

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 June 30, 2016

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

<u>PROPERTY AND ASSETS</u>	Notes	30.06.2016 Taka	31.12.2015 Taka
Cash	3(a)	17,780,524,316	17,034,569,843
In hand (including foreign currencies)	3.1(a)	1,519,147,300	1,205,441,602
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2(a)	16,261,377,016	15,829,128,241
Balance with other banks and financial institutions	4(a)	6,225,773,149	4,752,701,128
In Bangladesh	4.1(a)	2,934,366,663	2,196,851,448
Outside Bangladesh	4.2(a)	3,291,406,485	2,555,849,680
Money at call and on short notice	5(a)	13,380,124,429	4,566,844,263
Investments	6(a)	46,488,735,741	34,054,553,461
Government	6.1(a)	40,946,207,846	27,900,211,389
Others	6.2(a)	5,542,527,894	6,154,342,072
Loans, advances and lease/investments		226,248,600,027	216,364,880,127
Loans, cash credits, overdrafts, etc./Investments	7(a)	224,069,483,834	214,291,708,326
Bills purchased and discounted	8(a)	2,179,116,193	2,073,171,801
Fixed assets including premises, furniture and fixtures	9(a)	4,785,184,137	4,819,543,816
Other assets	10(a)	7,172,290,958	5,345,737,331
Non-banking assets		-	-
Total Assets		<u>322,081,232,756</u>	<u>286,938,829,969</u>
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Borrowings from other banks, financial institutions and agents	11(a)	20,926,776,059	24,098,598,784
AB Bank Subordinated Bond	12	6,500,000,000	6,500,000,000
Deposits and other accounts	13(a)	247,453,469,873	213,671,723,838
Current account and other accounts		27,613,263,727	20,050,332,586
Bills payable		2,235,262,163	3,699,973,387
Savings bank deposits		24,876,368,303	22,573,067,458
Fixed deposits		122,237,755,931	111,741,032,463
Other deposits		70,490,819,749	55,607,317,944
Other liabilities	14(a)	22,692,463,238	19,094,756,031
Total Liabilities		<u>297,572,709,170</u>	<u>263,365,078,652</u>
Capital/Shareholders' Equity			
Equity attributable to equity holders of the parent company		24,504,438,816	23,575,987,130
Paid-up capital	15	5,990,165,460	5,990,165,460
Statutory reserve	16	6,128,470,008	6,111,203,545
Other reserve	17(a)	4,161,418,415	4,039,376,532
Retained earnings	18(a)	8,224,384,933	7,435,241,593
Minority interest	18(b)	4,084,769	(2,235,814)
Total Equity		<u>24,508,523,585</u>	<u>23,573,751,317</u>
Total Liabilities and Shareholders' Equity		<u>322,081,232,756</u>	<u>286,938,829,969</u>

	Notes	30.06.2016 Taka	31.12.2015 Taka
Off-Balance Sheet Items			
Contingent liabilities			
	19	69,912,032,110	68,649,158,866
Acceptances and endorsements		28,244,973,212	24,351,049,686
Letters of guarantee	19.1	12,433,705,365	12,327,410,154
Irrevocable letters of credit		18,401,614,832	23,650,724,184
Bills for collection		9,471,396,950	8,319,974,842
Other contingent liabilities		1,360,341,751	-
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		69,912,032,110	68,649,158,866

-Sd-

K.M. Mohiuddin Ahmed
Chief Financial Officer (Current Charge)

-Sd-

Md. Shahjahan
Head of ICCD

-Sd-

Moshiur Rahman Chowdhury
President & Managing Director (Current Charge)

-Sd-

Shishir Ranjan Bose FCA
Independent Director

-Sd-

M. Wahidul Haque
Chairman

Dhaka,
July 28, 2016

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

Notes	Jan'16- June'16 Taka	Jan'15- June'15 Taka	April'16-June'16 Taka	April'15-June'15 Taka
OPERATING INCOME				
Interest income/profit on investments	21(a) 10,706,113,341	10,626,291,521	5,390,534,756	5,277,525,033
Interest/profit paid on deposits and borrowings, etc.	22(a) (7,907,216,114)	(8,200,645,976)	(4,018,705,506)	(4,130,237,955)
Net interest income	2,798,897,226	2,425,645,545	1,371,829,250	1,147,287,078
Investment income	23(a) 1,512,608,870	1,458,570,850	771,053,526	716,331,666
Commission, exchange and brokerage	24(a) 1,467,927,108	1,585,314,270	762,845,253	818,766,648
Other operating income	25(a) 92,741,393	77,087,478	49,680,750	35,169,044
	3,073,277,371	3,120,972,598	1,583,579,529	1,570,267,359
Total operating income (a)	5,872,174,597	5,546,618,143	2,955,408,778	2,717,554,437
OPERATING EXPENSES				
Salary and allowances	26(a) 1,446,521,353	1,275,427,065	811,381,597	723,528,745
Rent, taxes, insurance, electricity, etc.	27(a) 327,729,181	284,080,648	168,122,565	147,969,745
Legal expenses	28(a) 15,532,827	6,873,002	1,595,442	4,018,281
Postage, stamps, telecommunication, etc.	29(a) 73,106,736	70,554,194	35,825,323	34,551,004
Stationery, printing, advertisement, etc.	30(a) 94,784,707	83,253,489	56,246,873	47,519,032
Chief executive's salary and fees	6,450,000	6,000,000	3,450,000	3,000,000
Directors' fees	31(a) 4,103,244	3,180,834	3,038,932	878,599
Auditors' fees	32(a) 3,059,096	2,960,150	2,008,383	536,524
Depreciation and repairs of Bank's assets	33(a) 285,060,011	288,059,820	144,576,586	146,353,016
Other expenses	34(a) 695,537,610	662,987,300	379,138,935	342,692,422
Total operating expenses (b)	2,951,884,765	2,683,376,500	1,605,384,637	1,451,047,368
Profit before provision (c = (a-b))	2,920,289,832	2,863,241,643	1,350,024,141	1,266,507,069
Provision against loans and advances	35(a) 1,050,809,755	667,500,000	688,007,495	217,500,000
Provision for diminution in value of investments	36(a) 3,172,000	25,308,469	1,586,000	13,601,414
Other provisions	37(a) 43,610,837	78,000,000	41,610,837	52,000,000
Total provision (d)	1,097,592,592	770,808,469	731,204,332	283,101,414
Profit before tax (c-d)	1,822,697,240	2,092,433,174	618,819,809	983,405,655
Provision for taxation	830,485,469	1,246,675,241	274,108,858	716,119,489
Current tax	1,136,944,056	1,248,936,709	515,492,795	717,148,235
Deferred tax	(306,458,587)	(2,261,468)	(241,383,937)	(1,028,746)
Net profit after tax	992,211,771	845,757,933	344,710,952	267,286,166
Appropriations				
Statutory reserve	20,614,661	388,935,078	-	388,935,078
General reserve	-	-	-	-
Dividends, etc.	-	-	-	-
	20,614,661	388,935,078	-	388,935,078
Retained surplus	971,597,110	456,822,855	344,710,952	(121,648,912)
Minority interest	6,320,583	3,804,708	3,188,465	1,934,649
Net Profit attributable to the shareholders of parent company	965,276,528	453,018,146	341,522,487	(123,583,561)
Consolidated Earnings Per Share (EPS)	38(a) 1.65	1.41	0.57	0.44

-Sd-

K.M. Mohiuddin Ahmed
Chief Financial Officer (Current Charge)

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Md. Shahjahan
Head of ICCD

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Moshiur Rahman Chowdhury
President & Managing Director (Current Charge)

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Shishir Ranjan Bose FCA
Independent Director

-Sd-

M. Wahidul Haque
Chairman

Dhaka,
July 28, 2016

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

Cash Flows from Operating Activities	Jan'16- June'16 Taka	Jan'15- June'15 Taka
Interest receipts	10,667,815,403	11,284,848,888
Interest payments	(8,521,141,267)	(8,095,177,833)
Dividend receipts	92,449,820	12,499,740
Fee and commission receipts	1,029,499,001	1,055,370,271
Recoveries on loans previously written off	7,720,938	148,000
Payments to employees	(1,452,971,353)	(1,281,427,065)
Payments to suppliers	(94,784,707)	(83,253,489)
Income taxes paid	(928,187,349)	(1,738,112,136)
Receipts from other operating activities	1,943,607,613	2,052,954,587
Payments for other operating activities	(1,231,901,580)	(1,132,898,562)
Operating profit before changes in operating assets & liabilities	1,512,106,518	2,074,952,400
Increase/decrease in operating assets and liabilities		
Loans and advances to customers	(9,845,421,962)	(13,360,126,576)
Other assets	(1,070,446,759)	(746,533,712)
Deposits from other banks	1,206,609,168	(6,780,166,365)
Deposits from customers	33,189,062,021	12,153,061,474
Trading liabilities (short-term borrowings)	(3,218,231,799)	7,386,261,403
Other liabilities	2,275,019,378	1,755,519,374
	22,536,590,046	408,015,599
Net cash flow from operating activities (a)	24,048,696,564	2,482,967,999
Cash Flows from Investing Activities		
Purchase of government securities	(12,919,758,339)	150,932,867
(Purchase)/Sale of trading securities, shares, bonds, etc.	(4,921,737)	101,306,345
Purchase of property, plant and equipment	(137,957,132)	(69,222,837)
Net cash flow from investing activities (b)	(13,062,637,208)	183,016,375
Cash Flows from Financing Activities		
Increase/(decrease) of long-term borrowings	46,409,074	(1,346,102)
Dividend paid	(150,372)	(338,560)
Net cash flow from financing activities (c)	46,258,702	(1,684,661)
Net (decrease)/increase in cash (a+b+c)	11,032,318,058	2,664,299,712
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 (*)	37,389,451,094	25,630,716,405
(*) Cash and cash equivalents:		
Cash	1,519,147,300	1,321,595,787
Prize bonds	3,029,200	3,608,800
Money at call and on short notice	13,380,124,429	3,076,013,463
Balance with Bangladesh Bank and its agent bank(s)	16,261,377,016	14,101,711,582
Balance with other banks and financial institutions	6,225,773,149	7,127,786,771
	37,389,451,094	25,630,716,405
Net Operating Cash Flow Per Share (NOCFPS)	40.15	4.15

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Chief Financial Officer (Current Charge)

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Independent Director

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M. Wahidul Haque
Chairman

Dhaka,
July 28, 2016

AB Bank Limited and its Subsidiaries
Consolidated Statement of Changes in Equity
For the period ended June 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	1,434,109,963	(2,235,813)	7,435,241,593	23,573,751,316
Prior year adjustment for ABIFL								-	-
Net profit after taxation for the period	-	-	-	-	-	-	6,320,583	985,891,188	992,211,771
Transferred during the year								-	-
Addition/(Adjustment) made during the period	-	20,614,661	-	-	-	126,226,719		(118,282,196)	28,559,183
Foreign Exchange Rate Fluctuation	-	(3,348,198)	(182,632)	-	(4,002,203)	-	-	(78,465,652)	(85,998,685)
Balance at 30 June 2016	5,990,165,460	6,128,470,008	1,298,604,286	1,305,535,181	(3,057,734)	1,560,336,682	4,084,769	8,224,384,933	24,508,523,585
Balance at 30 June 2015	5,990,165,460	5,970,882,845	1,178,088,112	1,323,567,485	3,063,904	412,919,449	(5,649,676)	5,821,768,461	20,694,806,042

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Independent Director

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M. Wahidul Haque
Chairman

Dhaka,
July 28, 2016

AB Bank Limited
Balance Sheet
As at June 30, 2016

<u>PROPERTY AND ASSETS</u>	Notes	30.06.2016 Taka	31.12.2015 Taka
Cash	3	17,780,411,686	17,033,284,356
In hand (including foreign currencies)	3.1	1,519,034,670	1,204,156,116
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2	16,261,377,016	15,829,128,241
Balance with other banks and financial institutions	4	6,115,475,616	4,711,003,257
In Bangladesh		2,880,850,983	2,159,121,205
Outside Bangladesh		3,234,624,633	2,551,882,052
Money at call and on short notice	5	14,263,692,429	5,284,337,005
Investments	6	45,608,047,428	33,175,877,479
Government	6.1	40,946,207,846	27,900,211,389
Others	6.2	4,661,839,581	5,275,666,091
Loans, advances and lease/investments	7	219,360,046,681	209,725,203,267
Loans, cash credits, overdrafts, etc./Investments		218,184,935,650	208,565,121,079
Bills purchased and discounted	8	1,175,111,031	1,160,082,188
Fixed assets including premises, furniture and fixtures	9	4,177,068,372	4,200,872,767
Other assets	10	12,605,158,383	10,879,676,588
Non-banking assets		-	-
Total Assets		<u>319,909,900,594</u>	<u>285,010,254,719</u>
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	20,523,368,652	23,693,344,309
AB Bank Subordinated Bond	12	6,500,000,000	6,500,000,000
Deposits and other accounts	13	247,663,435,715	213,818,905,499
Current accounts and other accounts		27,614,330,829	20,067,587,921
Bills payable		2,235,262,163	3,699,973,387
Savings bank deposits		24,876,368,303	22,573,067,458
Fixed deposits		122,237,755,931	111,741,032,463
Other deposits		70,699,718,488	55,737,244,271
Other liabilities	14	21,732,577,798	18,205,779,567
Total Liabilities		<u>296,419,382,165</u>	<u>262,218,029,374</u>
Capital/Shareholders' Equity			
Total Shareholders' Equity		23,490,518,429	22,792,225,345
Paid-up capital	15	5,990,165,460	5,990,165,460
Statutory reserve	16	6,128,470,008	6,111,203,545
Other reserve	17	3,986,136,137	3,859,909,419
Retained earnings	18	7,385,746,823	6,830,946,921
Total Liabilities and Shareholders' Equity		<u>319,909,900,594</u>	<u>285,010,254,719</u>

	Notes	30.06.2016 Taka	31.12.2015 Taka
Off-Balance Sheet Items			
Contingent liabilities			
	19	69,912,032,110	68,649,158,866
Acceptances and endorsements		28,244,973,212	24,351,049,686
Letters of guarantee	19.1	12,433,705,365	12,327,410,154
Irrevocable letters of credit		18,401,614,832	23,650,724,184
Bills for collection		9,471,396,950	8,319,974,842
Other contingent liabilities		1,360,341,751	-
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>69,912,032,110</u>	<u>68,649,158,866</u>

-Sd-

K.M. Mohiuddin Ahmed

Chief Financial Officer (Current Charge)

-Sd-

Md. Shahjahan

Head of ICCD

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Moshiur Rahman Chowdhury

President & Managing Director (Current Charge)

-Sd-

Shishir Ranjan Bose FCA

Independent Director

-Sd-

M. Wahidul Haque

Chairman

Dhaka,
July 28, 2016

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

Notes	Jan'16- June'16 Taka	Jan'15- June'15 Taka	April'16-June'16 Taka	April'15-June'15 Taka	
OPERATING INCOME					
Interest income/profit on investments	21	10,441,051,776	10,457,086,666	5,253,933,493	5,198,193,744
Interest paid/profit on deposits and borrowings, etc.	22	(7,874,885,542)	(8,166,008,802)	(4,002,310,463)	(4,113,886,317)
Net interest income		2,566,166,234	2,291,077,864	1,251,623,030	1,084,307,427
Investment income	23	1,503,166,961	1,450,731,343	765,340,246	710,186,138
Commission, exchange and brokerage	24	1,404,609,461	1,473,333,621	733,066,451	754,055,062
Other operating income	25	67,945,477	58,680,995	37,655,144	28,129,438
		2,975,721,900	2,982,745,959	1,536,061,841	1,492,370,639
Total operating income (a)		5,541,888,133	5,273,823,822	2,787,684,871	2,576,678,066
OPERATING EXPENSES					
Salary and allowances	26	1,413,677,302	1,243,321,246	794,532,395	707,328,960
Rent, taxes, insurance, electricity, etc.	27	320,287,127	277,376,368	163,729,473	144,464,725
Legal expenses	28	15,526,877	6,772,599	1,595,442	3,923,772
Postage, stamps, telecommunication, etc.	29	71,204,841	66,667,297	34,541,353	32,393,088
Stationery, printing, advertisement, etc.	30	94,287,913	82,825,578	56,004,256	47,289,377
Chief executive's salary and fees		6,450,000	6,000,000	3,450,000	3,000,000
Directors' fees	31	3,553,233	2,926,834	2,715,591	729,099
Auditors' fees	32	3,059,096	2,852,894	2,008,383	482,309
Depreciation and repairs of Bank's assets	33	273,642,665	274,241,270	139,099,261	139,123,000
Other expenses	34	746,380,326	654,871,510	405,597,922	338,145,357
Total operating expenses (b)		2,948,069,380	2,617,855,595	1,603,274,075	1,416,879,688
Profit before provision (c = (a-b))		2,593,818,753	2,655,968,228	1,184,410,796	1,159,798,378
Provision against loans and advances	35	1,050,809,755	667,500,000	688,007,495	217,500,000
Provision for diminution in value of investments	36	-	-	-	-
Other provisions	37	43,610,837	78,000,000	41,610,837	52,000,000
Total provision (d)		1,094,420,592	745,500,000	729,618,332	269,500,000
Profit before taxation (c-d)		1,499,398,162	1,910,468,228	454,792,464	890,298,378
Provision for taxation		743,988,383	1,190,342,047	229,959,941	686,542,047
Current tax		1,052,752,959	1,193,048,032	473,101,702	688,120,516
Deferred tax		(308,764,576)	(2,705,985)	(243,141,761)	(1,578,469)
Net profit after taxation		755,409,779	720,126,180	224,832,523	203,756,331
Appropriations					
Statutory reserve		20,614,661	388,935,078	20,614,661	388,935,078
General reserve		-	-	-	-
Dividends, etc.		-	-	-	-
		20,614,661	388,935,078	20,614,661	388,935,078
Retained surplus		734,795,118	331,191,102	204,217,862	(185,178,747)
Earnings Per Share (EPS)	38	1.26	1.20	0.38	0.34

-Sd-
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Chief Financial Officer (Current Charge)

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Head of ICCD

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President & Managing Director (Current Charge)

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Shishir Ranjan Bose FCA
Independent Director

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M. Wahidul Haque
Chairman

Dhaka,
July 28, 2016

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

	Notes	Jan'16- June'16 Taka	Jan'15- June'15 Taka
Cash flows from Operating Activities			
Interest receipts		10,402,753,838	11,115,644,034
Interest payments		(8,488,810,695)	(8,060,540,660)
Dividend receipts		78,952,931	6,365,629
Fees and commission receipts		967,792,853	944,503,677
Recoveries on loans previously written off		7,720,938	148,000
Payments to employees		(1,420,127,302)	(1,249,321,246)
Payments to suppliers		(94,287,913)	(82,825,578)
Income taxes paid		(872,165,445)	(1,636,863,112)
Receipts from other operating activities	39	1,921,255,178	2,031,728,653
Payments for other operating activities	40	(1,272,119,323)	(1,112,795,868)
Operating profit before changes in operating assets & liabilities		1,230,965,060	1,956,043,528
Increase/decrease in operating assets and liabilities			
Loans and advances to customers		(9,596,545,476)	(13,481,282,682)
Other assets		(969,374,927)	(777,290,791)
Deposits from other banks		1,206,609,168	(6,780,166,365)
Deposits from customers		33,251,846,201	12,164,112,612
Trading liabilities (short-term borrowings)		(3,216,384,731)	7,386,757,058
Other liabilities		2,238,217,391	1,613,228,734
		22,914,367,625	125,358,565
Net cash flow from operating activities (a)		24,145,332,686	2,081,402,094
Cash Flows from Investing Activities			
Purchase of government securities		(12,919,758,339)	150,932,867
(Purchase)/Sale of trading securities, shares, bonds, etc.		(2,909,406)	72,802,957
Purchase of property, plant and equipment		(137,957,132)	(69,222,837)
Net cash flow from investing activities (b)		(13,060,624,877)	154,512,987
Cash Flows from Financing Activities			
Increase/(decrease) of long-term borrowings		46,409,074	(1,346,102)
Dividend paid		(150,372)	(338,560)
Net cash flow from financing activities (c)		46,258,702	(1,684,661)
Net Increase/(decrease) in cash (a+b+c)		11,130,966,511	2,234,230,419
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 (*)		38,162,608,931	26,536,819,212
(*) Cash and cash equivalents:			
Cash		1,519,034,670	1,317,084,828
Prize bonds		3,029,200	3,608,800
Money at call and on short notice		14,263,692,429	4,083,680,358
Balance with Bangladesh Bank and its agent bank(s)		16,261,377,016	14,101,711,582
Balance with other banks and financial institutions		6,115,475,616	7,030,733,644
		38,162,608,931	26,536,819,212
Net Operating Cash Flow Per Share (NOCFPS)		40.31	3.47

-Sd-

K.M. Mohiuddin Ahmed

Chief Financial Officer (Current Charge)

-Sd-

Md. Shahjahan

Head of ICCD

-Sd-

Moshiur Rahman Chowdhury

President & Managing Director (Current Charge)

-Sd-

Shishir Ranjan Bose FCA

Independent Director

-Sd-

M. Wahidul Haque

Chairman

Dhaka,
July 28, 2016

AB Bank Limited
Statement of Changes in Equity
For the period ended June 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
Net profit after taxation for the period	-	-	-	-	-	755,409,779	755,409,779
Transferred during the year	-	-	-	-	-	-	-
Addition/(Adjustment) made during the period	-	20,614,661	-	-	126,226,719	(118,282,196)	28,559,183
Foreign Exchange Rate Fluctuation	-	(3,348,198)	-	-	-	(82,327,680)	(85,675,878)
Balance at 30 June 2016	5,990,165,460	6,128,470,008	1,222,199,200	1,305,535,182	1,458,401,756	7,385,746,823	23,490,518,429
Balance at 30 June 2015	5,990,165,460	5,970,882,845	1,102,199,200	1,323,567,486	310,984,523	5,271,372,001	19,969,171,515

-Sd-

K.M. Mohiuddin Ahmed
Chief Financial Officer (Current Charge)

-Sd-

Md. Shahjahan
Head of ICCD

-Sd-

Moshiur Rahman Chowdhury
President & Managing Director (Current Charge)

-Sd-

Shishir Ranjan Bose FCA
Independent Director

-Sd-

M. Wahidul Haque
Chairman

Dhaka,
July 28, 2016

0.02

AB Bank Limited & its Subsidiaries

Notes to the Financial Statements for the period ended June 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. Provision

a) Loans & Advances:

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

b) 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.

c) 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.

d) Others:

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

-Sd-

K.M. Mohiuddin Ahmed
Chief Financial Officer (CC)

-Sd-

Md. Shahjahan
Head of ICCD

-Sd-

Moshiur Rahman Chowdhury
President & Managing Director (CC)

-Sd-

Shishir Ranjan Bose FCA
Independent Director

-Sd-

M. Wahidul Haque
Chairman

Dhaka,
July 28, 2016

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

30.06.2016	31.12.2015
Taka	Taka

3. Cash

Cash in hand	(Note: 3.1)	1,519,034,670	1,204,156,116
Balance with Bangladesh Bank and its agent bank(s)	(Note: 3.2)	16,261,377,016	15,829,128,241
		<u>17,780,411,686</u>	<u>17,033,284,356</u>

3(a) Consolidated Cash

AB Bank Limited	17,780,411,686	17,033,284,356
AB Investments Limited	25,000	25,000
AB International Finance Limited	-	-
AB Securities Limited	16,421	2,410
Cashlink Bangladesh Limited (CBL)	20,860	6,445
AB Exchange (UK) Ltd.	50,349	1,251,631
	<u>17,780,524,316</u>	<u>17,034,569,843</u>

3.1 Cash in hand

In local currency	1,497,522,531	1,174,908,808
In foreign currency	21,512,139	29,247,308
	<u>1,519,034,670</u>	<u>1,204,156,116</u>

3.1(a) Consolidated Cash in hand

AB Bank Limited	1,519,034,670	1,204,156,116
AB Investments Limited	25,000	25,000
AB International Finance Limited	-	-
AB Securities Limited	16,421	2,410
Cashlink Bangladesh Limited (CBL)	20,860	6,445
AB Exchange (UK) Ltd.	50,349	1,251,631
	<u>1,519,147,300</u>	<u>1,205,441,602</u>

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

Balance with Bangladesh Bank

In local currency	15,769,318,504	14,828,917,268
In foreign currency	249,105,156	636,067,309
	16,018,423,659	15,464,984,577

Sonali Bank Limited (as an agent bank of Bangladesh Bank) - local currency	242,953,356	364,143,664
	<u>16,261,377,016</u>	<u>15,829,128,241</u>

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

AB Bank Limited	16,261,377,016	15,829,128,241
AB Investments Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	<u>16,261,377,016</u>	<u>15,829,128,241</u>

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

	30.06.2016 Taka	31.12.2015 Taka
4. Balance with other banks and financial institutions		
In Bangladesh	2,880,850,983	2,159,121,205
Outside Bangladesh	3,234,624,633	2,551,882,052
	6,115,475,616	4,711,003,257
4(a) Consolidated balance with other banks and financial institutions		
In Bangladesh	2,934,366,663	2,196,851,448
Outside Bangladesh (Nostro Accounts)	3,291,406,485	2,555,849,680
	6,225,773,149	4,752,701,128
4.1 (a) Consolidated In Bangladesh		
AB Bank Limited	2,880,850,983	2,159,121,205
AB Investment Limited	244,763	407,792
AB International Finance Limited	-	-
AB Securities Limited	200,370,612	165,337,954
Cashlink Bangladesh Limited (CBL)	62,428,103	2,541,951
AB Exchange (UK) Ltd.	-	-
	3,143,894,460	2,327,408,902
Less: Inter company transaction	209,527,797	130,557,454
	2,934,366,663	2,196,851,448
4.2 (a) Consolidated Outside Bangladesh (Nostro Accounts)		
AB Bank Limited	3,234,624,633	2,551,882,052
AB Investment Limited	-	-
AB International Finance Limited	57,219,367	20,473,829
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	116,291
	3,291,844,001	2,572,472,172
Less: Inter company transactions	437,515	16,622,492
	3,291,406,485	2,555,849,680
5. Money at call and on short notice		
In Bangladesh	11,560,000,000	2,712,507,500
Outside Bangladesh	2,703,692,429	2,571,829,505
	14,263,692,429	5,284,337,005
5(a) Consolidated money at call and on short notice		
AB Bank Limited	14,263,692,429	5,284,337,005
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Limited	-	-
	14,263,692,429	5,284,337,005
Less: Inter-group transaction	(883,568,000)	(717,492,742)
	13,380,124,429	4,566,844,263

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

	30.06.2016	31.12.2015
	Taka	Taka
6. Investments	45,608,047,428	33,175,877,479
6 (a) Consolidated investments		
AB Bank Limited	45,608,047,428	33,175,877,479
AB International Finance Limited	-	-
AB Investment Limited	685,153,213	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.	-	-
	46,488,735,741	34,054,553,461
6.1 Government securities		
Treasury bills	9,382,759,056	-
Treasury bonds	31,306,919,590	27,657,193,589
Bangladesh Bank Islami Investment bonds	253,500,000	240,000,000
Prize bonds	3,029,200	3,017,800
	40,946,207,846	27,900,211,389
6.1(a) Consolidated Government securities		
AB Bank Limited	40,946,207,846	27,900,211,389
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	40,946,207,846	27,900,211,389
6.2 Other investments		
Shares	4,185,974,043	4,748,878,849
Bond	75,000,000	120,000,000
	4,260,974,043	4,868,878,849
Investments -ABBL, Mumbai Branch		
Treasury bills	400,865,538	406,787,241
Debentures and Bonds	-	-
	400,865,538	406,787,241
Total Other investments	4,661,839,581	5,275,666,091
6.2 (a) Consolidated other investments		
AB Bank Limited	4,661,839,581	5,275,666,091
AB Investment Limited	685,153,213	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.	-	-
	5,542,527,894	6,154,342,072

AB Bank Limited

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

	30.06.2016 Taka	31.12.2015 Taka
6.2.1 Investments in shares		
Quoted (Publicly Traded)	3,954,703,113	3,900,872,005
Unquoted	231,270,930	848,006,845
	4,185,974,043	4,748,878,849
7. Loans, advances and lease/investments	219,360,046,681	209,725,203,267
7.1 Broad category-wise breakup		
In Bangladesh		
Loans	196,079,188,745	186,497,250,636
Overdrafts	21,965,137,040	21,933,481,587
Cash credits	-	-
	218,044,325,785	208,430,732,223
Outside Bangladesh: ABBL, Mumbai Branch		
Loans	121,904,008	118,274,428
Overdrafts	-	172,003
Cash credits	18,705,856	15,942,426
	140,609,865	134,388,856
	218,184,935,650	208,565,121,079
7.2 Product wise Loans and Advances		
Overdraft	21,965,137,040	21,933,653,590
Cash Credit	18,705,856	15,942,426
Time loan	61,437,124,032	62,722,556,379
Term loan	114,399,934,105	105,476,350,097
Bills under LC	387,751,324	238,473,847
Trust Receipt	10,115,919,815	10,158,011,199
Packing credit	397,843,966	436,274,437
Loan against accepted bills	3,324,386,471	4,924,495,085
Loan-EDF	3,419,031,892	-
Consumer Loan	1,385,555,148	1,370,222,178
Staff Loan	1,333,546,001	1,289,141,842
Bills Purchased & Discounted	1,175,111,031	1,160,082,188
	219,360,046,681	209,725,203,267
7.3 Net loans, advances and lease/investments		
Gross loans and advances	219,360,046,681	209,725,203,267
Less:		
Interest suspense	8,140,276,324	6,071,639,588
Provision for loans and advances	5,765,058,776	4,714,778,454
	13,905,335,100	10,786,418,042
	205,454,711,581	198,938,785,226

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

	30.06.2016 Taka	31.12.2015 Taka
7.4 Geographical location-wise (division) distribution In Bangladesh		
<u>Urban Branches</u>		
Dhaka	152,784,084,242	138,170,897,293
Chittagong	48,852,986,856	53,176,711,427
Khulna	4,925,567,178	5,155,594,729
Sylhet	2,147,331,578	2,288,244,147
Barisal	231,890,621	291,274,020
Rajshahi	3,768,625,780	4,055,184,742
Rangpur	4,128,821,525	3,807,632,601
	216,839,307,780	206,945,538,959
<u>Rural Branches</u>		
Dhaka	1,355,683,449	1,435,259,973
Chittagong	469,185,543	480,644,102
Khulna	-	-
Sylhet	48,117,903	66,005,026
Barisal	-	-
Rajshahi	-	-
Rangpur	-	-
	1,872,986,895	1,981,909,101
Outside Bangladesh		
ABBL, Mumbai Branch	647,752,007	797,755,207
	219,360,046,681	209,725,203,267
7.5 Classification of loans, advances and lease/investments		
In Bangladesh		
<u>Unclassified</u>		
Standard	193,477,279,106	194,703,648,060
Special Mention Account	16,542,700,730	7,715,500,000
	210,019,979,836	202,419,148,060
<u>Classified</u>		
Sub-Standard	83,800,000	266,500,000
Doubtful	2,196,800,000	241,200,000
Bad/Loss	6,411,714,838	6,000,600,000
	8,692,314,838	6,508,300,000
	218,712,294,675	208,927,448,060
Outside Bangladesh-Mumbai Branch		
Unclassified Loan	532,214,910	686,976,757
Classified Loan	115,537,097	110,778,451
	647,752,007	797,755,207
	219,360,046,682	209,725,203,267
7(a) Consolidated Loans, advances and lease/investments		
AB Bank Limited	218,184,935,650	208,565,121,079
AB Investment Limited	7,005,417,397	6,990,517,740
AB International Finance Limited	-	-
AB Securities Limited	1,009,006,030	990,300,833
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	226,199,359,077	216,545,939,652
Less: Inter company transaction	2,129,875,242	2,254,231,326
	224,069,483,834	214,291,708,326

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

	30.06.2016 Taka	31.12.2015 Taka
8 Bills purchased and discounted		
In Bangladesh	667,968,889	496,715,837
Outside Bangladesh - ABBL, Mumbai Branch	507,142,142	663,366,351
	1,175,111,031	1,160,082,188
8 (a) Consolidated Bills purchased and discounted	-	-
AB Bank Limited	1,175,111,031	1,160,082,188
AB Investment Limited	-	-
AB International Finance Limited	1,004,005,161	913,089,613
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	2,179,116,193	2,073,171,801
9. Fixed assets including premises, furniture and fixtures		
Cost:		
Land and Building	3,341,682,082	3,341,682,082
Furniture and fixtures	238,860,434	230,635,936
Office appliances	63,223,680	62,729,842
Electrical appliances	1,525,093,569	1,489,025,807
Motor vehicles	680,156,050	581,049,757
Intangible Assets	559,853,161	571,059,066
	6,408,868,976	6,276,182,491
Less: Accumulated depreciation and amortization	2,231,800,604	2,075,309,724
	4,177,068,372	4,200,872,767
9(a) Consolidated Fixed assets including premises, furniture and fixtures		
Cost:		
AB Bank Limited	6,408,868,976	6,276,182,491
AB Investments Limited	682,564,941	682,564,941
AB International Finance Limited	7,777,928	7,717,176
AB Securities Limited	28,812,997	29,343,095
Cashlink Bangladesh Limited (CBL)	250,270,880	250,270,880
AB Exchange (UK) Ltd.	15,227,923	15,274,525
	7,393,523,645	7,261,353,108
Accumulated depreciation:		
AB Bank Limited	2,231,800,604	2,075,309,724
AB Investments Limited	77,612,965	68,747,827
AB International Finance Limited	7,646,092	7,626,814
AB Securities Limited	25,921,894	25,826,906
Cashlink Bangladesh Limited (CBL)	250,130,030	250,093,692
AB Exchange (UK) Ltd.	15,227,923	14,204,328
	2,608,339,508	2,441,809,292
	4,785,184,137	4,819,543,816

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

	30.06.2016 Taka	31.12.2015 Taka
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
	<u>3,212,479,228</u>	<u>3,212,479,228</u>
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	447,342,292	-
	<u>502,969,628</u>	<u>55,627,337</u>
	<u>3,715,448,856</u>	<u>3,268,106,565</u>
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	2,199,999,000	2,199,999,000
Deferred Tax (Note:10.01)	1,737,017,308	1,428,252,732
Accounts receivable	793,742,011	1,058,534,763
Preliminary, formation, organisational, renovation, development, prepaid expenses and others	578,655,012	644,563,195
Exchange for clearing	2,265,728,748	1,044,718,906
Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures, and other income receivables	853,498,092	791,115,465
Security deposits	160,294,117	166,089,818
Advance rent and advertisement	242,061,272	233,138,317
Stationery, stamps, printing materials, etc.	29,069,732	25,237,828
Inter-branch adjustment	9,724,234	-
	<u>8,889,709,526</u>	<u>7,611,570,024</u>
	<u>12,605,158,383</u>	<u>10,879,676,588</u>
10(a) Consolidated Other assets		
AB Bank Limited	12,605,158,383	10,879,676,588
AB Investment Limited	72,560,307	34,254,324
AB International Finance Limited	7,425,229	4,603,844
AB Securities Limited	41,022,851	14,920,190
Cashlink Bangladesh Limited (CBL)	33,247,091	30,222,875
AB Exchange (UK) Ltd.	1,953,517	2,158,232
	<u>12,761,367,377</u>	<u>10,965,836,053</u>
Less: Inter-group transaction	5,589,076,423	5,620,098,722
	<u>7,172,290,958</u>	<u>5,345,737,331</u>

AB Bank Limited

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

30.06.2016	31.12.2015
Taka	Taka

10.01 Deferred Tax Assets

a) Deferred tax liabilities against Property, Plant & Equipment

Balance at 01 January	133,096,262	136,219,062
Add/(less): Provision made during the period	(6,484,576)	(3,382,036)
Add/(Less): Adjustment for Rate Fluctuation during the period	-	259,236
	126,611,686	133,096,262

b) Deferred tax assets for specific provisions of loans and advances

Specific provision of loans and advances	3,320,229,261	2,564,529,261
Add. Loan written off during the year	1,338,843,223	1,338,843,223
Total Temporary Difference	4,659,072,484	3,903,372,484
Closing Deferred Tax Assets	1,863,628,994	1,561,348,994
Opening Deferred Tax (Assets)/Liabilities	1,561,348,994	1,156,529,394
Deferred Tax Income/(Expense)	302,280,000	404,819,600
Net Deferred Tax Assets (b-a)	1,737,017,308	1,428,252,732
Deferred Tax Income/(Expense)	308,764,576	407,942,400

11. Borrowings from other banks, financial institutions and agents

In Bangladesh	(Note: 11.1)	12,099,083,663	14,281,704,120
Outside Bangladesh	(Note: 11.2)	8,424,284,989	9,411,640,189
		20,523,368,652	23,693,344,309

11.1 In Bangladesh:

11.1.1 Bangladesh Bank

ADB loan	1,781,250	6,334,875
Export Development Fund	2,358,159,086	-
Islamic Investment Bond	500,962,629	-
Refinance against IPFF	355,238,994	354,656,325
Refinance against Women Entr., Small Enterprise, ETP & Others	167,746,428	117,366,398
	3,383,888,386	478,357,598

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

	30.06.2016 Taka	31.12.2015 Taka
11.1.2 Call & Term Borrowing from		
Basic Bank Limited	300,000,000	400,000,000
Dutch Bangla Bank Limited	-	2,714,640,637
CITI Bank NA	750,000,000	220,000,000
Agrani Bank Limited	-	150,000,000
Prime Bank Limited	600,000,000	700,000,000
One Bank Limited	-	300,000,000
HSBC	300,000,000	300,000,000
Sonali Bank Limited	-	290,000,000
Bank Asia Limited	-	1,400,000,000
Mutual Trust Bank Limited	200,000,000	190,000,000
National Bank Limited	393,577,800	892,501,500
Premier Bank Limited	-	795,170,510
NCC Bank Limited	-	500,000,000
Uttara Bank Limited	1,813,600,000	892,501,500
Habib Bank Limited	78,881,507	79,010,552
Southeast Bank Limited	629,603,178	392,891,276
Bank Al Falah	235,226,133	157,000,600
Dhaka Bank Limited	395,593,333	392,501,500
Rupali Bank Limited	1,300,000,000	-
Trust Bank Limited	1,000,000,000	-
Brac Bank Limited	-	1,394,324,451
United Commercial Bank Limited	300,000,000	1,000,000,000
Commercial Bank of Ceylon	392,081,667	628,002,400
Accrued interest	26,631,658	14,801,596
	8,715,195,276	13,803,346,522
	12,099,083,663	14,281,704,120
11.2 Outside Bangladesh		
Sonali Bank UK	565,044,438	598,215,467
ICICI BK LTD, HK	2,352,600,593	1,729,347,653
International Finance Corporation	-	2,752,715,811
Banca UBAE, Italy	393,871,839	-
Al-Noor Bank Limited	4,325,827,069	4,331,361,258
First Gulf Bank	786,941,050	-
	8,424,284,989	9,411,640,189
11(a) Consolidated Borrowings from other banks, financial institutions and agents		
AB Bank Limited	20,523,368,652	23,693,344,309
AB Investment Limited	2,018,615,425	2,132,209,626
AB International Finance Limited	883,929,277	717,810,985
AB Securities Limited	267,806,131	284,303,246
Cashlink Bangladesh Limited (CBL)	106,741,029	106,741,029
AB Exchange (UK) Ltd.	-	-
	23,800,460,514	26,934,409,194
Less: Intercompany transactions	2,873,684,456	2,835,810,411
	20,926,776,059	24,098,598,784
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

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

30.06.2016	31.12.2015
Taka	Taka

AB Bank Subordinated Bonds

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	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	4,925,175,655	3,718,566,487
Other deposits	242,738,260,060	210,100,339,012
	247,663,435,715	213,818,905,499

13(a) Consolidated Deposit and other accounts

AB Bank Limited	247,663,435,715	213,818,905,500
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	247,663,435,715	213,818,905,500
Less: Inter-group transaction	209,965,842	147,181,662
	247,453,469,873	213,671,723,838

13.1 Demand and time deposits**a) Demand Deposits**

Current accounts and other accounts	27,614,330,829	20,067,587,921
Savings Deposits (9%)	2,238,873,147	2,031,576,071
Bills Payable	2,235,262,163	3,699,973,387
	32,088,466,140	25,799,137,379

b) Time Deposits

Savings Deposits (91%)	22,637,495,156	20,541,491,386
Short Notice Deposits	51,851,157,896	37,757,866,523
Fixed Deposits	122,237,755,931	111,741,032,463
Other Deposits	18,848,560,592	17,979,377,748
	215,574,969,575	188,019,768,120

Total Demand and Time Deposits

	247,663,435,715	213,818,905,499
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AB Bank Limited
Notes to the financial statements for the period ended June 30, 2016

		30.06.2016 Taka	31.12.2015 Taka
14. Other liabilities			
Accumulated provision against loans and advances	(Note 14.1)	5,765,058,776	4,714,778,454
Inter-branch adjustment		-	366,832
Provision for current tax (net of advance tax)	(Note 14.2)	2,911,410,412	2,739,993,532
Interest suspense account		8,140,276,324	6,071,639,588
Provision against other assets	(Note 14.3)	772,498,969	764,251,969
Provision for outstanding debit entries in NOSTRO accounts		200,000	200,000
Accounts payable - Bangladesh Bank		677,646,030	186,568,806
Accrued expenses		250,122,942	341,172,292
Provision for off balance sheet items	(Note 14.4)	860,000,000	860,000,000
Provision against investments	(Note 14.5)	1,875,053,000	1,875,053,000
Others (*)		480,311,344	651,755,094
		21,732,577,798	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

Balance at 01 January		2,564,529,261	2,891,323,484
Fully provided debts written off during the period	(-)	-	(1,338,843,223)
Recovery of amounts previously written off	(+)	-	-
Specific provision made during the period	(+)	755,700,000	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	(+)	755,700,000	(326,794,223)
Balance at 30 June		3,320,229,261	2,564,529,261
Provision made by ABBL, Mumbai Branch		43,373,701	31,640,080
Total provision on classified loans and advances		3,363,602,962	2,596,169,341

On unclassified loans

Balance at 01 January		2,115,067,313	1,925,867,313
Transfer from specific provisions	(+)	-	-
Transfer to general reserve during the period	(-)	-	(860,000,000)
General provision made during the period	(+)	282,900,000	1,049,200,000
		282,900,000	189,200,000
Balance at the period ended		2,397,967,313	2,115,067,313
Provision made by ABBL, Mumbai Branch		3,488,501	3,541,800
Total provision on un-classified loans and advances		2,401,455,814	2,118,609,113
Total provision on loans and advances		5,765,058,777	4,714,778,454

Provision for	Required	Maintained	Excess
Un-classified loans and advances	2,099,488,501	2,401,455,814	301,967,313
Classified loans and advances	3,361,973,701	3,363,602,962	1,629,261
	5,461,462,203	5,765,058,776	303,596,574

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

30.06.2016 Taka	31.12.2015 Taka
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14.1.1 Details of provision for loans and advances

General Provision

Standard
Special Mention Account

Specific Provision

Substandard
Doubtful
Bad/Loss

Excess provision maintained at 30 June 2016

30.06.2016	
Required	Maintained
2,099,488,501	2,401,455,814
1,774,288,501	2,076,255,814
325,200,000	325,200,000
3,361,973,701	3,363,602,962
6,100,000	6,100,000
716,373,701	716,373,701
2,639,500,000	2,641,129,261
	303,596,574

14.2 Provision for current tax (net of advance tax)

Current Tax
Advance Income Tax

Provision for current tax (net of advance tax)

15,158,643,880	14,117,950,475
12,247,233,468	11,377,956,943
2,911,410,412	2,739,993,532

14.3 Provision against other assets

Provision for

Prepaid legal expenses
Protested bills
Others

80,530,000	72,030,000
26,065,610	26,065,610
665,903,359	666,156,359
772,498,969	764,251,969

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	80,226,047	80,226,047	50% & 100%	40,113,023	80,530,000
Protested bills	24,643,304	24,643,304	100%	24,643,304	26,065,610
Others	88,031,938	88,031,938	100%	88,031,938	665,903,359
Required provision for other assets				152,788,265	772,498,969
Total provision requirement					152,788,265
Total provision maintained					772,498,969
Excess provision maintained at 30 June 2016					619,710,703

14.4 Provision for off balance sheet items

Balance at 01 January
Less: Transferred to general reserve
Add: Provision made during the period
Less: Adjustment during the period

860,000,000	1,010,000,000
-	(200,000,000)
-	50,000,000
-	-
860,000,000	860,000,000

14.4.1 Particulars of required provision for Off-Balance Sheet Items

	Base for Provision	Rate (%)	30.06.2016	31.12.2015
Acceptances and endorsements	28,219,651,884	1%	282,196,519	242,564,308
Letters of guarantee	12,433,705,365	1%	124,337,054	123,274,102
Irrevocable letters of credit	18,401,614,832	1%	184,016,148	236,507,242
Bills for collection	7,136,684,862	1%	71,366,849	61,096,751
Others	1,360,341,751	1%	13,603,418	-
Total Off Balance Sheet Items & required provision	67,551,998,694		675,519,987	663,442,402
Total provision maintained			860,000,000	860,000,000
Excess provision at 30 June 2016			184,480,013	196,557,598

No provision has been maintained against Off Balance Sheet items of Mumbai Branch amounting Tk. 2,360,033,416.72 as per Reserve Bank of India (RBI) guidelines.

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

	30.06.2016	31.12.2015
	Taka	Taka
14.5 Provision against investments		
Balance at 01 January	1,875,053,000	1,995,053,000
Add: Provision made during the period	-	-
Less: Transferred to General Reserve	-	(120,000,000)
	1,875,053,000	1,875,053,000
Provision for Mumbai Branch	-	-
Balance at 30 June	1,875,053,000	1,875,053,000
14(a) Consolidated Other liabilities		
AB Bank Limited	21,732,577,798	18,205,779,567
AB Investment Limited	499,912,589	460,347,151
AB International Finance Limited	48,208,033	53,011,430
AB Securities Limited	654,441,330	571,452,230
Cashlink Bangladesh Limited (CBL)	14,072,960	14,245,142
AB Exchange (UK) Ltd.	4,342,450	3,388,419
	22,953,555,161	19,308,223,938
Less: Inter-group transaction	261,091,922	213,467,908
	22,692,463,238	19,094,756,031
15. Share Capital	5,990,165,460	5,990,165,460
15.1 Authorised Capital		
600,000,000 ordinary shares of Taka 10 each	6,000,000,000	6,000,000,000
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
584,016,546 ordinary shares of Taka 10 each issued as bonus shares	5,840,165,460	5,840,165,460
	5,990,165,460	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	20,614,661	31,248,121
Add: Transferred from Investment fluctuation reserve	-	-
Add/(Less): Adjustment for Foreign Exchange Rate Fluctuation	(3,348,198)	(7,062,808)
	239,761,159	222,494,695
	6,128,470,008	6,111,203,545
17. Other reserve		
General reserve (Note-17.1)	1,222,199,200	1,222,199,200
Assets revaluation reserve (Note-17.2)	1,305,535,182	1,305,535,182
Investment revaluation reserve	1,458,401,756	1,332,175,037
Foreign exchange revaluation for investment in foreign operation	-	-
	3,986,136,137	3,859,909,419

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

	30.06.2016 Taka	31.12.2015 Taka
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
	<u>1,222,199,200</u>	<u>1,222,199,200</u>
17.2 Assets revaluation reserve		
Opening balance	1,305,535,182	1,323,567,486
Add: Addition during the year	-	-
Less: Transferred to retained earnings	-	(18,032,304)
	<u>1,305,535,182</u>	<u>1,305,535,182</u>
17(a) Consolidated Other reserve		
AB Bank Limited	3,986,136,137	3,859,909,419
AB Investment Limited	-	-
AB International Finance Limited	73,347,352	77,532,187
AB Securities Limited	101,934,926	101,934,926
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	<u>4,161,418,415</u>	<u>4,039,376,532</u>
18. Retained earnings		
Opening balance	6,830,946,921	6,768,352,063
Add. Adjustment for investment in Amana Bank	172,381,457	-
Add: Post-tax profit for the period	755,409,779	1,270,414,868
Less: Transfer to statutory reserve	20,614,661	535,826,124
Cash dividend	-	-
Bonus shares issued	-	665,573,940
	<u>7,393,360,582</u>	<u>6,837,366,867</u>
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)	(7,613,759)	(21,505,472)
	<u>7,385,746,823</u>	<u>6,830,946,921</u>
18(a) Consolidated Retained earnings		
AB Bank Limited	7,385,746,823	6,830,946,921
AB Investment Limited	661,257,393	544,469,448
AB International Finance Limited	50,135,322	80,719,490
AB Securities Limited	154,314,021	138,145,940
Cashlink Bangladesh Limited (CBL)	(243,670,809)	(306,731,436)
AB Exchange (UK) Ltd.	(44,442,504)	(45,308,187)
	7,963,340,246	7,242,242,176
Add./ (Less): Adjustment made during the year	236,814,842	162,448,989
Minority Interest	24,229,845	30,550,428
	<u>8,224,384,933</u>	<u>7,435,241,593</u>
18(b) Minority Interest		
AB Investment Limited	10,845	10,498
AB Securities Limited	441,005	426,832
Cashlink Bangladesh Limited	3,632,919	(2,673,144)
	<u>4,084,769</u>	<u>(2,235,814)</u>

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

	30.06.2016	31.12.2015
	Taka	Taka
19. Contingent liabilities	69,912,032,110	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	116,113,000	118,800,000
Others	12,317,592,365	12,208,610,154
	12,433,705,365	12,327,410,154
	Jan'16- June'16	Jan'15- June'15
	Taka	Taka
20. Profit and loss account		
<u>Income:</u>		
Interest, discount and similar income	12,104,218,517	11,747,247,984
Dividend income	78,952,931	6,365,629
Fee, commission and brokerage	967,792,853	944,503,677
Gains less losses arising from investment securities	51,710,106	(22,357,027)
Gains less losses arising from dealing in foreign currencies	436,816,608	528,829,944
Other operating income	67,945,477	58,680,995
Gains less losses arising from dealing securities	(290,662,817)	176,561,424
Income from non-banking assets	-	-
Profit less losses on interest rate changes	-	-
	13,416,773,676	13,439,832,625
<u>Expenses:</u>		
Interest, fee and commission	7,874,885,542	8,166,008,802
Administrative expenses	2,040,156,184	1,790,073,154
Other operating expenses	746,380,326	654,871,510
Depreciation and amortization on banking assets	161,532,870	172,910,931
Losses on loans and advances	-	-
	10,822,954,923	10,783,864,397
	2,593,818,753	2,655,968,228
21. Interest income/profit on investments		
Interest on loans and advances:		
Loans and advances	9,964,040,534	10,076,501,060
Bills purchased and discounted	244,521,682	164,359,213
	10,208,562,216	10,240,860,273
*Less. Incentive for good borrowers	-	-
	10,208,562,216	10,240,860,273
Interest on:		
Calls and placements	228,832,500	213,372,628
Balance with foreign banks	444,312	1,001,528
Reverse Repo	2,530,709	1,498,647
Balance with Bangladesh Bank	682,039	353,590
	232,489,560	216,226,393
	10,441,051,776	10,457,086,666

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

	Jan'16- June '16 Taka	Jan'15- June'15 Taka
21(a). Consolidated Interest income/profit on investments		
AB Bank Limited	10,441,051,776	10,457,086,666
AB International Finance Limited	27,353,473	30,299,206
AB Investment Limited	203,015,133	201,477,507
AB Securities Limited	36,928,963	42,197,325
Cashlink Bangladesh Limited (CBL)	612,718	168,739
AB Exchange (UK) Ltd.	-	-
	10,708,962,062	10,731,229,444
Less: Intercompany Transactions	2,848,722	104,937,923
	10,706,113,341	10,626,291,521
22. Interest/profit paid on deposits, borrowings, etc.		
Interest on deposits:		
Fixed deposits	4,327,508,999	5,596,887,110
Savings deposits	373,693,596	337,527,785
Special notice deposits	1,329,583,366	799,752,575
Other deposits	973,220,377	842,936,558
	7,004,006,337	7,577,104,028
Interest on borrowings:		
Local banks, financial institutions including Bangladesh Bank	519,180,580	432,882,857
Subordinated Bond	351,698,626	156,021,918
	7,874,885,542	8,166,008,802
22(a). Consolidated Interest/profit paid on deposits, borrowings, etc.		
AB Bank Limited	7,874,885,542	8,166,008,802
AB Investment Limited	19,474,073	109,295,911
AB International Finance Limited	3,017,721	1,185,413
AB Securities Limited	14,019,260	33,002,855
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	7,911,396,596	8,309,492,981
Less: Intercompany Transactions	4,180,482	108,847,006
	7,907,216,114	8,200,645,976
23. Investment income		
Capital gain on sale of shares	51,710,106	(22,357,027)
Interest on treasury bills	116,135,617	156,640,896
Dividend on shares	78,952,931	6,365,629
Income from Amana Bank Limited as Associates	2,987,834	-
Interest on debentures	-	641,671
Interest on treasury bonds	1,539,053,282	1,122,182,042
Gain/(Loss) on treasury bills and treasury bonds	(290,662,817)	176,561,424
Interest on other bonds & others	4,990,009	10,696,708
	1,503,166,961	1,450,731,343
23(a). Consolidated Investment income		
AB Bank Limited	1,503,166,961	1,450,731,343
AB Investment Limited	1,331,642	6,664,470
AB International Finance Limited	-	-
AB Securities Limited	8,110,267	1,175,037
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	1,512,608,870	1,458,570,850

AB Bank Limited

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

	Jan'16- June '16 Taka	Jan'15- June'15 Taka
24. Commission, exchange and brokerage		
Other fees, commission and service charges	542,275,700	511,457,271
Commission on letters of credit	344,175,690	358,224,487
Commission on letters of guarantee	81,341,463	74,821,919
Exchange gains less losses arising from dealings in foreign currencies	436,816,608	528,829,944
	<u>1,404,609,461</u>	<u>1,473,333,621</u>
24(a). Consolidated Commission, exchange and brokerage		
AB Bank Limited	1,404,609,461	1,473,333,621
AB Investment Limited	18,079,286	29,089,673
AB International Finance Limited	24,922,128	22,493,499
AB Securities Limited	19,567,679	22,253,326
Cashlink Bangladesh Limited (CBL)	62,945,436	38,264,408
AB Exchange (UK) Ltd.	-	1,447,768
	1,530,123,990	1,586,882,295
Less: Intercompany Transactions	62,196,882	1,568,025
	<u>1,467,927,108</u>	<u>1,585,314,270</u>
25. Other income		
Locker rent, insurance claim and others	2,127,504	2,220,939
Recoveries on loans previously written off	7,720,938	148,000
Recoveries on telex, telephone, fax, etc.	44,563,953	41,166,192
Recoveries on courier, postage, stamp, etc.	13,375,090	12,555,081
Gain on sale of Bank property	-	-
Non-operating income (*)	157,993	2,590,783
	<u>67,945,477</u>	<u>58,680,995</u>
(*) Non-operating income includes sale of scrap items.		
25(a). Consolidated other income		
AB Bank Limited	67,945,477	58,680,995
AB Investment Limited	4,364,547	4,211,337
AB International Finance Limited	24,248,417	20,497,706
AB Securities Limited	299,780	364,783
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	96,858,222	83,754,821
Less: Inter company transactions	4,116,829	6,667,343
	<u>92,741,393</u>	<u>77,087,478</u>
26. Salary and allowances		
Basic salary, provident fund contribution and all other allowances	1,301,681,652	1,241,588,452
Festival and incentive bonus	111,995,649	1,732,794
	<u>1,413,677,302</u>	<u>1,243,321,246</u>

AB Bank Limited

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

	Jan'16- June '16 Taka	Jan'15- June'15 Taka
26(a). Consolidated salary and allowances		
AB Bank Limited	1,413,677,302	1,243,321,246
AB Investment Limited	7,094,211	6,698,181
AB International Finance Limited	12,616,335	11,824,887
AB Securities Limited	12,539,785	11,382,441
Cashlink Bangladesh Limited (CBL)	115,358	109,602
AB Exchange (UK) Ltd.	478,363	2,090,708
	<u>1,446,521,353</u>	<u>1,275,427,065</u>
27. Rent, taxes, insurance, electricity, etc.		
Rent, rates and taxes	196,777,048	165,343,098
Electricity, gas, water, etc.	76,843,511	71,613,780
Insurance	46,666,568	40,419,490
	<u>320,287,127</u>	<u>277,376,368</u>
27(a). Consolidated Rent, taxes, insurance, electricity, etc.		
AB Bank Limited	320,287,127	277,376,368
AB Investment Limited	950,781	1,051,514
AB International Finance Limited	3,770,619	3,410,252
AB Securities Limited	3,996,072	3,887,658
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	1,482,842	1,113,115
	330,487,441	286,838,908
Less: Inter company transactions	2,758,260	2,758,260
	<u>327,729,181</u>	<u>284,080,648</u>
28. Legal expenses		
Legal expenses	<u>15,526,877</u>	<u>6,772,599</u>
28(a). Consolidated Legal expenses		
AB Bank Limited	15,526,877	6,772,599
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	5,950	-
Cashlink Bangladesh Limited (CBL)	-	57,500
AB Exchange (UK) Ltd.	-	42,903
	<u>15,532,827</u>	<u>6,873,002</u>
29. Postage, stamp, telecommunication, etc.		
Telex, fax, internet, wireless link, SWIFT, etc.	47,831,948	46,042,067
Telephone	5,697,416	5,924,104
Postage, stamp and shipping	17,675,477	14,701,126
	<u>71,204,841</u>	<u>66,667,297</u>

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

	Jan'16- June '16 Taka	Jan'15- June'15 Taka
29 (a). Consolidated Postage, stamp, telecommunication, etc.		
AB Bank Limited	71,204,841	66,667,297
AB Investment Limited	379,911	393,889
AB International Finance Limited	2,846,103	2,528,497
AB Securities Limited	784,025	781,584
Cashlink Bangladesh Limited (CBL)	185	4,606
AB Exchange (UK) Ltd.	88,553	178,321
	75,303,618	70,554,194
Less: Inter company transactions	(2,196,882)	-
	73,106,736	70,554,194
30. Stationery, printing, advertisements, etc.		
Printing and stationery	67,425,964	64,494,083
Publicity, advertisement, etc.	26,861,949	18,331,495
	94,287,913	82,825,578
30(a). Consolidated Stationery, printing, advertisements, etc.		
AB Bank Limited	94,287,913	82,825,578
AB Investment Limited	134,201	80,347
AB International Finance Limited	72,545	20,131
AB Securities Limited	290,048	327,433
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	94,784,707	83,253,489
31. Directors' fees		
Directors' fees	1,145,400	867,550
Meeting expenses	2,407,833	2,059,284
	3,553,233	2,926,834
Directors' fees includes fees for attending the meeting of the Board, Executive Committee, Audit Committee and Shariah Council.		
31(a). Consolidated Directors' fees		
AB Bank Limited	3,553,233	2,926,834
AB Investment Limited	213,344	69,000
AB International Finance Limited	-	-
AB Securities Limited	186,667	115,000
Cashlink Bangladesh Limited (CBL)	150,000	70,000
AB Exchange (UK) Ltd.	-	-
	4,103,244	3,180,834
32. Auditors' fees		
Statutory	292,971	-
Others	2,766,125	2,852,894
	3,059,096	2,852,894

AB Bank Limited

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

	Jan'16- June '16 Taka	Jan'15- June'15 Taka
32(a). Consolidated Auditors' fees		
AB Bank Limited	3,059,096	2,852,894
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	107,257
	3,059,096	2,960,150
33. Depreciation and repairs of Bank's assets		
<u>Depreciation :</u>		
Electrical appliances	64,924,863	73,656,315
Furniture and fixtures	6,555,357	6,264,930
Office appliances	1,158,785	1,164,448
Building	9,535,365	9,772,502
Motor vehicles	26,391,794	28,652,266
	108,566,163	119,510,462
<u>Repairs:</u>		
Motor vehicles	20,593,588	13,620,760
Electrical appliances	38,669,144	39,589,831
Office premises and others	49,236,249	44,323,143
Furniture and fixtures	1,336,765	1,571,798
Office appliances	2,274,047	2,224,808
	112,109,794	101,330,339
	220,675,957	220,840,801
Amortization of Intangible Assets	52,966,707	53,400,469
	273,642,665	274,241,270
33(a). Consolidated Depreciation and repairs of Bank's assets		
AB Bank Limited	273,642,665	274,241,270
AB Investment Limited	9,087,489	9,299,234
AB International Finance Limited	148,676	155,421
AB Securities Limited	1,121,247	3,016,241
Cashlink Bangladesh Limited (CBL)	36,340	36,341
AB Exchange (UK) Ltd.	1,023,595	1,311,313
	285,060,011	288,059,820

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

	Jan'16- June '16	Jan'15- June'15
	Taka	Taka
34. Other expenses		
Contractual service	287,625,106	229,598,622
Amortization of deferred revenue expenses	12,634,971	23,421,895
Petrol, oil and lubricant	37,525,664	33,853,833
Software expenses	72,793,658	71,617,819
Entertainment	26,562,989	29,204,357
Travelling	9,009,042	14,299,612
Subscription, membership and sponsorship	69,810,061	67,916,548
Training, seminar and workshop	10,424,427	29,138,368
Local conveyance	4,517,371	4,836,968
Professional charges	28,066,764	14,921,184
Books, newspapers and periodicals	1,008,646	878,460
Branch opening expenses	150,054	115,850
Bank Charges	31,146,454	9,264,736
Sundry expenses (*)	155,105,118	125,803,258
	746,380,326	654,871,510

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

34(a). Consolidated other expenses

AB Bank Limited	746,380,326	654,871,510
AB Investment Limited	2,595,884	3,119,267
AB International Finance Limited	859,096	1,119,203
AB Securities Limited	5,171,015	4,830,126
Cashlink Bangladesh Limited (CBL)	4,970	16,273
AB Exchange (UK) Ltd.	553,128	598,946
	755,564,419	664,555,325
Less: Inter company transactions	60,026,809	1,568,025
	695,537,610	662,987,300

35. Provision against loans and advances

On un-classified loans	282,900,000	667,500,000
On classified loans	767,909,755	-
	1,050,809,755	667,500,000

35(a). Consolidated provision against loans and advances

AB Bank Limited	1,050,809,755	667,500,000
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	1,050,809,755	667,500,000

36. Provisions for diminution in value of investments

In quoted shares	-	-
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AB Bank Limited**Notes to the financial statements for the period ended June 30, 2016**

Jan'16- June '16 Taka	Jan'15- June'15 Taka
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36(a). Consolidated provisions for diminution in value of investments

AB Bank Limited	-	-
AB Investment Limited	-	24,447,258
AB International Finance Limited	-	-
AB Securities Limited	3,172,000	861,211
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	3,172,000	25,308,469

37. Other provision

Provision for off balance sheet items	-	-
Provision for Other assets	43,610,837	78,000,000
	43,610,837	78,000,000

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	43,610,837	78,000,000
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	43,610,837	78,000,000

38. Earnings Per Share (EPS)

Profit after taxation	755,409,779	720,126,180
Number of ordinary shares outstanding	599,016,546	599,016,546
Earnings Per Share	1.26	1.20

38.(a) Consolidated Earnings Per Share

Net Profit attributable to the shareholders of parent company	985,891,188	841,953,225
Number of ordinary shares outstanding	599,016,546	599,016,546
Earnings Per Share	1.65	1.41

Earnings Per Share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of 31 March 2016 in terms of Bangladesh Accounting Standard (BAS)-33. According to BAS-33, EPS for the period ended 31 March 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	1,424,214,030	1,444,365,714
Exchange earnings	436,816,608	528,829,944
Recoveries on telex, telephone, fax, etc.	44,563,953	41,166,192
Recoveries on courier, postage, stamp, etc.	13,375,090	12,555,081
Non-operating income	157,993	2,590,783
Others	2,127,504	2,220,939
	1,921,255,178	2,031,728,653

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

	Jan'16- June '16 Taka	Jan'15- June'15 Taka
40. Payments for other operating activities		
Rent, taxes, insurance, electricity, etc.	320,287,127	277,376,368
Postage, stamps, telecommunication, etc.	71,204,841	66,667,297
Repairs of Bank's assets	112,107,822	101,328,367
Legal expenses	15,526,877	6,772,599
Auditor's fees	3,059,096	2,852,894
Directors' fees	3,553,233	2,926,834
Other Expenses	746,380,326	654,871,510
	1,272,119,323	1,112,795,868