended September 30, 2016

	30.09.2016 Taka	31.12.2015 Taka
17. Other reserve		
General reserve	1,222,199,200	1,222,199,200
Assets revaluation reserve	1,305,535,182	1,305,535,182
Investment revaluation reserve	951,296,776	1,332,175,037
Foreign exchange revaluation for investment in foreign operation	-	-
	3,479,031,158	3,859,909,419
17.1 General reserve		
Opening balance	1,222,199,200	42,199,200
Add. Transferred from general provision of loans and advances	-	860,000,000
Add. Transferred from off balance sheet provisions	-	200,000,000
Add: Transferred from investment provisions	-	120,000,000
	1,222,199,200	1,222,199,200
17.2 Assets revaluation reserve		
Opening balance	1,305,535,182	1,323,567,486
Add: Addition during the period	-	-
Less: Transferred to retained earnings	-	(18,032,304)
	1,305,535,182	1,305,535,182
17(a) Consolidated Other reserve		
AB Bank Limited	3,479,031,158	3,859,909,419
AB Investment Limited	-	-
AB International Finance Limited	72,562,256	77,532,187
AB Securities Limited	101,934,926	101,934,926
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	3,653,528,340	4,039,376,532
18. Retained earnings		
Opening balance	6,830,946,921	6,768,352,063
Less. Adjustment for investment in Amana Bank	181,575,466	-
Add: Post-tax profit for the period	896,546,198	1,270,414,868
Less: Transfer to statutory reserve	20,947,347	535,826,124
Cash dividend	-	-
Bonus shares issued	748,770,680	665,573,940
	6,776,199,626	6,837,366,867
Add/(Less): Transferred from Assets Revaluation Reserve	-	18,032,304
Add/(Less): Retained earnings adjustment	-	(2,946,778)
Add/(Less): Foreign Exchange Translation gain/(loss)	1,791,983	(21,505,472)
	6,777,991,610	6,830,946,921
18(a) Consolidated Retained earnings		
AB Bank Limited	6,777,991,610	6,830,946,921
AB Investment Limited	721,815,568	544,469,448
AB International Finance Limited	69,701,646	80,719,490
AB Securities Limited	146,842,955	138,145,940
Cashlink Bangladesh Limited (CBL)	(213,584,958)	(306,731,436)
AB Exchange (UK) Ltd.	(44,481,082)	(45,308,187)
	7,458,285,739	7,242,242,176
Add./.(Less): Adjustment made during the period	249,152,342	162,448,989
Minority Interest	21,228,706	30,550,428
	7,728,666,786	7,435,241,593
18(b) Minority Interest		
AB Investment Limited	9,948	10,498
AB Securities Limited	434,456	426,832
Cashlink Bangladesh Limited	6,641,504	(2,673,144)
	7,085,908	(2,235,814)

AB Bank Limited
Notes to the financial statements for the period ended September 30, 2016

	30.09.2016	31.12.2015
	Taka	Taka
19. Contingent liabilities	67,862,679,636	68,649,158,866
19.1 Letters of guarantee		
Money for which the Bank is contingently liable in respect of guarantees issued favoring:		
Directors	-	-
Government	-	-
Banks and other financial institutions	120,446,500	118,800,000
Others	12,368,705,618	12,208,610,154
	12,489,152,118	12,327,410,154
	Jan'16- Sept.'16	Jan'15- Sept.'15
	Taka	Taka
20. Profit and loss account		
<u>Income:</u>		
Interest, discount and similar income	17,905,974,052	17,717,085,480
Dividend income	102,862,507	105,088,398
Fee, commission and brokerage	1,362,912,043	1,332,439,921
Gains less losses arising from investment securities	73,838,453	(10,710,661)
Gains less losses arising from dealing in foreign currencies	649,560,861	738,528,454
Other operating income	94,392,183	87,023,083
Gains less losses arising from dealing securities	218,542,855	155,726,542
Income from non-banking assets	-	-
Profit less losses on interest rate changes	-	-
	20,408,082,954	20,125,181,216
<u>Expenses:</u>		
Interest, fee and commission	12,090,587,313	12,397,419,934
Administrative expenses	3,103,943,827	2,906,194,409
Other operating expenses	1,083,928,270	949,990,992
Depreciation and amortization on banking assets	246,515,167	258,416,802
Losses on loans and advances	-	-
	16,524,974,577	16,512,022,136
	3,883,108,376	3,613,159,079
21. Interest income/profit on investments		
Interest on loans and advances:		
Loans and advances	14,305,782,111	15,045,420,995
Bills purchased and discounted	308,365,495	230,865,360
	14,614,147,606	15,276,286,355
Interest on:		
Calls and placements	399,554,689	325,924,047
Balance with foreign banks	700,654	1,128,781
Reverse Repo	11,288,661	20,543,921
Balance with Bangladesh Bank	1,676,070	594,272
	413,220,073	348,191,021
	15,027,367,680	15,624,477,376
21(a). Consolidated Interest income/profit on investments		
AB Bank Limited	15,027,367,680	15,624,477,376
AB International Finance Limited	38,799,428	41,013,341
AB Investment Limited	306,523,006	296,256,908
AB Securities Limited	54,005,235	62,161,821
Cashlink Bangladesh Limited (CBL)	612,718	168,739
AB Exchange (UK) Ltd.	-	-
	15,427,308,066	16,024,078,185
Less: Intercompany Transactions	4,075,294	119,929,724
	15,423,232,772	15,904,148,461

AB Bank Limited
Notes to the financial statements for the period ended September 30, 2016

	Jan'16- Sept.'16 Taka	Jan'15- Sept.'15 Taka
22. Interest/profit paid on deposits, borrowings, etc.		
Interest on deposits:		
Fixed deposits	6,436,706,198	8,323,882,130
Savings deposits	576,989,348	520,315,131
Special notice deposits	2,235,372,023	1,353,042,482
Other deposits	1,460,056,119	1,300,388,627
	<u>10,709,123,687</u>	<u>11,497,628,370</u>
Interest on borrowings:		
Local banks, financial institutions including Bangladesh Bank	859,737,602	666,476,496
Subordinated Bond	521,726,024	233,315,069
	<u>12,090,587,313</u>	<u>12,397,419,934</u>
22(a). Consolidated Interest/profit paid on deposits, borrowings, etc.		
AB Bank Limited	12,090,587,313	12,397,419,934
AB Investment Limited	27,872,222	132,067,427
AB International Finance Limited	4,317,476	1,621,614
AB Securities Limited	21,036,207	44,209,046
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	<u>12,143,813,218</u>	<u>12,575,318,021</u>
Less: Intercompany Transactions	6,080,251	122,119,448
	<u>12,137,732,966</u>	<u>12,453,198,573</u>
23. Investment income		
Capital gain on sale of shares	73,838,453	(10,710,661)
Interest on treasury bills	317,247,559	233,303,405
Dividend on shares	102,862,507	105,088,398
Income from Amana Bank Limited as Associates	7,358,375	-
Interest on debentures	-	641,671
Interest on treasury bonds	2,546,541,733	1,844,112,415
Gain/(Loss) on treasury bills and treasury bonds	218,542,855	155,726,542
Interest on other bonds & others	7,458,705	14,550,612
	<u>3,273,850,188</u>	<u>2,342,712,382</u>
23(a). Consolidated Investment income		
AB Bank Limited	3,273,850,188	2,342,712,382
AB Investment Limited	2,513,937	4,788,272
AB International Finance Limited	-	-
AB Securities Limited	10,820,015	2,321,456
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	<u>3,287,184,139</u>	<u>2,349,822,110</u>
Less: Intercompany Transactions (*)	-	-
	<u>3,287,184,139</u>	<u>2,807,058,380</u>
(*) Inter-company transactions includes dividend income from AB International Finance Limited.		
24. Commission, exchange and brokerage		
Other fees, commission and service charges	751,747,899	710,085,770
Commission on letters of credit	493,893,891	507,098,844
Commission on letters of guarantee	117,270,253	115,255,307
Exchange gains less losses arising from dealings in foreign currencies	649,560,861	738,528,454
	<u>2,012,472,904</u>	<u>2,070,968,374</u>

AB Bank Limited**Notes to the financial statements for the period ended September 30, 2016**

	Jan'16- Sept.'16 Taka	Jan'15- Sept.'15 Taka
24(a). Consolidated Commission, exchange and brokerage		
AB Bank Limited	2,012,472,904	2,070,968,374
AB Investment Limited	27,513,829	41,185,974
AB International Finance Limited	38,975,512	31,445,722
AB Securities Limited	28,938,826	36,349,560
Cashlink Bangladesh Limited (CBL)	93,290,014	57,629,619
AB Exchange (UK) Ltd.	-	1,962,902
	2,201,191,085	2,239,542,151
Less: Intercompany Transactions	92,088,458	2,185,282
	2,109,102,627	2,237,356,869
25. Other income		
Locker rent, insurance claim and others	3,231,458	3,645,677
Recoveries on loans previously written off	7,853,237	868,329
Recoveries on telex, telephone, fax, etc.	63,685,662	60,544,179
Recoveries on courier, postage, stamp, etc.	19,407,728	18,998,869
Gain on sale of Bank property	-	-
Non-operating income (*)	214,098	2,966,028
	94,392,183	87,023,083
(*) Non-operating income includes sale of scrap items.		
25(a). Consolidated other income		
AB Bank Limited	94,392,183	87,023,083
AB Investment Limited	8,445,159	6,567,670
AB International Finance Limited	35,896,309	29,364,167
AB Securities Limited	1,903,403	2,490,078
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	140,637,054	125,444,998
Less: Inter company transactions	6,175,881	6,327,114
	134,461,173	119,117,884
26. Salary and allowances		
Basic salary, provident fund contribution and all other allowances	1,943,615,521	1,886,846,780
Festival and incentive bonus	203,007,690	173,704,200
	2,146,623,211	2,060,550,980
26(a). Consolidated salary and allowances		
AB Bank Limited	2,146,623,211	2,060,550,980
AB Investment Limited	11,204,359	13,665,538
AB International Finance Limited	20,894,664	20,399,860
AB Securities Limited	21,371,042	23,383,167
Cashlink Bangladesh Limited (CBL)	173,036	164,403
AB Exchange (UK) Ltd.	869,220	3,261,563
	2,201,135,532	2,121,425,510
27. Rent, taxes, insurance, electricity, etc.		
Rent, rates and taxes	307,190,683	257,463,899
Electricity, gas, water, etc.	122,666,663	108,161,309
Insurance	71,420,073	64,799,211
	501,277,419	430,424,419

AB Bank Limited**Notes to the financial statements for the period ended September 30, 2016**

	Jan'16- Sept.'16 Taka	Jan'15- Sept.'15 Taka
27(a). Consolidated Rent, taxes, insurance, electricity, etc.		
AB Bank Limited	501,277,419	430,424,419
AB Investment Limited	1,917,238	2,103,443
AB International Finance Limited	5,637,237	5,261,945
AB Securities Limited	6,148,087	5,924,693
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	2,435,728	1,662,886
	517,415,710	445,377,385
Less: Inter company transactions	4,137,390	4,137,390
	513,278,320	441,239,995
28. Legal expenses		
Legal expenses	17,241,848	7,194,986
28(a). Consolidated Legal expenses		
AB Bank Limited	17,241,848	7,194,986
AB Investment Limited	-	51,750
AB International Finance Limited	8,082	51,037
AB Securities Limited	5,950	-
Cashlink Bangladesh Limited (CBL)	51,750	57,500
AB Exchange (UK) Ltd.	-	113,139
	17,307,630	7,468,412
29. Postage, stamp, telecommunication, etc.		
Telex, fax, internet, wireless link, SWIFT, etc.	69,203,305	68,570,851
Telephone	8,080,317	9,070,284
Postage, stamp and shipping	25,557,476	23,093,993
	102,841,098	100,735,127
29(a). Consolidated Postage, stamp, telecommunication, etc.		
AB Bank Limited	102,841,098	100,735,127
AB Investment Limited	559,376	633,500
AB International Finance Limited	4,503,737	3,840,785
AB Securities Limited	1,189,286	1,171,893
Cashlink Bangladesh Limited (CBL)	281	4,606
AB Exchange (UK) Ltd.	113,162	244,603
	109,206,940	106,630,514
Less: Inter company transactions	(2,088,458)	-
	107,118,482	106,630,514
30. Stationery, printing, advertisements, etc.		
Printing and stationery	123,557,927	99,414,504
Publicity, advertisement, etc.	33,909,413	26,577,415
	157,467,340	125,991,919

AB Bank Limited**Notes to the financial statements for the period ended September 30, 2016**

	Jan'16- Sept.'16 Taka	Jan'15- Sept.'15 Taka
30(a). Consolidated Stationery, printing, advertisements, etc.		
AB Bank Limited	157,467,340	125,991,919
AB Investment Limited	162,884	141,145
AB International Finance Limited	105,155	189,288
AB Securities Limited	378,479	463,223
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	158,113,859	126,785,575
31. Directors' fees		
Directors' fees	1,826,200	1,494,300
Meeting expenses	3,861,000	3,681,185
	5,687,200	5,175,485
Directors' fees includes fees for attending the meeting of the Board, Executive Committee, Audit Committee, Risk Management Committee and Shariah Council.		
31(a). Consolidated Directors' fees		
AB Bank Limited	5,687,200	5,175,485
AB Investment Limited	320,016	207,000
AB International Finance Limited	-	-
AB Securities Limited	266,667	250,665
Cashlink Bangladesh Limited (CBL)	190,000	70,000
AB Exchange (UK) Ltd.	-	-
	6,463,883	5,703,150
32. Auditors' fees		
Statutory	267,177	-
Others	3,055,129	3,394,482
	3,322,306	3,394,482
32(a). Consolidated Auditors' fees		
AB Bank Limited	3,322,306	3,394,482
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	161,116
	3,322,306	3,555,598
33. Depreciation and repairs of Bank's assets		
<u>Depreciation :</u>		
Electrical appliances	96,220,681	113,684,748
Furniture and fixtures	10,286,276	9,514,985
Office appliances	1,751,477	1,785,638
Building	14,303,047	14,662,387
Motor vehicles	42,893,198	40,703,572
	165,454,679	180,351,330

AB Bank Limited

Notes to the financial statements for the period ended September 30, 2016

	Jan'16- Sept.'16 Taka	Jan'15- Sept.'15 Taka
Repairs:		
Motor vehicles	31,001,654	22,264,336
Electrical appliances	57,651,112	61,801,743
Office premises and others	65,784,073	73,262,653
Furniture and fixtures	1,970,732	2,003,169
Office appliances	3,175,833	3,495,110
	<u>159,583,405</u>	<u>162,827,011</u>
	<u>325,038,085</u>	<u>343,178,342</u>
Amortization of Intangible Assets	<u>81,060,488</u>	<u>78,065,472</u>
	<u>406,098,573</u>	<u>421,243,813</u>

33(a). Consolidated Depreciation and repairs of Bank's assets

AB Bank Limited	406,098,573	421,243,813
AB Investment Limited	14,394,807	13,863,047
AB International Finance Limited	276,051	269,956
AB Securities Limited	1,584,039	4,310,932
Cashlink Bangladesh Limited (CBL)	54,510	54,511
AB Exchange (UK) Ltd.	997,733	1,969,794
	<u>423,405,713</u>	<u>441,712,054</u>

34. Other expenses

Contractual service	432,972,597	351,804,148
Amortization of deferred revenue expenses	17,438,213	33,586,298
Petrol, oil and lubricant	56,278,330	53,036,196
Software expenses	107,841,581	107,545,016
Entertainment	36,833,345	44,392,996
Travelling	14,787,042	23,608,397
Subscription, membership and sponsorship	73,894,169	73,661,130
Training, seminar and workshop	19,673,931	35,753,751
Local conveyance	6,650,344	7,078,663
Professional charges	41,249,692	22,539,528
Books, newspapers and periodicals	1,281,881	1,218,662
Branch opening expenses	165,539	172,939
Bank Charges	52,656,997	15,677,775
Sundry expenses (*)	222,204,610	179,915,493
	<u>1,083,928,270</u>	<u>949,990,992</u>

(*) Sundry expenses includes business promotion, rebate to foreign correspondents, donation & dress employees etc.

34(a). Consolidated other expenses

AB Bank Limited	1,083,928,270	949,990,992
AB Investment Limited	4,811,236	5,845,767
AB International Finance Limited	1,353,258	1,702,928
AB Securities Limited	6,422,942	7,254,157
Cashlink Bangladesh Limited (CBL)	4,970	18,073
AB Exchange (UK) Ltd.	590,976	780,740
	<u>1,097,111,652</u>	<u>965,592,656</u>
Less: Inter company transactions	<u>90,033,534</u>	<u>2,185,282</u>
	<u>1,007,078,118</u>	<u>963,407,374</u>

AB Bank Limited**Notes to the financial statements for the period ended September 30, 2016**

	Jan'16- Sept.'16 Taka	Jan'15- Sept.'15 Taka
35. Provision against loans and advances		
On un-classified loans	452,900,000	667,500,000
On classified loans	1,518,106,800	482,500,000
	<u>1,971,006,800</u>	<u>1,150,000,000</u>
35(a). Consolidated provision against loans and advances		
AB Bank Limited	1,971,006,800	1,150,000,000
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	<u>1,971,006,800</u>	<u>1,150,000,000</u>
36. Provisions for diminution in value of investments		
In quoted shares	-	-
36(a). Consolidated provisions for diminution in value of investments		
AB Bank Limited	-	-
AB Investment Limited	-	31,858,400
AB International Finance Limited	-	-
AB Securities Limited	4,758,000	1,286,211
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	<u>4,758,000</u>	<u>33,144,611</u>
37. Other provision		
Provision for off balance sheet items	-	43,300,000
Provision for Other assets	57,511,545	120,000,000
	<u>57,511,545</u>	<u>163,300,000</u>
Provision for other assets included prepaid legal expenses, protested bills and others has been made as per Bangladesh Bank BRPD Circular # 14 dated 25 June 2001.		
37(a). Consolidated other provisions		
AB Bank Limited	57,511,545	163,300,000
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	<u>57,511,545</u>	<u>163,300,000</u>
38. Earnings Per Share (EPS)		
Profit after taxation	896,546,198	756,135,274
Number of ordinary shares outstanding	673,893,614	673,893,614
Earnings Per Share	<u>1.33</u>	<u>1.12</u>

AB Bank Limited**Notes to the financial statements for the period ended September 30, 2016**

Jan'16- Sept.'16	Jan'15- Sept.'15
Taka	Taka

38.(a) Consolidated Earnings Per Share

Net Profit attributable to the shareholders of parent company	1,237,662,052	945,392,930
Number of ordinary shares outstanding	673,893,614	673,893,614
Earnings Per Share	1.84	1.40

Earnings Per Share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of 30 September 2016 in terms of Bangladesh Accounting Standard (BAS)-33. According to BAS-33, EPS for the period ended 30 September 2015 was restated for the issues of bonus share in 2015.

39. Receipts from other operating activities

Interest on treasury bills, bonds, debenture and others	3,170,987,680	2,237,623,985
Exchange earnings	649,560,861	738,528,454
Recoveries on telex, telephone, fax, etc.	63,685,662	60,544,179
Recoveries on courier, postage, stamp, etc.	19,407,728	18,998,869
Non-operating income	214,098	2,966,028
Others	3,231,458	3,645,677
	3,907,087,487	3,062,307,191

40. Payments for other operating activities

Rent, taxes, insurance, electricity, etc.	501,277,419	430,424,419
Postage, stamps, telecommunication, etc.	102,841,098	100,735,127
Repairs of Bank's assets	159,581,433	162,825,039
Legal expenses	17,241,848	7,194,986
Auditor's fees	3,322,306	3,394,482
Directors' fees	5,687,200	5,175,485
Other Expenses	1,083,928,270	949,990,992
	1,873,879,574	1,659,740,529