

**AB Bank Limited & its Subsidiaries**  
**Consolidated Balance Sheet (Un-Audited)**  
**As at 30 June 2011**

	Notes	30.06.2011 Taka	31.12.2010 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3(a)	<b>7,528,615,090</b>	<b>6,615,787,687</b>
In hand (including foreign currencies)	3.1(a)	790,035,794	793,965,044
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2(a)	6,738,579,296	5,821,822,643
<b>Balance with other banks and financial institutions</b>		<b>6,460,200,205</b>	<b>4,855,275,265</b>
In Bangladesh	4(a)	5,093,825,840	3,883,196,976
Outside Bangladesh	4(b)	1,366,374,366	972,078,290
<b>Money at call and on short notice</b>	5(a)	<b>231,980,000</b>	<b>380,180,000</b>
<b>Investments</b>	6(a)	<b>18,941,124,893</b>	<b>15,048,539,567</b>
Government	6.1(a)	13,094,102,054	10,925,594,003
Others	6.2(a)	5,847,022,839	4,122,945,564
<b>Loans and advances</b>		<b>100,445,429,160</b>	<b>96,730,292,593</b>
Loans, cash credits, overdrafts, etc	7(a)	97,056,863,364	92,692,677,369
Bills purchased and discounted	8(a)	3,388,565,796	4,037,615,224
<b>Fixed assets including premises, furniture and fixtures</b>	9(a)	<b>4,184,097,290</b>	<b>4,087,964,621</b>
<b>Other assets</b>	10(a)	<b>7,668,452,720</b>	<b>6,285,838,580</b>
<b>Non-banking assets</b>		-	-
<b>Total Assets</b>		<b>145,459,899,358</b>	<b>134,003,878,314</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	11(a)	<b>4,847,458,751</b>	<b>14,200,436,481</b>
<b>Deposits and other accounts</b>	12(a)	<b>114,474,414,251</b>	<b>94,780,200,605</b>
Current deposits		8,008,741,536	8,486,955,205
Demand deposits		5,050,469,372	3,720,452,767
Bills payable		1,243,977,865	1,340,901,326
Savings bank deposits		13,077,631,878	13,061,751,527
Special notice deposits		16,032,971,711	8,820,711,007
Fixed deposits		64,409,968,069	53,387,157,876
Bearer certificates of deposit		130,325,000	130,325,000
Other deposits		6,520,328,821	5,831,945,896
<b>Other liabilities</b>	13(a)	<b>11,213,259,874</b>	<b>10,872,616,562</b>
<b>Non- Controlling Interest</b>	13(b)	(50,426,057)	3,747,308
<b>Total Liabilities</b>		<b>130,484,706,820</b>	<b>119,857,000,957</b>
<b>Capital/Shareholders' Equity</b>			
<b>Total Shareholders' Equity</b>		<b>14,975,192,538</b>	<b>14,146,877,357</b>
Paid-up capital	14	3,205,316,500	3,205,316,500
Statutory reserve	15	4,401,859,933	4,395,603,869
Other reserve	16(a)	1,610,203,518	1,566,130,459
Retained earnings	17(a)	5,757,812,587	4,979,826,528
<b>Total Liabilities and Shareholders' Equity</b>		<b>145,459,899,358</b>	<b>134,003,878,314</b>

	Notes	30.06.2011 Taka	31.12.2010 Taka
<b>Off-Balance Sheet Items</b>			
<b>Contingent liabilities</b>	18	<b>49,011,428,796</b>	<b>44,484,883,051</b>
Acceptances and endorsements		15,911,478,673	12,254,568,825
Letters of guarantee		9,278,764,134	8,210,194,977
Irrevocable letters of credit		13,902,171,324	17,349,666,037
Bills for collection		9,919,014,665	6,670,453,212
Other contingent liabilities		-	-
<b>Other commitments</b>		-	-
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
<b>Total</b>		<b>49,011,428,796</b>	<b>44,484,883,051</b>
<b>Other memorandum items</b>			
		<b>3,620,638,625</b>	<b>2,703,462,252</b>
Value of traveller's cheques		-	-
Value of savings certificates (Sanchaya Patra)		3,620,638,625	2,703,462,252

-Sd-  
**Badrul H Khan**  
CFO

-Sd-  
**Kaiser A. Chowdhury**  
Managing Director

Dated : 25 July 2011

**AB Bank Limited & its Subsidiaries**  
**Consolidated Profit and Loss Account (Un-Audited)**  
**For the period ended 01 January to 30 June 2011**

	Notes	Jan.- June '11 Taka	Jan.- June '10 Taka	April to June'11 Taka	April to June'10 Taka
<b>OPERATING INCOME</b>					
Interest income	20(a)	6,563,755,516	5,094,606,061	3,458,360,314	2,676,228,694
Interest paid on deposits and borrowings, etc.	21(a)	(4,888,030,437)	(2,998,305,550)	(2,612,493,705)	(1,564,280,233)
<b>Net interest income</b>		<b>1,675,725,078</b>	<b>2,096,300,510</b>	<b>845,866,609</b>	<b>1,111,948,460</b>
Investment income	22(a)	989,234,160	2,618,055,487	496,353,100	1,946,410,361
Commission, exchange and brokerage	23(a)	1,351,212,320	1,305,168,541	674,095,228	703,413,173
Other operating income	24(a)	148,846,266	113,753,661	103,851,128	62,190,583
		<b>2,489,292,745</b>	<b>4,036,977,690</b>	<b>1,274,299,456</b>	<b>2,712,014,117</b>
<b>Total operating income (a)</b>		<b>4,165,017,824</b>	<b>6,133,278,200</b>	<b>2,120,166,065</b>	<b>3,823,962,577</b>
<b>OPERATING EXPENSES</b>					
Salary and allowances	25(a)	767,655,535	672,757,892	402,797,927	374,368,912
Rent, taxes, insurance, electricity, etc.	26(a)	155,843,114	136,537,936	78,895,776	65,590,261
Legal expenses	27(a)	2,458,571	2,542,152	(1,811,149)	1,863,035
Postage, stamps, telecommunication, etc.	28(a)	55,115,911	51,609,142	25,255,305	25,418,528
Stationery, printing, advertisement, etc.	29(a)	64,273,897	76,593,688	34,894,512	42,366,376
Chief executive's salary and fees		4,562,634	4,533,837	2,281,317	2,281,317
Directors' fees	30(a)	982,219	1,285,305	533,450	667,717
Auditors' fees	31(a)	965,647	617,580	948,397	70,892
Charges on loan losses		-	-	-	-
Depreciation and repairs of Bank's assets	32(a)	178,580,933	110,925,134	97,493,223	57,648,054
Other expenses	33(a)	448,859,567	395,507,713	244,446,966	228,132,539
		<b>1,679,298,028</b>	<b>1,452,910,380</b>	<b>885,735,724</b>	<b>798,407,632</b>
<b>Total operating expenses (b)</b>		<b>2,485,719,796</b>	<b>4,680,367,820</b>	<b>1,234,430,341</b>	<b>3,025,554,945</b>
<b>Profit before provision (c = a-b)</b>					
Provision against loans and advances	34(a)	225,067,487	708,021,095	152,056,367	386,876,069
Provision for diminution in value of investments	35(a)	102,909,149	60,000,000	53,457	-
Other provisions	36(a)	60,000,000	130,000,000	60,000,000	130,000,000
		<b>387,976,636</b>	<b>898,021,095</b>	<b>212,109,824</b>	<b>516,876,069</b>
<b>Total provision (d)</b>		<b>387,976,636</b>	<b>898,021,095</b>	<b>212,109,824</b>	<b>516,876,069</b>
<b>Profit before taxation (c-d)</b>		<b>2,097,743,160</b>	<b>3,782,346,726</b>	<b>1,022,320,517</b>	<b>2,508,678,876</b>
Provision for taxation		1,154,137,335	1,526,152,211	697,749,980	1,176,152,211
<b>Net profit after taxation</b>		<b>943,605,824</b>	<b>2,256,194,515</b>	<b>324,570,537</b>	<b>1,332,526,665</b>
<b>Appropriations</b>					
Statutory reserve		-	-	-	-
General reserve		-	-	-	-
Dividends, etc		-	-	-	-
		<b>943,605,824</b>	<b>2,256,194,515</b>	<b>324,570,537</b>	<b>1,332,526,665</b>
<b>Retained surplus</b>		<b>943,605,824</b>	<b>2,256,194,515</b>	<b>324,570,537</b>	<b>1,332,526,665</b>
<b>Non- Controlling Interest</b>		<b>(11,158,369)</b>	<b>25,842</b>	<b>(2,612,699)</b>	<b>19,700</b>
<b>Net Profit attributable to the shareholders of Parent Company</b>		<b>954,764,193</b>	<b>2,256,168,673</b>	<b>327,183,236</b>	<b>1,332,506,965</b>
<b>Consolidated Earnings Per Share (EPS)</b>	37(a)	<b>25.90</b>	<b>61.21</b>	<b>8.88</b>	<b>36.15</b>

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**Badrul H Khan**  
CFO

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**Kaiser A. Chowdhury**  
Managing Director

Dated : 25 July 2011

**AB Bank Limited & its Subsidiaries**  
**Consolidated Cash Flow Statement (Un-Audited)**  
**For the period ended 01 January to 30 June 2011**

	<b>Jan.- June '11 Taka</b>	<b>Jan.- June '10 Taka</b>
<b>Cash Flows from Operating Activities</b>		
Interest receipts	6,563,755,516	5,094,606,061
Interest payments	(4,888,030,437)	(2,998,305,550)
Dividend receipts	32,389,959	95,967,212
Fee and commission receipts	958,735,013	1,028,808,322
Recoveries on loans previously written off	53,754,826	27,751,374
Payments to employees	(746,653,800)	(677,291,730)
Payments to suppliers	(65,239,544)	(77,211,268)
Income taxes paid	(1,242,884,554)	(1,184,164,366)
Receipts from other operating activities	1,444,412,947	2,911,179,735
Payments for other operating activities	(690,975,757)	(600,417,211)
<b>Operating profit before changes in operating assets &amp; liabilities</b>	<b>1,419,264,169</b>	<b>3,620,922,578</b>
<b>Increase/decrease in operating assets and liabilities</b>		
Loans and advances to customers	(3,715,136,567)	(9,816,611,623)
Other assets	(139,729,586)	(3,529,353,217)
Deposits from other banks	1,177,121,000	208,376,472
Deposits from customers	18,517,092,646	2,734,538,522
Trading liabilities (short-term borrowings)	(8,975,497,861)	7,249,952,889
Other liabilities	(1,389,189,766)	1,188,852,705
	<b>5,474,659,866</b>	<b>(1,964,244,252)</b>
<b>Net cash flow from operating activities (a)</b>	<b>6,893,924,036</b>	<b>1,656,678,326</b>
<b>Cash Flows from Investing Activities</b>		
(Purchase)/ sale of government securities	(2,155,528,245)	(1,631,810,387)
(Purchase)/ sale of trading securities, shares, bonds, etc.	(1,724,077,275)	2,517,069,033
(Purchase)/ sale of property, plant and equipment	(262,918,631)	(518,619,665)
<b>Net cash used in investing activities (b)</b>	<b>(4,142,524,152)</b>	<b>366,638,980</b>
<b>Cash Flows from Financing Activities</b>		
Increase/(decrease) of long-term borrowings	(377,479,869)	-
Dividend paid	(4,142,172)	-
<b>Net cash (used in)/flow from financing activities (c)</b>	<b>(381,622,041)</b>	<b>-</b>
Net increase in cash (a+b+c)	2,369,497,523	2,023,317,306
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the period	11,853,790,152	8,451,964,119
<b>Cash and cash equivalents at end of the period (*)</b>	<b>14,223,567,995</b>	<b>10,475,281,425</b>
<b>(*) Cash and cash equivalents:</b>		
Cash	790,035,794	546,492,547
Prize bonds	2,772,700	2,946,400
Money at call and on short notice	231,980,000	489,616,000
Balance with Bangladesh Bank and its agent bank(s)	6,738,579,296	5,961,075,285
Balance with other banks and financial institutions	6,460,200,205	3,475,151,193
	<b>14,223,567,995</b>	<b>10,475,281,425</b>

Net operating cash flow per share

187.02

44.94

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Managing Director

Dated : 25 July 2011

**AB Bank Limited & its Subsidiaries**  
**Consolidated Statement of Changes in Equity (Un-Audited)**  
**For the period ended 01 January to 30 June 2011**

**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	Retained earnings	Total
<b>Balance at 01 January 2011</b>	<b>3,205,316,500</b>	<b>4,395,603,868</b>	<b>110,939,676</b>	<b>1,338,065,823</b>	<b>103,291,453</b>	<b>13,833,508</b>	<b>4,979,826,528</b>	<b>14,146,877,357</b>
Net profit after taxation for the period	-	-	-	-	-	-	943,605,824	943,605,824
Addition/ (Adjustment) made during the period	-	-	-	(2,670,517)	-	12,754,305	-	10,083,788
Addition/Adjustment for Mumbai Branch	-	6,256,065	-	-	-	-	(10,443,354)	(4,187,289)
Special Reserve for ABIFL	-	-	3,293,994	-	-	-	-	3,293,994
Foreign Exchange Fluctuation	-	-	-	-	30,695,276	-	3,139,917	33,835,193
Non Controlling Interest	-	-	-	-	-	-	(158,316,330)	(158,316,330)
<b>Balance at 30 June 2011</b>	<b>3,205,316,500</b>	<b>4,401,859,933</b>	<b>114,233,670</b>	<b>1,335,395,306</b>	<b>133,986,729</b>	<b>26,587,814</b>	<b>5,757,812,586</b>	<b>14,975,192,538</b>
<b>Balance at 30 June 2010</b>	<b>2,564,253,200</b>	<b>3,122,443,806</b>	<b>42,199,200</b>	<b>617,401,928</b>	<b>77,862,687</b>	<b>272,148,843</b>	<b>5,747,244,028</b>	<b>12,443,553,692</b>

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Managing Director

Dated : 25 July 2011

**AB Bank Limited**  
**Balance Sheet (Un-Audited)**  
**As at 30 June 2011**

	Notes	30.06.2011 Taka	31.12.2010 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3	<b>7,528,453,539</b>	<b>6,615,119,969</b>
In hand (including foreign currencies)	3.1	789,874,243	793,297,326
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2	6,738,579,296	5,821,822,643
<b>Balance with other banks and financial institutions</b>	4	<b>7,941,310,409</b>	<b>6,299,137,869</b>
In Bangladesh		5,093,825,840	3,883,196,975
Outside Bangladesh		2,847,484,569	2,415,940,894
<b>Money at call and on short notice</b>	5	<b>231,980,000</b>	<b>380,180,000</b>
<b>Investments</b>	6	<b>18,057,678,022</b>	<b>14,562,671,613</b>
Government	6.1	13,094,102,054	10,925,594,003
Others	6.2	4,963,575,968	3,637,077,610
<b>Loans and advances</b>		<b>92,104,114,213</b>	<b>88,298,823,481</b>
Loans, cash credits, overdrafts, etc	7	90,399,702,872	85,894,851,126
Bills purchased and discounted	8	1,704,411,342	2,403,972,354
<b>Fixed assets including premises, furniture and fixtures</b>	9	<b>4,014,051,446</b>	<b>3,926,340,669</b>
<b>Other assets</b>	10	<b>13,992,091,170</b>	<b>12,905,984,992</b>
<b>Non-banking assets</b>		-	-
<b>Total Assets</b>		<b>143,869,678,800</b>	<b>132,988,258,593</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	11	<b>4,844,521,655</b>	<b>14,200,436,481</b>
<b>Deposits and other accounts</b>	12	<b>114,794,920,278</b>	<b>95,701,894,525</b>
Current deposits		8,008,741,536	8,486,955,205
Demand deposits		5,051,921,071	3,829,191,829
Bills payable		1,243,977,864	1,340,901,326
Savings bank deposits		13,077,631,878	13,061,751,527
Special notice deposits		16,052,467,712	9,390,226,037
Fixed deposits		64,709,526,395	53,630,597,705
Bearer certificates of deposit		130,325,000	130,325,000
Other deposits		6,520,328,822	5,831,945,896
<b>Other liabilities</b>	13	<b>9,851,751,536</b>	<b>9,219,419,372</b>
<b>Total Liabilities</b>		<b>129,491,193,470</b>	<b>119,121,750,378</b>
<b>Capital/Shareholders' Equity</b>			
<b>Total Shareholders' Equity</b>		<b>14,378,485,330</b>	<b>13,866,508,215</b>
Paid-up capital	14	3,205,316,500	3,205,316,500
Statutory reserve	15	4,401,859,933	4,395,603,868
Other reserve	16	1,538,169,048	1,497,389,984
Retained earnings	17	5,233,139,849	4,768,197,862
<b>Total Liabilities and Shareholders' Equity</b>		<b>143,869,678,800</b>	<b>132,988,258,593</b>

	Notes	30.06.2011 Taka	31.12.2010 Taka
<b>Off-Balance Sheet Items</b>			
<b>Contingent liabilities</b>	18	<b>49,011,428,796</b>	<b>44,484,883,051</b>
Acceptances and endorsements		15,911,478,673	12,254,568,825
Letters of guarantee	18.1	9,278,764,134	8,210,194,977
Irrevocable letters of credit		13,902,171,324	17,349,666,037
Bills for collection		9,919,014,665	6,670,453,212
Other contingent liabilities		-	-
<b>Other commitments</b>		-	-
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
<b>Total</b>		<b>49,011,428,796</b>	<b>44,484,883,051</b>
<b>Other memorandum items</b>		<b>3,620,638,625</b>	<b>2,703,462,252</b>
Value of traveller's cheques		-	-
Value of savings certificates (Sanchaya Patra)		3,620,638,625	2,703,462,252

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CFO

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**Kaiser A. Chowdhury**  
Managing Director

Dated : 25 July 2011

**AB Bank Limited**  
**Profit and Loss Account (Un-Audited)**  
**For the period ended 01 January to 30 June 2011**

	Notes	Jan.- June '11 Taka	Jan.- June '10 Taka	April to June'11 Taka	April to June'10 Taka
<b>OPERATING INCOME</b>					
Interest income	20	5,952,701,341	4,725,527,388	3,151,156,677	2,389,581,775
Interest paid on deposits and borrowings, etc.	21	(4,809,633,500)	(2,857,185,624)	(2,566,706,319)	(1,451,264,127)
<b>Net interest income</b>		<b>1,143,067,841</b>	<b>1,868,341,764</b>	<b>584,450,358</b>	<b>938,317,648</b>
Investment income	22	940,326,357	2,618,055,487	484,855,657	1,946,410,361
Commission, exchange and brokerage	23	1,067,801,349	1,039,969,990	554,055,712	482,494,419
Other operating income	24	105,337,040	105,521,672	75,473,550	54,258,088
		<b>2,113,464,746</b>	<b>3,763,547,150</b>	<b>1,114,384,919</b>	<b>2,483,162,868</b>
<b>Total operating income (a)</b>		<b>3,256,532,587</b>	<b>5,631,888,914</b>	<b>1,698,835,277</b>	<b>3,421,480,516</b>
<b>OPERATING EXPENSES</b>					
Salary and allowances	25	719,383,584	659,221,632	375,984,181	366,520,016
Rent, taxes, insurance, electricity, etc.	26	143,600,899	133,469,675	72,756,525	63,863,231
Legal expenses	27	1,888,914	2,179,798	(2,107,124)	1,500,681
Postage, stamps, telecommunication, etc.	28	51,438,274	48,607,819	23,054,353	23,945,008
Stationery, printing, advertisement, etc.	29	62,945,107	75,587,488	34,218,939	41,507,099
Chief executive's salary and fees		4,562,634	4,533,837	2,281,317	2,281,317
Directors' fees	30	867,219	1,204,805	464,450	587,217
Auditors' fees	31	965,647	617,580	948,397	70,892
Charges on loan losses		-	-	-	-
Depreciation and repairs of Bank's assets	32	144,351,245	110,213,271	77,235,491	57,125,200
Other expenses	33	382,992,453	372,759,127	205,008,819	212,091,529
<b>Total operating expenses (b)</b>		<b>1,512,995,976</b>	<b>1,408,395,032</b>	<b>789,845,347</b>	<b>769,492,191</b>
<b>Profit before provision (c = a-b)</b>		<b>1,743,536,611</b>	<b>4,223,493,882</b>	<b>908,989,929</b>	<b>2,651,988,326</b>
Provision against loans and advances	34	225,067,487	708,021,095	152,056,367	386,876,069
Provision for diminution in value of investments	35	102,909,149	60,000,000	53,457	-
Other provisions	36	60,000,000	130,000,000	60,000,000	130,000,000
<b>Total provision (d)</b>		<b>387,976,636</b>	<b>898,021,095</b>	<b>212,109,824</b>	<b>516,876,069</b>
<b>Profit before taxation (c-d)</b>		<b>1,355,559,975</b>	<b>3,325,472,787</b>	<b>696,880,106</b>	<b>2,135,112,257</b>
Provision for taxation		882,500,000	1,360,000,000	582,500,000	1,010,000,000
<b>Net profit after taxation</b>		<b>473,059,975</b>	<b>1,965,472,787</b>	<b>114,380,106</b>	<b>1,125,112,257</b>
<b>Appropriations</b>					
Statutory reserve		-	-	-	-
General reserve		-	-	-	-
Dividends, etc		-	-	-	-
		-	-	-	-
<b>Retained surplus</b>		<b>473,059,975</b>	<b>1,965,472,787</b>	<b>114,380,106</b>	<b>1,125,112,257</b>
<b>Earnings Per Share (EPS)</b>					
	37	<b>12.83</b>	<b>53.32</b>	<b>3.10</b>	<b>30.52</b>

-Sd-  
**Badrul H Khan**  
CFO

-Sd-  
**Kaiser A. Chowdhury**  
Managing Director

Dated : 25 July 2011



**AB Bank Limited**  
**Cash Flow Statement (Un-Audited)**  
**For the period ended 01 January to 30 June 2011**

	<b>Jan.- June '11 Taka</b>	<b>Jan.- June '10 Taka</b>
<b>Cash Flows from Operating Activities</b>		
Interest receipts	5,952,701,341	4,722,271,139
Interest payments	(4,809,633,500)	(2,855,867,955)
Dividend receipts	32,389,959	95,967,212
Fee and commission receipts	675,324,043	763,609,770
Recoveries on loans previously written off	53,754,826	27,751,374
Payments to employees	(698,381,849)	(597,374,920)
Payments to suppliers	(63,910,754)	(76,205,068)
Income taxes paid	(1,242,884,554)	(1,184,164,366)
Receipts from other operating activities	1,351,995,919	2,902,947,746
Payments for other operating activities	(604,504,319)	(578,255,851)
<b>Operating profit before changes in operating assets &amp; liabilities</b>	<b>646,851,112</b>	<b>3,220,679,082</b>
<b>Increase/decrease in operating assets and liabilities</b>		
Loans and advances to customers	(3,805,290,733)	(6,726,291,117)
Other assets	156,778,375	(3,838,862,791)
Deposits from other banks	1,177,121,000	208,376,472
Deposits from customers	17,915,904,752	2,737,575,467
Trading liabilities (short-term borrowings)	(8,978,434,957)	4,964,327,417
Other liabilities	(629,551,890)	1,165,510,275
	<b>5,836,526,548</b>	<b>(1,489,364,276)</b>
<b>Net cash flow from operating activities (a)</b>	<b>6,483,377,659</b>	<b>1,731,314,805</b>
<b>Cash Flows from Investing Activities</b>		
(Purchase)/ sale of government securities	(2,155,528,245)	(1,610,983,965)
(Purchase)/ sale of trading securities, shares, bonds, etc.	(1,326,498,358)	2,517,069,033
(Purchase)/ sale of property, plant and equipment	(212,197,405)	(517,244,324)
<b>Net cash used in investing activities (b)</b>	<b>(3,694,224,009)</b>	<b>388,840,743</b>
<b>Cash Flows from Financing Activities</b>		
Increase/(decrease) of long-term borrowings	(377,479,869)	-
Dividend paid	(4,142,172)	-
<b>Net cash (used in)/flow from financing activities (c)</b>	<b>(381,622,041)</b>	<b>-</b>
Net increase in cash (a+b+c)	2,407,531,610	2,120,155,549
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the period	13,296,985,038	<b>9,451,710,422</b>
<b>Cash and cash equivalents at end of the Period (*)</b>	<b>15,704,516,648</b>	<b>11,571,865,971</b>
 (* ) Cash and cash equivalents:		
Cash	789,874,243	546,492,547
Prize bonds	2,772,700	2,946,400
Money at call and on short notice	231,980,000	489,616,000
Balance with Bangladesh Bank and its agent bank(s)	6,738,579,296	5,961,075,285
Balance with other banks and financial institutions	7,941,310,409	4,571,735,739
	<b>15,704,516,648</b>	<b>11,571,865,971</b>

Net operating cash flow per share

175.89

46.97

-Sd-  
**Badrul H Khan**  
CFO

-Sd-  
**Kaiser A. Chowdhury**  
Managing Director

Dated : 25 July 2011

**AB Bank Limited**  
**Statement of Changes in Equity (Un-Audited)**  
**For the period ended 01 January to 30 June 2011**

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	Retained earnings	Total
<b>Opening Balance</b>	<b>3,205,316,500</b>	<b>4,395,603,868</b>	<b>42,199,200</b>	<b>1,338,065,823</b>	<b>103,291,453</b>	<b>13,833,508</b>	<b>4,768,197,862</b>	<b>13,866,508,214</b>
Net profit after taxation for the period	-	-	-	-	-	-	473,059,975	473,059,975
Addition/Adjustment. made during the period		-	-	<b>(2,670,517)</b>	-	12,754,305	-	10,083,788
Addition/(Adjustment) against Mumbai Branch		6,256,065					(10,443,354)	(4,187,289)
Foreign Exchange Fluctuation	-	-	-	-	30,695,276	-	2,325,366	33,020,642
<b>Balance at 30 June 2011</b>	<b>3,205,316,500</b>	<b>4,401,859,933</b>	<b>42,199,200</b>	<b>1,335,395,306</b>	<b>133,986,729</b>	<b>26,587,814</b>	<b>5,233,139,849</b>	<b>14,378,485,330</b>
<b>Balance at 30 June 2010</b>	<b>2,564,253,200</b>	<b>3,122,443,806</b>	<b>42,199,200</b>	<b>568,125,753</b>	<b>74,149,432</b>	<b>272,148,843</b>	<b>5,447,429,800</b>	<b>12,090,750,034</b>

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**Badrul H Khan**  
CFO

-Sd-

**Kaiser A. Chowdhury**  
Managing Director

Dated : 25 July 2011

## **AB Bank Limited**

### **Selective Notes to the Financial Statements as on June 30, 2011**

#### **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) Investment**

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 yearly basis based on diminution in value of investment of quoted shares .

##### **c) Taxation:**

Provision for income tax has been made on taxable income after necessary add back in accordance with the provisions of Finance Act 2011, the Income Tax Ordinance 1984 and other relevant legislation as applicable.

-Sd-  
**Badrul H Khan**  
CFO

Dhaka,  
July 25,2011

-Sd-  
**Kaiser A. Chowdhury**  
Managing Director

	30.06.2011 Taka	31.12.2010 Taka
<b>3. Cash</b>		
Cash in hand (Note: 3.1)	789,874,243	793,297,326
Balance with Bangladesh Bank and its agent bank(s) (Note: 3.2)	6,738,579,296	5,821,822,643
	<b>7,528,453,539</b>	<b>6,615,119,969</b>
<b>3(a) Consolidated Cash</b>		
AB Bank Limited	7,528,453,539	6,615,119,969
AB Investments Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	35,000	13,513
Cash Link Bangladesh Limited (CBL)	126,551	654,205
	<b>7,528,615,090</b>	<b>6,615,787,687</b>
<b>3.1 Cash in hand</b>		
In local currency	769,968,897	769,435,241
In foreign currency	19,905,346	23,862,085
	<b>789,874,243</b>	<b>793,297,326</b>
<b>3.1(a) Consolidated Cash in hand</b>		
AB Bank Limited	789,874,243	793,297,326
AB Investments Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	35,000	13,513
Cash Link Bangladesh Limited (CBL)	126,551	654,205
	<b>790,035,794</b>	<b>793,965,044</b>
<b>3.2 Balance with Bangladesh Bank and its agent bank(s)</b>		
Balance with Bangladesh Bank		
In local currency	6,135,010,921	5,238,293,054
In foreign currency	250,009,429	166,633,259
	6,385,020,350	5,404,926,313
Sonali Bank Limited (as an agent bank of Bangladesh Bank) - local currency	353,558,946	416,896,330
	<b>6,738,579,296</b>	<b>5,821,822,643</b>
<b>3.2(a) Consolidated Balance with Bangladesh Bank and its agent bank(s)</b>		
AB Bank Limited	6,738,579,296	5,821,822,643
AB Investments Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cash Link Bangladesh Limited (CBL)	-	-
	<b>6,738,579,296</b>	<b>5,821,822,643</b>
<b>4. Balance with other banks and financial institutions</b>		
In Bangladesh	5,093,825,840	3,883,196,975
Outside Bangladesh	2,847,484,569	2,415,940,894
	<b>7,941,310,409</b>	<b>6,299,137,869</b>
<b>4.1(a) Consolidated In Bangladesh</b>		
AB Bank Limited	5,093,825,840	3,883,196,975
AB Investments Limited	415,770	95,961,044
AB International Finance Limited	-	-
AB Securities Limited	19,496,002	569,515,031
Cash Link Bangladesh Limited (CBL)	299,558,326	252,017,682
	<b>5,413,295,937</b>	<b>4,800,690,732</b>
Less: Inter company transaction	319,470,097	917,493,756
	<b>5,093,825,840</b>	<b>3,883,196,975</b>
<b>4.2(a) Consolidated Outside Bangladesh (Nostro Accounts)</b>		
AB Bank Limited	2,847,484,569	2,415,940,894
AB Investments Limited	-	-
AB International Finance Limited	1,098,688	4,206,723
AB Securities Limited	-	-
Cash Link Bangladesh Limited (CBL)	-	-
	2,848,583,257	2,420,147,618
Less: Inter company transactions	1,482,208,891	1,448,069,328
	<b>1,366,374,366</b>	<b>972,078,290</b>

	30.06.2011 Taka	31.12.2010 Taka
<b>5. Money at call and on short notice</b>		
In side Bangladesh	-	270,000,000
Out side Bangladesh	231,980,000	110,180,000
	<b>231,980,000</b>	<b>380,180,000</b>
<b>5(a) Consolidated Money at call and on short notice</b>		
AB Bank Limited	231,980,000	380,180,000
AB Investments Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cash Link Bangladesh Limited (CBL)	-	-
	<b>231,980,000</b>	<b>380,180,000</b>
<b>6. Investments</b>		
Government securities	(Note: 6.1) 13,094,102,054	10,925,594,003
Other investments	(Note: 6.2) 4,963,575,968	3,637,077,610
	<b>18,057,678,022</b>	<b>14,562,671,613</b>
<b>6.1 Government securities</b>		
Treasury bills	836,351,800	1,301,107,246
Treasury bonds	12,188,577,554	9,555,939,557
Debentures - Bangladesh House Building Finance Corporation	20,000,000	25,000,000
(Maturity date: 14 March 2015, interest rate: 5.50%)		
Bangladesh Bank Islami Investment Bond	46,400,000	41,000,000
Prize bonds	2,772,700	2,547,200
<b>Total Government securities</b>	<b>13,094,102,054</b>	<b>10,925,594,003</b>
<b>6.1(a) Consolidated Government securities</b>		
AB Bank Limited	13,094,102,054	10,925,594,003
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cash Link Bangladesh Limited (CBL)	-	-
	<b>13,094,102,054</b>	<b>10,925,594,003</b>
<b>6.2 Other investments</b>		
Shares	4,683,484,146	3,416,977,560
Bond	51,350,684	4,436,472
	<b>4,734,834,830</b>	<b>3,421,414,032</b>
<b>Investments -ABBL, Mumbai branch</b>		
Treasury bills	173,397,338	163,091,978
Debentures and bonds	55,343,800	52,571,600
	<b>228,741,138</b>	<b>215,663,578</b>
<b>Total Other investments</b>	<b>4,963,575,968</b>	<b>3,637,077,610</b>
<b>6.2 (a) Consolidated other investments</b>		
AB Bank Limited	4,963,575,968	3,637,077,610
AB Investment Limited	731,176,548	241,876,552
AB International Finance Limited	-	-
AB Securities Limited	120,883,935	72,211,459
Cash Link Bangladesh Limited (CBL)	31,386,388	181,941,700
	5,847,022,839	4,133,107,321
Less: Inter- group transactions	-	10,161,757
	<b>5,847,022,839</b>	<b>4,122,945,564</b>

	30.06.2011 Taka	31.12.2010 Taka
<b>7. Loans and Advances</b>		
<b>7.1 Broad category-wise breakup</b>		
<b>In Bangladesh</b>		
Loans	73,099,468,153	71,350,936,517
Overdrafts	17,079,798,626	14,174,434,222
Cash credits	-	-
	<u>90,179,266,779</u>	<u>85,525,370,739</u>
<b>Outside Bangladesh: ABBL, Mumbai Branch</b>		
Loans	172,862,211	310,283,133
Overdrafts	47,573,882	59,197,254
Cash credits	-	-
	<u>220,436,093</u>	<u>369,480,387</u>
	<b><u>90,399,702,872</u></b>	<b><u>85,894,851,126</u></b>
<b>7.2 Classification of Loans and Advances</b>		
<u>Unclassified</u>		
Standard	87,315,507,177	83,876,567,218
Special Mention Account	182,956,353	165,803,138
Total unclassified loans and advances	<u>87,498,463,530</u>	<u>84,042,370,356</u>
<u>Classified</u>		
Substandard	1,023,200,000	90,102,000
Doubtful	146,500,000	129,040,000
Bad/Loss	1,731,539,342	1,633,338,771
Total classified loans and advances	<u>2,901,239,342</u>	<u>1,852,480,771</u>
	<b><u>90,399,702,872</u></b>	<b><u>85,894,851,126</u></b>
<b>7(a) Consolidated Loans, cash credits, overdrafts, etc</b>		
AB Bank Limited	90,399,702,872	85,894,851,126
AB Investment Limited	7,144,524,537	6,098,303,586
AB International Finance Limited	-	-
AB Securities Limited	1,002,282,250	916,673,257
Cash Link Bangladesh Limited (CBL)	-	-
	<u>98,546,509,659</u>	<u>92,909,827,970</u>
Less: Inter company transaction	<u>1,489,646,295</u>	<u>217,150,601</u>
	<b><u>97,056,863,364</u></b>	<b><u>92,692,677,369</u></b>
<b>8. Bills purchased and discounted</b>		
In Bangladesh	1,014,209,392	2,002,404,629
Outside Bangladesh - ABBL, Mumbai Branch	690,201,950	401,567,725
	<u>1,704,411,342</u>	<u>2,403,972,354</u>
<b>8 (a) Consolidated Bills purchased and discounted</b>		
AB Bank Limited	1,704,411,342	2,403,972,354
AB Investment Limited	-	-
AB International Finance Limited	1,684,154,454	1,633,642,870
AB Securities Limited	-	-
Cash Link Bangladesh Limited (CBL)	-	-
	<u>3,388,565,796</u>	<u>4,037,615,224</u>

**9. Fixed assets including premises, furniture and fixtures****Cost:**

Land and Building  
Furniture and fixtures  
Office appliances  
Electrical appliances  
Motor vehicles

Less: Accumulated depreciation

30.06.2011 Taka	31.12.2010 Taka
3,300,686,006	3,302,426,418
164,655,223	164,348,577
61,128,074	59,254,541
943,717,010	748,140,809
354,742,819	352,005,840
4,824,929,133	4,626,176,186
810,877,688	699,835,517
<b>4,014,051,446</b>	<b>3,926,340,669</b>

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

AB Bank Limited  
AB Investments Limited  
AB International Finance Limited  
AB Securities Limited  
Cash Link Bangladesh Limited (CBL)

**Accumulated depreciation:**

AB Bank Limited  
AB Investments Limited  
AB International Finance Limited  
AB Securities Limited  
Cash Link Bangladesh Limited (CBL)

4,824,929,133	4,626,176,186
14,587,881	9,371,848
8,312,486	11,329,894
26,464,085	16,935,140
270,255,135	231,261,478
5,144,548,720	4,895,074,546
810,877,688	699,835,517
6,329,119	5,408,399
7,771,170	10,821,427
3,457,279	1,377,385
132,016,174	89,667,196
960,451,429	807,109,925
<b>4,184,097,290</b>	<b>4,087,964,621</b>

**10. Other assets****Income generating**

## In Bangladesh:

AB Investment Limited  
(99.90% owned subsidiary company of ABBL)

AB Securities Limited  
(99.71% owned subsidiary company of ABBL)

Cash Link Bangladesh Limited (CBL)  
(70% owned subsidiary company of ABBL)

## Outside Bangladesh:

AB International Finance Ltd., Hong Kong  
(wholly owned subsidiary company of ABBL)

99,798,000	99,798,000
34,898,000	34,898,000
164,981,228	141,181,228
5,203,944	5,203,944
<b>304,881,172</b>	<b>281,081,172</b>

**Non-income generating**

Inter-branch adjustment  
Advance corporate income tax  
Arab Bangladesh Bank Foundation  
(99.60% owned subsidiary company of ABBL)  
Share Money Deposits - AB Investment Limited  
Share Money Deposits - AB Securities Limited  
Accounts receivable  
Preliminary, formation, organisational, renovation,  
development, prepaid expenses and others  
Exchange for clearing  
Interest accrued on investment but not collected,  
commission and brokerage receivable on shares  
and debentures, and other income receivables  
Security deposits  
Local drafts paid without advice  
Advance rent and advertisement  
Stationery, stamps, printing materials, etc

102,571,714	47,617,714
4,020,516,233	2,777,631,680
19,920,000	19,920,000
4,900,100,000	4,900,100,000
165,000,000	165,000,000
683,313,810	1,254,062,447
1,996,266,776	1,602,621,326
932,786,946	1,206,498,387
544,578,184	452,179,482
70,057,844	66,869,755
-	-
199,117,663	102,913,807
52,980,828	29,489,222
13,687,209,998	12,624,903,819
<b>13,992,091,170</b>	<b>12,905,984,992</b>

<b>10(a) Consolidated Other assets</b>	<b>30.06.2011 Taka</b>	<b>31.12.2010 Taka</b>
AB Bank Limited	13,992,091,170	12,906,260,777
AB Investment Limited	628,350,188	345,621,356
AB International Finance Limited	4,853,801	1,598,118
AB Securities Limited	89,933,583	407,855,275
Cash Link Bangladesh Limited (CBL)	19,426,577	62,919,592
	<b>14,734,655,318</b>	<b>13,724,255,118</b>
Less: Inter-group transaction	7,066,202,598	7,438,416,537
	<b>7,668,452,720</b>	<b>6,285,838,580</b>

**11. Borrowings from other banks, financial institutions and agents**

In Bangladesh	4,770,453,755	14,179,009,551
Outside Bangladesh	74,067,900	21,426,930
	<b>4,844,521,655</b>	<b>14,200,436,481</b>

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

AB Bank Limited	4,844,521,655	14,200,436,481
AB Investment Limited	1,390,435,351	-
AB International Finance Limited	1,481,172,962	1,443,869,163
AB Securities Limited	102,148,040	-
Cash Link Bangladesh Limited (CBL)	-	217,150,601
	7,818,278,009	15,861,456,246
Less: Intercompany transactions	2,970,819,257	1,661,019,765
	<b>4,847,458,751</b>	<b>14,200,436,481</b>



**12. Deposit and other accounts**

Inter-bank deposits  
Other deposits

30.06.2011 Taka	31.12.2010 Taka
4,759,358,000	3,582,237,000
110,035,562,277	92,119,657,525
<b>114,794,920,277</b>	<b>95,701,894,525</b>

**12(a) Consolidated Deposit and other accounts**

AB Bank Limited  
AB Investment Limited  
AB International Finance Limited  
AB Securities Limited  
Cash Link Bangladesh Limited (CBL)

Less: Inter-group transaction

114,794,920,277	95,701,894,525
-	-
-	-
-	-
-	-
114,794,920,277	95,701,894,525
320,506,026	921,693,921
<b>114,474,414,251</b>	<b>94,780,200,604</b>

**13. Other liabilities**

Accumulated provision against loans and advances  
Accrued profit on investment - Islami banking branch  
Provision for current tax  
Deferred tax liabilities  
Interest suspense account  
Provision against other assets  
Provision for outstanding debit entries in NOSTRO accounts  
Accounts payable - Bangladesh Bank  
Accrued expenses  
Provision for off balance sheet items  
Provision against investments  
Others (\*)

2,187,977,567	1,962,814,882
-	297,053,863
5,560,405,262	4,656,958,029
88,446,565	88,446,565
404,595,519	319,588,789
378,176,977	328,535,215
200,000	200,000
84,055,356	47,400,606
45,957,860	74,885,396
510,000,000	480,000,000
397,963,100	282,553,000
193,973,331	680,983,026
<b>9,851,751,537</b>	<b>9,219,419,371</b>

(\*) 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, etc.

**13(a) Consolidated Other liabilities**

AB Bank Limited  
AB Investment Limited  
AB International Finance Limited  
AB Securities Limited  
Cash Link Bangladesh Limited (CBL)

Less: Inter-group transaction

9,851,751,537	9,219,419,371
1,190,932,244	1,225,243,045
73,009,351	74,309,153
614,089,975	1,533,036,964
674,842,009	418,308,791
12,404,625,117	12,470,317,324
1,191,365,242	1,597,700,766
<b>11,213,259,874</b>	<b>10,872,616,558</b>

**13(b) Non- Controlling Interest**

AB Investment Limited  
AB Securities Limited  
CashLink Bangladesh Limited

480,671	674,265
366,064	827,043
(51,272,792)	2,246,000
<b>(50,426,057)</b>	<b>3,747,308</b>

**14. Share Capital****14.1 Authorised Capital**

60,000,000 ordinary shares of Taka 100 each

**14.2 Issued, Subscribed and Paid-up Capital**

1,500,000 ordinary shares of Taka 100 each issued for cash  
30,553,165 ordinary shares of Taka 100 each issued as bonus shares

<b>3,205,316,500</b>	<b>2,564,253,200</b>
<b>6,000,000,000</b>	<b>6,000,000,000</b>
150,000,000	150,000,000
3,055,316,500	3,055,316,500
<b>3,205,316,500</b>	<b>3,205,316,500</b>

**15. Statutory reserve****In Bangladesh**

Opening balance  
Add: Addition during the period  
Closing balance

30.06.2011 Taka	31.12.2010 Taka
4,230,234,501	2,987,427,246
-	1,242,807,255
4,230,234,501	4,230,234,501

**Outside Bangladesh - ABBL, Mumbai Branch**

Opening balance  
Add: Addition during the period  
Adjustment for Foreign Exchange Rate Fluctuation  
Closing balance

165,369,367	113,778,846
6,256,065	43,757,216
-	7,833,306
171,625,432	165,369,367
<b>4,401,859,933</b>	<b>4,395,603,868</b>

**16. Other reserve**

General reserve  
Assets revaluation reserve  
Investment revaluation reserve  
Foreign exchange revaluation for investment in foreign operation

42,199,200	42,199,200
1,335,395,306	1,338,065,823
26,587,813	13,833,508
133,986,729	103,291,453
<b>1,538,169,048</b>	<b>1,497,389,984</b>

**16(a) Consolidated Other reserve**

AB Bank Limited  
AB Investment Limited  
AB International Finance Limited  
AB Securities Limited  
Cash Link Bangladesh Limited (CBL)

1,538,169,048	1,497,389,984
-	-
72,034,470	68,740,476
-	-
-	-
<b>1,610,203,518</b>	<b>1,566,130,460</b>

**17. Retained earnings**

Opening balance  
Add: Post-tax profit for the period  
Less: Transfer to statutory reserve  
Cash dividend  
Bonus shares issued  
  
Less: Retained earnings adjustment of Mumbai Br.  
Add: Foreign Exchange Translation Gain/ (Loss)

4,768,197,862	3,541,969,135
473,059,975	3,696,017,104
6,256,065	1,264,995,147
-	512,850,640
-	641,063,300
<b>5,235,001,772</b>	<b>4,819,077,152</b>
4,187,289	53,248,526
2,325,366	2,369,235
<b>5,233,139,849</b>	<b>4,768,197,862</b>

**17(a) Consolidated Retained earnings**

AB Bank Limited  
AB Investment Limited  
AB International Finance Limited  
AB Securities Limited  
Cash Link Bangladesh Limited (CBL)  
  
Less: Inter group transaction  
Non- Controlling Interest  
  
Add: Foreign currency translation gain

5,233,139,849	4,768,197,862
931,358,204	560,482,937
54,091,024	43,182,590
339,399,559	248,789,324
(428,305,214)	(232,931,930)
6,129,683,422	5,387,720,783
500,534,215	500,534,215
(127,848,829)	(91,875,464)
5,756,998,035	4,979,062,032
814,551	764,496
<b>5,757,812,587</b>	<b>4,979,826,528</b>

**18. Contingent liabilities****18.1 Letters of guarantee**

Money for which the Bank is in contingently liable in respect of guarantees issued favouring:

Directors  
Government  
Banks and other financial institutions  
Others

-	-
-	-
-	-
9,278,764,134	8,210,194,977
<b>9,278,764,134</b>	<b>8,210,194,977</b>

**19. Profit and loss account**Income:

Interest, discount and similar income
Dividend income
Fee, commission and brokerage
Gains less losses arising from investment securities
Gains less losses arising from dealing in foreign currencies
Other operating income
Gains less losses arising from dealing securities
Income from non-banking assets
Profit less losses on interest rate changes

30.06.2011 Taka	30.06.2010 Taka
6,690,665,034	5,203,579,667
32,389,959	95,967,212
675,324,043	763,609,770
131,969,653	2,056,214,420
392,477,306	276,360,220
105,337,040	105,521,672
38,003,053	(12,178,426)
-	-
-	-
8,066,166,087	8,489,074,536
4,809,633,500	2,857,185,624
1,009,368,837	945,570,214
382,992,453	372,759,127
120,634,686	90,065,690
-	-
6,322,629,476	4,265,580,656
<b>1,743,536,611</b>	<b>4,223,493,880</b>

Expenses:

Interest, fee and commission
Administrative expenses
Other operating expenses
Depreciation on banking assets
Losses on loans and advances

**20. Interest income**

## Interest on loans and advances:

Loans and advances
Bills purchased and discounted

## Interest on:

Calls and placements
Balance with foreign banks
Reverse Repo
Balance with Bangladesh Bank

## Profit/(Loss) due to change in interest rate

5,632,643,438	4,542,270,877
164,660,818	99,876,632
5,797,304,256	4,642,147,509
151,457,662	79,544,603
3,542,752	3,560,390
-	-
396,670	274,886
155,397,085	83,379,879
-	-
<b>5,952,701,341</b>	<b>4,725,527,388</b>

**20(a). Consolidated Interest income**

AB Bank Limited
AB International Finance Limited
AB Investment Limited
AB Securities Limited
Cash Link Bangladesh Limited (CBL)

5,952,701,341	4,725,527,388
51,751,422	42,979,363
464,861,514	326,099,310
80,322,077	-
14,119,162	-
<b>6,563,755,515</b>	<b>5,094,606,061</b>

**21. Interest paid on deposits, borrowings, etc**

## Interest on deposits:

Fixed deposits
Savings deposits
Special notice deposits
Other deposits

## Interest on borrowings:

Local banks, financial institutions including Bangladesh Bank
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3,256,144,712	1,619,229,105
245,330,165	253,651,044
440,586,392	470,981,824
317,201,805	283,498,918
4,259,263,074	2,627,360,891
550,370,426	229,824,732
<b>4,809,633,500</b>	<b>2,857,185,624</b>

	30.06.2011 Taka	30.06.2010 Taka
<b>21(a). Consolidated Interest paid on deposits, borrowings, etc</b>		
AB Bank Limited	4,809,633,500	2,857,185,624
AB Investment Limited	39,650,491	136,318,558
AB International Finance Limited	8,964,765	4,801,369
AB Securities Limited	26,114,677	-
Cash Link Bangladesh Limited (CBL)	3,667,005	-
	<b>4,888,030,437</b>	<b>2,998,305,550</b>
<b>22. Investment income</b>		
Capital gain on sale of shares	131,969,653	2,056,214,420
Interest on treasury bills	52,444,113	77,024,299
Dividend on shares	32,389,959	95,967,212
Interest on debentures	2,887,500	2,887,500
Interest on treasury bonds	680,828,195	394,288,817
Gain on treasury bills and treasury bonds	38,003,053	(12,178,426)
Interest on other bonds & others	1,803,884	3,851,665
	<b>940,326,357</b>	<b>2,618,055,487</b>
<b>22(a). Consolidated Investment income</b>		
AB Bank Limited	940,326,357	2,618,055,487
AB Investment Limited	280,320	-
AB International Finance Limited	-	-
AB Securities Limited	47,402,852	-
Cash Link Bangladesh Limited (CBL)	1,224,631	-
	989,234,160	2,618,055,487
Less: Inter company transactions	-	-
	<b>989,234,160</b>	<b>2,618,055,487</b>
<b>23. Commission, exchange and brokerage</b>		
Other fees, commission and service charges	330,285,971	444,074,647
Commission on letters of credit	282,553,293	261,654,200
Commission on letters of guarantee	62,484,779	57,880,923
Exchange gains less losses arising from dealings in foreign currencies	392,477,306	276,360,220
	<b>1,067,801,349</b>	<b>1,039,969,990</b>
<b>23(a). Consolidated Commission, exchange and brokerage</b>		
AB Bank Limited	1,067,801,349	1,039,969,990
AB Investment Limited	199,069,839	253,265,688
AB International Finance Limited	16,341,258	11,932,863
AB Securities Limited	60,770,556	-
Cash Link Bangladesh Limited (CBL)	7,229,317	-
	<b>1,351,212,320</b>	<b>1,305,168,541</b>
<b>24. Other income</b>		
Locker rent, insurance claim and others	8,955,257	33,340,436
Recoveries on loans previously written off	53,754,826	27,751,374
Recoveries on telex, telephone, fax, etc	30,994,330	30,711,262
Recoveries on courier, postage, stamp, etc	11,465,098	12,994,626
Finance charge from ABBF	-	-
Non-operating income (*)	167,529	723,975
	<b>105,337,040</b>	<b>105,521,672</b>
(*) Non-operating income includes sale of vehicles, old tyres, tubes, newspapers, furniture, fixtures, etc.		
<b>24(a). Consolidated Other income</b>		
AB Bank Limited	105,337,040	105,521,672
AB Investment Limited	1,451,795	-
AB International Finance Limited	21,381,710	8,231,989
AB Securities Limited	2,366,733	-
Cash Link Bangladesh Limited (CBL)	18,308,988	-
	<b>148,846,266</b>	<b>113,753,661</b>

**25. Salary and allowances**

Basic salary, provident fund contribution and all other allowances  
Festival and incentive bonus

<b>30.06.2011</b> <b>Taka</b>	<b>30.06.2010</b> <b>Taka</b>
717,167,980	549,304,519
2,215,604	109,917,113
<b>719,383,584</b>	<b>659,221,632</b>

**25(a). Consolidated Salary and allowances**

AB Bank Limited  
AB Investment Limited  
AB International Finance Limited  
AB Securities Limited  
Cash Link Bangladesh Limited (CBL)

719,383,584	659,221,632
12,252,296	2,013,504
16,793,786	11,522,756
13,221,233	-
6,004,637	-
<b>767,655,535</b>	<b>672,757,892</b>

**26. Rent, taxes, insurance, electricity, etc**

Rent, rates and taxes  
Electricity, gas, water, etc  
Insurance

91,998,092	88,429,158
19,624,795	17,220,131
31,978,013	27,820,386
<b>143,600,899</b>	<b>133,469,675</b>

**26(a). Consolidated Rent, taxes, insurance, electricity, etc**

AB Bank Limited  
AB Investment Limited  
AB International Finance Limited  
AB Securities Limited  
Cash Link Bangladesh Limited (CBL)

143,600,899	133,469,675
3,271,383	765,674
2,311,455	2,302,587
3,675,378	-
2,983,999	-
<b>155,843,114</b>	<b>136,537,936</b>

**27. Legal expenses**

Legal expenses

<b>1,888,914</b>	<b>2,179,798</b>
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**27(a). Consolidated Legal expenses**

AB Bank Limited  
AB Investment Limited  
AB International Finance Limited  
AB Securities Limited  
Cash Link Bangladesh Limited (CBL)

1,888,914	2,179,798
450,000	100,000
74,657	262,354
45,000	-
-	-
<b>2,458,571</b>	<b>2,542,152</b>

**28. Postage, stamp, telecommunication, etc**

Telex, fax, internet, wireless link, SWIFT, etc  
Telephone  
Postage, stamp and shipping

33,377,787	32,542,062
5,738,869	6,033,593
12,321,617	10,032,164
<b>51,438,274</b>	<b>48,607,819</b>

**28(a). Consolidated Postage, stamp, telecommunication, etc**

AB Bank Limited  
AB Investment Limited  
AB International Finance Limited  
AB Securities Limited  
Cash Link Bangladesh Limited (CBL)

51,438,274	48,607,819
328,829	62,493
1,995,454	2,938,830
931,292	-
422,062	-
<b>55,115,911</b>	<b>51,609,142</b>

**29. Stationery, printing, advertisements, etc**

Printing and stationery  
Publicity, advertisement, etc

43,234,874	39,442,622
19,710,233	36,144,866
<b>62,945,107</b>	<b>75,587,488</b>

**29(a). Consolidated Stationery, printing, advertisements, etc**

AB Bank Limited  
AB Investment Limited  
AB International Finance Limited  
AB Securities Limited  
Cash Link Bangladesh Limited (CBL)

<b>30.06.2011</b> <b>Taka</b>	<b>30.06.2010</b> <b>Taka</b>
62,945,107	75,587,488
497,636	754,280
252,200	251,921
516,552	-
62,402	-
<b>64,273,897</b>	<b>76,593,688</b>

**30. Directors' fees**

Directors' fees  
Meeting expenses

659,700	614,100
207,519	590,705
<b>867,219</b>	<b>1,204,805</b>

Directors' fees includes fees for attending the meeting of the Board, Executive Committee, Audit Committee and Shariah Council.  
Each director was remunerated @ Tk.5,000 per meeting.

**30(a). Consolidated Directors' fees**

AB Bank Limited  
AB Investment Limited  
AB International Finance Limited  
AB Securities Limited  
Cash Link Bangladesh Limited (CBL)

867,219	1,204,805
57,500	80,500
-	-
57,500	-
-	-
<b>982,219</b>	<b>1,285,305</b>

**31. Auditors' fees**

Statutory  
Others

90,378	103,760
875,269	513,820
<b>965,647</b>	<b>617,580</b>

**31(a). Consolidated Auditors' fees**

AB Bank Limited  
AB Investment Limited  
AB International Finance Limited  
AB Securities Limited  
Cash Link Bangladesh Limited (CBL)

965,647	617,580
-	-
-	-
-	-
-	-
<b>965,647</b>	<b>617,580</b>

**32. Depreciation and repairs of Bank's assets**Depreciation:

Electrical appliances  
Leasehold assets  
Furniture and fixtures  
Office appliances  
Building  
Motor vehicles

69,859,088	51,305,642
-	-
5,647,080	4,843,965
1,891,013	1,970,944
9,903,331	3,469,533
33,334,173	28,475,606
<b>120,634,686</b>	<b>90,065,690</b>

Repairs:

Motor vehicles  
Electrical appliances  
Office premises and others  
Furniture and fixtures  
Office appliances

7,979,303	5,452,152
7,539,001	6,965,522
6,375,099	5,710,193
460,169	517,607
1,362,987	1,502,105
23,716,560	20,147,580
<b>144,351,245</b>	<b>110,213,271</b>

	<b>30.06.2011</b> <b>Taka</b>	<b>30.06.2010</b> <b>Taka</b>
<b>32(a). Consolidated Depreciation and repairs of Bank's assets</b>		
AB Bank Limited	144,351,245	110,213,271
AB Investment Limited	2,048,516	428,285
AB International Finance Limited	920,714	283,579
AB Securities Limited	2,728,377	-
Cash Link Bangladesh Limited (CBL)	28,532,081	-
	<b>178,580,933</b>	<b>110,925,134</b>

**33. Other expenses**

Contractual service	81,264,712	50,762,689
Amortization of deferred revenue expenses	69,875,885	54,221,480
Petrol, oil and lubricant	22,500,039	24,139,881
Software expenses	48,310,475	59,047,441
Entertainment	18,507,952	16,106,838
Travelling	20,191,766	22,884,144
Subscription, membership and sponsorship	18,775,500	32,326,368
Training, seminar and workshop	3,178,222	13,254,420
Local conveyance	3,583,901	3,256,118
Professional charges	9,601,090	7,455,644
Books, newspapers and periodicals	974,558	616,558
Branch opening expenses	251,374	312,378
Bank Charges	5,788,051	5,039,134
Sundry expenses (*)	80,188,927	83,336,033
	<b>382,992,453</b>	<b>372,759,127</b>

(\*) Sundry expenses includes corporate expenses, business promotion, expenses on managers' conferences and annual general meeting, loss on sale of assets, non-operating expenses and other miscellaneous expenses.

**33(a). Consolidated Other expenses**

AB Bank Limited	382,992,453	372,759,127
AB Investment Limited	13,706,385	20,419,088
AB International Finance Limited	237,334	2,329,498
AB Securities Limited	13,376,468	-
Cash Link Bangladesh Limited (CBL)	38,546,928	-
	<b>448,859,567</b>	<b>395,507,713</b>

**34. Provision against loans and advances**

On un-classified loans	155,067,487	184,500,000
On classified loans	70,000,000	523,521,095
	<b>225,067,487</b>	<b>708,021,095</b>

**34(a). Consolidated Provision against loans and advances**

AB Bank Limited	225,067,487	708,021,095
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cash Link Bangladesh Limited (CBL)	-	-
	<b>225,067,487</b>	<b>708,021,095</b>

**35. Provisions for diminution in value of investments**

In quoted shares	<b>102,909,149</b>	<b>60,000,000</b>
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**35(a). Consolidated Provisions for diminution in value of investments**

AB Bank Limited	102,909,149	60,000,000
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cash Link Bangladesh Limited (CBL)	-	-
	<b>102,909,149</b>	<b>60,000,000</b>

	<b>30.06.2011</b> <b>Taka</b>	<b>30.06.2010</b> <b>Taka</b>
<b>36. Other provision</b>		
Provision for off balance sheet items	30,000,000	50,000,000
Provision for Outstanding debit entries in NOSTRO accounts	-	-
Provision for Other assets	30,000,000	80,000,000
	<b>60,000,000</b>	<b>130,000,000</b>

Provision for prepaid legal expenses and protested bills has been made as per Bangladesh Bank BRPD Circular # 14 dated 25 June 2001.

**36(a). Consolidated Other provision**

AB Bank Limited	60,000,000	130,000,000
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cash Link Bangladesh Limited (CBL)	-	-
	<b>60,000,000</b>	<b>130,000,000</b>

**37. Earnings per share**

Profit after taxation	473,059,975	1,965,472,787
Number of ordinary shares outstanding	36,861,140	36,861,140
Earnings per share	<b>12.83</b>	<b>53.32</b>

**37. (a) Consolidated Earnings per share**

Net Profit attributable to the shareholders of Parent Company	954,764,193	2,256,168,673
Number of ordinary shares outstanding	36,861,140	36,861,140
Earnings per share	<b>25.90</b>	<b>61.21</b>

Earnings per share (EPS) has been computed by dividing the basic earnings by the number of outstanding ordinary shares in terms of Bangladesh Accounting Standard (BAS)-33. Accordingly to BAS-33, EPS for the half year ended 30 June 2010 was restated for the issues of bonus share in 2011.