

AB Bank Limited

BCIC Bhaban

30-31 Dilkusha Commercial Area

Dhaka 1000

AB Bank Limited and Its Subsidiaries

Consolidated and separate financial statements
for the period ended 30 June 2013

AB Bank Limited & Its Subsidiaries
Consolidated Balance Sheet at 30 June 2013

		Amounts in Taka	
	Notes	At 30 June 2013	At 31 December 2012
PROPERTY AND ASSETS			
Cash	3(a)	10,824,013,331	9,622,886,412
In hand (including foreign currencies)	3.1(a)	998,174,962	1,231,720,758
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2(a)	9,825,838,368	8,391,165,655
Balance with other banks and financial institutions	4(a)	6,752,767,480	7,473,564,867
In Bangladesh	4.1(a)	4,659,813,134	5,621,794,562
Outside Bangladesh	4.2(a)	2,092,954,346	1,851,770,306
Money at call and on short notice	5(a)	1,316,116,500	3,671,790,000
Investments	6(a)	26,183,797,369	26,949,597,279
Government	6.1(a)	19,229,277,159	19,743,454,873
Others	6.2(a)	6,954,520,210	7,206,142,406
Loans, advances and lease/investments		127,935,623,625	113,662,985,698
Loans, cash credits, overdrafts, etc/Investments	7(a)	124,898,614,279	111,311,725,962
Bills purchased and discounted	8(a)	3,037,009,346	2,351,259,736
Fixed assets including premises, furniture and fixtures	9(a)	4,726,003,000	4,868,649,902
Other assets	10(a)	10,241,560,736	9,267,837,851
Non-banking assets		-	-
Total Assets		187,979,882,040	175,517,312,010
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11(a)	5,119,558,552	4,116,982,161
Deposits and other accounts	12(a)	148,207,495,881	139,908,043,708
Current account and other accounts		16,194,267,169	13,487,221,464
Bills payable		1,445,742,076	1,467,147,011
Savings bank deposits		15,906,319,211	14,860,539,427
Fixed deposits		83,353,181,456	80,452,713,916
Other deposits		31,307,985,969	29,640,421,890
Other liabilities	13(a)	18,162,847,103	15,290,014,994
Total Liabilities		171,489,901,537	159,315,040,863
Capital/Shareholders' Equity			
Equity attributable to equity holders of the parent company		16,508,868,335	16,222,502,086
Paid-up capital	14	4,423,336,680	4,423,336,680
Statutory reserve	15	5,012,569,521	5,005,314,801
Other reserve	16(a)	1,459,451,888	1,532,116,076
Retained earnings	17(a)	5,613,510,247	5,261,734,530
Minority interest	17(b)	(18,887,832)	(20,230,939)
Total Equity		16,489,980,503	16,202,271,148
Total Liabilities and Shareholders' Equity		187,979,882,040	175,517,312,010

AB Bank Limited & Its Subsidiaries
Consolidated Balance Sheet at 30 June 2013

		Amounts in Taka	
	Notes	At 30 June 2013	At 31 December 2012
Off-Balance Sheet Items			
Contingent liabilities	18	78,640,515,316	59,590,452,646
Acceptances and endorsements		26,091,961,517	19,642,751,282
Letters of guarantee		16,047,920,425	12,882,332,805
Irrevocable letters of credit		25,218,203,304	17,863,397,969
Bills for collection		11,282,430,070	9,201,970,590
Other contingent liabilities		-	-
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		78,640,515,316	59,590,452,646
Other memorandum items			
		3,689,788,180	3,841,272,433
Value of traveller's cheques		-	-
Value of savings certificates (Sanchaya Patra)		3,689,788,180	3,841,272,433

-Sd-

Mahadev Sarker FCA
Chief Financial Officer

-Sd-

M. Fazlur Rahman
President & Managing Director

Dated, 25 July 2013

AB Bank Limited and Its Subsidiaries
Consolidated Profit and Loss Statement for the period ended 30 June 2013

		Amounts in Taka			
Notes	Jan'13- June'13	Jan'12- Jun'12	April'13-June'13	April'12-June'12	
OPERATING INCOME					
Interest income/profit on investments	20(a)	8,627,425,489	8,052,569,318	4,406,365,436	3,972,123,893
Interest/profit paid on deposits and borrowings, etc	21(a)	(6,911,869,569)	(6,308,211,754)	(3,478,491,027)	(3,062,905,979)
Net interest income		1,715,555,919	1,744,357,563	927,874,408	909,217,914
Investment income	22(a)	1,325,421,000	1,062,618,372	696,314,220	552,717,394
Commission, exchange and brokerage	23(a)	1,498,555,554	1,430,810,824	767,051,331	671,402,535
Other operating income	24(a)	83,908,458	107,960,503	45,988,235	56,478,754
		2,907,885,012	2,601,389,699	1,509,353,785	1,280,598,683
Total operating income (a)		4,623,440,931	4,345,747,262	2,437,228,194	2,189,816,597
OPERATING EXPENSES					
Salary and allowances	25(a)	969,082,502	938,829,690	487,441,857	495,040,579
Rent, taxes, insurance, electricity, etc	26(a)	229,623,567	200,170,576	119,350,370	105,808,351
Legal expenses	27(a)	4,817,829	2,669,786	1,188,522	1,476,357
Postage, stamps, telecommunication, etc	28(a)	68,546,779	73,934,347	30,216,646	37,338,595
Stationery, printing, advertisement, etc	29(a)	80,157,677	91,745,780	43,543,345	59,803,518
Chief executive's salary and fees		5,172,751	2,991,234	2,697,751	2,598,750
Directors' fees	30(a)	1,378,296	1,269,740	554,703	672,340
Auditors' fees	31(a)	1,352,639	2,069,621	260,681	252,460
Charges on loan losses		-	-	-	-
Depreciation and repairs of Bank's assets	32(a)	231,567,894	235,480,567	118,006,578	167,003,240
Other expenses	33(a)	549,254,622	531,706,678	275,453,868	263,306,507
Total operating expenses (b)		2,140,954,556	2,080,868,018	1,078,714,322	1,133,300,697
Profit before provision (c = a-b)		2,482,486,375	2,264,879,244	1,358,513,872	1,058,851,248
Provision against loans and advances	34(a)	1,089,819,769	501,800,000	659,819,769	296,800,000
Provision for diminution in value of investments	35(a)	79,000,000	1,904,102	5,900,000	-
Other provisions	36(a)	101,204,402	50,000,000	61,204,402	39,902,238
Total provision (d)		1,270,024,171	553,704,102	726,924,171	336,702,238
Profit before tax (c-d)		1,212,462,204	1,711,175,142	631,589,700	722,149,010
Provision for taxation		816,263,966	952,928,653	440,721,961	465,073,087
Net profit after tax		396,198,238	758,246,489	190,867,739	257,075,923
Appropriations					
Statutory reserve		15,498,183	30,084,907	15,498,183	30,084,907
General reserve		-	-	-	-
Dividends, etc		-	-	-	-
		15,498,183	30,084,907	15,498,183	30,084,907
Retained surplus		380,700,055	728,161,582	175,369,556	226,991,016
Minority interest		1,497,522	(2,534,985)	2,029,063	(1,575,110)
Net Profit attributable to the shareholders of parent company		379,202,533	730,696,567	173,340,493	228,566,126
Consolidated Earnings Per Share (EPS)	37(a)	0.79	1.53	0.38	0.52

-Sd-
Mahadev Sarker FCA
Chief Financial Officer

-Sd-
M. Fazlur Rahman
President & Managing Director

Dated, 25 July 2013

AB Bank Limited and Its Subsidiaries
Consolidated Cash Flow Statement for the period ended 30 June 2013

	Amounts in Taka	
	Jan'13- June'13	Jan'12- June'12
Cash Flows from Operating Activities		
Interest receipts	9,041,037,440	8,052,569,318
Interest payments	(7,002,082,650)	(6,308,211,754)
Dividend receipts	43,619,938	16,056,343
Fee and commission receipts	1,150,237,880	969,907,110
Recoveries on loans previously written off	3,106,397	18,565,029
Payments to employees	(974,255,253)	(941,820,924)
Payments to suppliers	(81,510,316)	(93,815,400)
Income taxes paid	(918,974,481)	(1,036,895,870)
Receipts from other operating activities	1,710,920,797	1,596,861,216
Payments for other operating activities	(888,043,789)	(876,850,576)
Operating profit before changes in operating assets & liabilities	2,084,055,962	1,396,364,492
Increase/decrease in operating assets and liabilities		
Loans and advances to customers	(14,686,249,878)	(6,869,385,193)
Other assets	(54,748,404)	(1,024,359,144)
Deposits from other banks	698,959,702	(330,991,736)
Deposits from customers	7,690,705,553	13,874,017,396
Trading liabilities (short-term borrowings)	2,478,962,546	(3,795,694,545)
Other liabilities	655,430,598	375,459,373
	(3,216,939,883)	2,229,046,151
Net cash flow from operating activities (a)	(1,132,883,921)	3,625,410,643
Cash Flows from Investing Activities		
Purchase of government securities	522,062,430	(1,292,699,412)
Purchase of trading securities, shares, bonds, etc.	251,622,196	(360,099,740)
Purchase of property, plant and equipment	(40,721,474)	(198,086,186)
Net cash used in investing activities (b)	732,963,152	(1,850,885,339)
Cash Flows from Financing Activities		
Increase/(decrease) of long-term borrowings	(1,476,386,154)	(172,845,866)
Dividend paid	(675,248)	(175,901,520)
Net cash (used in)/flow from financing activities (c)	(1,477,061,402)	(348,747,386)
Net increase in cash (a+b+c)	(1,876,982,171)	1,425,777,918
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the year	20,773,260,681	16,727,865,994
Cash and cash equivalents at end of the period (*)	18,896,278,512	18,153,643,913
(*) Cash and cash equivalents:		
Cash	998,174,963	1,031,581,435
Prize bonds	3,381,200	2,609,100
Money at call and on short notice	1,316,116,500	1,667,410,000
Balance with Bangladesh Bank and its agent bank(s)	9,825,838,368	8,372,620,128
Balance with other banks and financial institutions	6,752,767,480	7,079,423,249
	18,896,278,512	18,153,643,913
Net operating cash flow per share	(2.28)	7.29

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Mahadev Sarker FCA
Chief Financial Officer

-Sd-

M. Fazlur Rahman
President & Managing Director

Dated, 25 July 2013

AB Bank Limited and Its Subsidiaries

Consolidated Statement of Changes in Equity for the period ended 30 June 2013

Amounts 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 2013	4,423,336,680	5,005,314,801	120,093,432	1,326,815,807	68,360,312	16,846,523	(20,230,939)	5,261,734,530	16,202,271,146
Net profit after tax for the year	-	-	-	-	-	-	1,497,522	394,700,716	396,198,238
Addition/ (Adjustment) made during the period	-	26,088,041	-	-	-	(8,291,311)	(154,415)	(2,852,242)	14,790,073
Foreign exchange fluctuation	-	(18,833,322)	(2,090,882)	-	(61,050,390)	(1,231,605)	-	(40,072,756)	(123,278,954)
Balance at 30 June 2013	4,423,336,680	5,012,569,521	118,002,550	1,326,815,807	7,309,922	7,323,607	(18,887,832)	5,613,510,248	16,489,980,503
Balance at 30 June 2012	4,423,336,680	4,413,000,790	121,961,993	1,331,106,857	74,446,419	11,993,225	(17,397,899)	5,176,427,952	15,534,876,017

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Mahadev Sarker FCA
Chief Financial Officer

-Sd-

M. Fazlur Rahman
President & Managing Director

Dated, 25 July 2013

AB Bank Limited
Balance Sheet at 30 June 2013

		Amounts in Taka	
		At	At
		30 June 2013	31 December 2012
PROPERTY AND ASSETS			
Cash	3	10,821,992,491	9,622,840,530
In hand (including foreign currencies)	3.1	996,154,122	1,231,674,876
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2	9,825,838,368	8,391,165,655
Balance with other banks and financial institutions	4	8,346,324,259	8,877,073,955
In Bangladesh		4,587,511,527	5,616,079,788
Outside Bangladesh		3,758,812,731	3,260,994,166
Money at call and on short notice	5	1,316,116,500	3,671,790,000
Investments	6	25,364,038,476	26,114,787,647
Government	6.1	19,229,277,159	19,743,454,873
Others	6.2	6,134,761,317	6,371,332,773
Loans, advances and lease/investments	7	120,395,217,883	106,065,758,923
Loans, cash credits, overdrafts, etc/Investments	7.1	119,495,996,020	105,373,785,000
Bills purchased and discounted	8	899,221,863	691,973,923
Fixed assets including premises, furniture and fixtures	9	4,125,170,414	4,229,520,560
Other assets	10	15,684,163,248	15,260,656,171
Non-banking assets		-	-
Total Assets		186,053,023,271	173,842,427,785
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	4,709,437,186	3,649,261,782
Deposits and other accounts	12	148,543,774,075	140,025,953,891
Current accounts and other accounts		16,195,493,984	13,487,687,930
Bills payable		1,445,742,076	1,467,147,010
Savings bank deposits		15,906,319,211	14,860,539,427
Fixed deposits		83,353,181,456	80,452,713,916
Other deposits		31,643,037,349	29,757,865,608
Other liabilities	13	16,609,805,667	14,133,406,241
Total Liabilities		169,863,016,928	157,808,621,915
Capital/Shareholders' Equity			
Total Shareholders' Equity		16,190,006,343	16,033,805,871
Paid-up capital	14	4,423,336,680	4,423,336,680
Statutory reserve	15	5,012,569,521	5,005,314,801
Other reserve	16	1,380,554,592	1,446,253,561
Retained earnings	17	5,373,545,550	5,158,900,828
Total Liabilities and Shareholders' Equity		186,053,023,271	173,842,427,785

AB Bank Limited
Balance Sheet at 30 June 2013

		Amounts in Taka	
		At	At
		30 June 2013	31 December 2012
Off-Balance Sheet Items			
Contingent liabilities	18	78,640,515,316	59,590,452,646
Acceptances and endorsements		26,091,961,517	19,642,751,282
Letters of guarantee	18.1	16,047,920,425	12,882,332,805
Irrevocable letters of credit		25,218,203,304	17,863,397,969
Bills for collection		11,282,430,070	9,201,970,590
Other contingent liabilities		-	-
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		78,640,515,316	59,590,452,646
Other memorandum items		3,689,788,180	3,841,272,433
Value of traveller's cheques		-	-
Value of savings certificates (sanchaya patra)		3,689,788,180	3,841,272,433

-Sd-
Mahadev Sarker FCA
 Chief Financial Officer

-Sd-
M. Fazlur Rahman
 President & Managing Director

Dated, 25 July 2013

AB Bank Limited
Profit and Loss Statement for the period ended 30 June 2013

		Amounts in Taka			
	Notes	Jan'13- June'13	Jan'12- Jun'12	April'13-June'13	April'12-June'12
OPERATING INCOME					
Interest income/profit on investments	20	8,432,125,593	7,652,564,641	4,316,623,865	3,855,213,452
Interest paid/profit on deposits and borrowings, etc.	21	(6,856,120,253)	(6,263,875,167)	(3,450,194,740)	(3,126,487,009)
Net interest income		1,576,005,339	1,388,689,474	866,429,126	728,726,443
Investment income	22	1,320,966,710	1,060,071,486	694,788,040	556,367,231
Commission, exchange and brokerage	23	1,441,592,437	1,311,444,155	750,540,688	609,002,119
Other operating income	24	57,258,087	68,088,967	29,004,689	42,465,579
		2,819,817,233	2,439,604,608	1,474,333,416	1,207,834,929
Total operating income (a)		4,395,822,573	3,828,294,082	2,340,762,542	1,936,561,372
OPERATING EXPENSES					
					-
Salary and allowances	25	939,133,245	897,102,825	472,470,939	473,496,058
Rent, taxes, insurance, electricity, etc.	26	222,091,594	189,434,688	115,847,754	98,806,183
Legal expenses	27	4,638,324	2,202,653	1,203,757	1,339,224
Postage, stamps, telecommunication, etc.	28	70,216,546	69,610,095	30,744,294	34,734,760
Stationery, printing, advertisement, etc.	29	79,382,325	90,994,939	43,055,011	59,308,434
Chief executive's salary and fees		5,172,751	2,991,234	2,697,751	2,598,750
Directors' fees	30	1,179,296	1,128,240	485,703	626,340
Auditors' fees	31	1,244,619	1,490,401	207,185	-
Charges on loan losses		-	-	-	-
Depreciation and repairs of Bank's assets	32	190,583,252	194,894,754	97,052,083	146,705,714
Other expenses	33	570,059,150	490,266,470	309,587,430	243,702,989
Total operating expenses (b)		2,083,701,103	1,940,116,301	1,073,351,907	1,061,318,452
Profit before provision (c = a-b)		2,312,121,470	1,888,177,782	1,267,410,636	875,242,920
Provision against loans and advances	34	1,089,819,769	501,800,000	659,819,769	296,800,000
Provision for diminution in value of investments	35	79,000,000	1,904,102	5,900,000	-
Other provisions	36	101,204,402	50,000,000	61,204,402	39,902,238
Total provision (d)		1,270,024,171	553,704,102	726,924,171	336,702,238
Profit before taxation (c-d)		1,042,097,298	1,334,473,680	540,486,464	538,540,682
Provision for taxation		769,996,938	821,717,564	419,759,346	400,000,000
Current tax		726,540,084	821,717,564	419,759,346	400,000,000
Deferred tax		43,456,854	-	-	-
Net profit after taxation		272,100,361	512,756,116	120,727,118	138,540,682
Appropriations					
					-
Statutory reserve		15,498,183	30,084,907	15,498,183	30,084,907
General reserve		-	-	-	-
Dividends, etc		-	-	-	-
		15,498,183	30,084,907	15,498,183	30,084,907
Retained surplus		256,602,178	482,671,209	105,228,935	108,455,775
Earnings Per Share (EPS)	37	0.55	1.03	0.24	0.28

-Sd-

Mahadev Sarker FCA
Chief Financial Officer

-Sd-

M. Fazlur Rahman
President & Managing Director

Dated, 25 July 2013

AB Bank Limited
Cash Flow Statement for the period ended 30 June 2013

Amounts in Taka

	Jan'13- June'13	Jan'12- June'12
Cash Flows from Operating Activities		
Interest receipts	8,845,737,544	7,652,564,641
Interest payments	(6,946,333,334)	(6,263,875,167)
Dividend receipts	43,619,938	16,056,343
Fee and commission receipts	1,048,106,001	852,017,799
Recoveries on loans previously written off	3,106,397	18,565,029
Payments to employees	(944,305,996)	(900,094,059)
Payments to suppliers	(79,382,325)	(92,485,341)
Income taxes paid	(889,434,791)	(919,294,063)
Receipts from other operating activities	1,724,984,898	1,552,965,437
Payments for other operating activities	(902,354,037)	(755,490,709)
Operating profit before changes in operating assets & liabilities	1,903,744,293	1,160,929,910
Increase/decrease in operating assets and liabilities		
Loans and advances to customers	(14,743,070,911)	(7,654,458,515)
Other assets	465,927,710	(38,387,853)
Deposits from other banks	698,959,702	(330,991,736)
Deposits from customers	7,909,073,564	13,904,854,975
Trading liabilities (short-term borrowings)	2,536,561,558	(3,918,414,302)
Other liabilities	313,525,586	117,906,004
	(2,819,022,791)	2,080,508,573
Net cash flow from operating activities (a)	(915,278,498)	3,241,438,483
Cash Flows from Investing Activities		
Purchase of government securities	522,062,430	(1,292,699,412)
Purchase of trading securities, shares, bonds, etc.	236,571,457	(437,158,908)
Purchase of property, plant and equipment	(55,203,423)	(124,097,521)
Net cash used in investing activities (b)	703,430,464	(1,853,955,841)
Cash Flows from Financing Activities		
Increase/(decrease) of long-term borrowings	(1,476,386,154)	(172,845,866)
Dividend paid	(675,248)	(175,901,520)
Net cash flow from financing activities (c)	(1,477,061,402)	(348,747,386)
Net increase in cash (a+b+c)	(1,688,909,436)	1,038,735,256
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the year	22,176,723,886	18,194,922,545
Cash and cash equivalents at end of the period (*)	20,487,814,450	19,233,657,802
(*) Cash and cash equivalents:		
Cash	996,154,123	1,030,051,815
Prize bonds	3,381,200	2,609,100
Money at call and on short notice	1,316,116,500	1,667,410,000
Balance with Bangladesh Bank and its agent bank(s)	9,825,838,368	8,372,620,128
Balance with other banks and financial institutions	8,346,324,259	8,160,966,758
	20,487,814,450	19,233,657,802
Net operating cash flow per share	(1.84)	6.51

-Sd-

Mahadev Sarker FCA
Chief Financial Officer

-Sd-

M. Fazlur Rahman
President & Managing Director

Dated, 25 July 2013

AB Bank Limited

Statement of Changes in Equity for the period ended 30 June 2013

Amounts 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
Balance at 01 January 2013	4,423,336,680	5,005,314,801	42,199,200	1,326,815,807	60,392,031	16,846,523	5,158,900,828	16,033,805,870
Net profit after taxation for the period ended	-	-	-	-	-	-	272,100,361	272,100,361
Addition/Adjustment made during the period	-	26,088,041	-	-	-	(8,291,311)	(15,498,183)	2,298,547
Foreign Exchange Fluctuation	-	(18,833,322)	-	-	(56,176,053)	(1,231,605)	(41,957,456)	(118,198,435)
Balance at 30 June 2013	4,423,336,680	5,012,569,521	42,199,200	1,326,815,807	4,215,977	7,323,607	5,373,545,550	16,190,006,343
Balance at 30 June 2012	4,423,336,680	4,413,000,790	42,199,200	1,331,106,857	66,346,175	11,993,225	4,835,746,953	15,123,729,879

-Sd-

Mahadev Sarker FCA
Chief Financial Officer

-Sd-

M. Fazlur Rahman
President & Managing Director

Dated, 25 July 2013

AB Bank Limited

Notes to the Financial Statements as on June 30, 2013

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 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 2013, 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.

AB Bank Limited
Notes to financial statements for the period ended 30 June 2013

		Amounts in Taka	
		At 30 June 2013	At 31 December 2012
Balance Sheet			
3. Cash			
Cash in hand (Note: 3.1)		996,154,122	1,231,674,876
Balance with Bangladesh Bank and its agent bank(s) (Note: 3.2)		9,825,838,368	8,391,165,655
		10,821,992,491	9,622,840,530
3(a) Consolidated Cash			
AB Bank Limited		10,821,992,491	9,622,840,530
AB Investments Limited		25,000	25,000
AB International Finance Limited		-	-
AB Securities Limited		33,730	13,727
Cash Link Bangladesh Limited (CBL)		57,238	7,155
AB Exchange (UK) Ltd.		1,904,872	-
		10,824,013,331	9,622,886,412
3.1 Cash in hand			
In local currency		970,070,057	1,209,413,399
In foreign currency		26,084,065	22,261,477
		996,154,122	1,231,674,876
3.1(a) Consolidated Cash in hand			
AB Bank Limited		996,154,122	1,231,674,876
AB Investments Limited		25,000	25,000
AB International Finance Limited		-	-
AB Securities Limited		33,730	13,727
Cash Link Bangladesh Limited (CBL)		57,238	7,155
AB Exchange (UK) Ltd.		1,904,872	-
		998,174,962	1,231,720,758
3.2 Balance with Bangladesh Bank and its agent bank(s)			
Balance with Bangladesh Bank			
In local currency		8,853,089,852	7,688,919,749
In foreign currency		621,921,851	324,610,156
		9,475,011,702	8,013,529,905
Sonali Bank Limited (as an agent bank of Bangladesh Bank) - local currency		350,826,666	377,635,750
		9,825,838,368	8,391,165,655
3.2(a) Consolidated Balance with Bangladesh Bank and its agent bank(s)			
AB Bank Limited		9,825,838,368	8,391,165,655
AB Investments Limited		-	-
AB International Finance Limited		-	-
AB Securities Limited		-	-
Cash Link Bangladesh Limited (CBL)		-	-
AB Exchange (UK) Ltd.		-	-
		9,825,838,368	8,391,165,655

AB Bank Limited
Notes to financial statements for the year ended 30 June 2013

		Amounts in Taka	
		At 30 June 2013	At 31 December 2012
4. Balance with other banks and financial institutions			
In Bangladesh	4,587,511,527	5,616,079,788	
Outside Bangladesh	3,758,812,731	3,260,994,166	
	8,346,324,259	8,877,073,955	
4(a) Consolidated balance with other banks and financial institutions			
In Bangladesh (note: 4.1(a))	4,659,813,134	5,621,794,561	
Outside Bangladesh (Nostro Accounts) (note 4.2(a))	2,092,954,346	1,851,770,306	
	6,752,767,480	7,473,564,867	
4.1(a) Consolidated In Bangladesh			
AB Bank Limited	4,587,511,527	5,616,079,788	
AB Investments Limited	1,326,953	586,494	
AB International Finance Limited	-	-	
AB Securities Limited	365,913,538	117,287,732	
Cash Link Bangladesh Limited (CBL)	40,689,010	5,662,854	
AB Exchange (UK) Ltd.	-	-	
	4,995,441,028	5,739,616,868	
Less: Inter company transaction	335,627,894	117,822,307	
	4,659,813,134	5,621,794,561	
4.2(a) Consolidated Outside Bangladesh (Nostro Accounts)			
AB Bank Limited	3,758,812,731	3,260,994,166	
AB Investments Limited	-	-	
AB International Finance Limited	13,314,926	41,332,012	
AB Securities Limited	-	-	
Cash Link Bangladesh Limited (CBL)	-	-	
AB Exchange (UK) Ltd.	1,571,631	4,397,182	
	3,773,699,289	3,306,723,360	
Less: Inter company transactions	1,680,744,942	1,454,953,055	
	2,092,954,346	1,851,770,306	
5. Money at call and on short notice			
In Bangladesh	970,000,000	3,300,000,000	
Outside Bangladesh	346,116,500	371,790,000	
	1,316,116,500	3,671,790,000	
5(a) Consolidated money at call and on short notice			
AB Bank Limited	1,316,116,500	3,671,790,000	
AB Investments Limited	-	-	
AB International Finance Limited	-	-	
AB Securities Limited	-	-	
Cashlink Bangladesh Limited (CBL)	-	-	
AB Exchange (UK) Ltd.	-	-	
	1,316,116,500	3,671,790,000	

AB Bank Limited
Notes to financial statements for the period ended 30 June 2013

		Amounts in Taka	
		At 30 June 2013	At 31 December 2012
6 (a) Consolidated investments			
AB Bank Limited	25,364,038,476	26,114,787,647	
AB International Finance Limited	-	-	
AB Investment Limited	709,330,553	740,381,828	
AB Securities Limited	83,495,615	67,495,079	
Cashlink Bangladesh Limited (CBL)	26,932,725	26,932,725	
AB Exchange (UK) Ltd.	-	-	
	26,183,797,369	26,949,597,279	
Less: Inter-group transaction	-	-	
	26,183,797,369	26,949,597,279	
6.1 Government securities			
Treasury bills	258,982,500	758,517,571	
30 days Bangladesh Bank bills	1,217,326,894	1,217,326,894	
Treasury bonds	17,557,586,566	17,637,791,008	
Debentures - Bangladesh House Building Finance Corporation (Maturity date: 14 March 2015, interest rate: 5.50%)	10,000,000	15,000,000	
Bangladesh Bank Islami Investment bonds	182,000,000	109,800,000	
Prize bonds	3,381,200	5,019,400	
	19,229,277,159	19,743,454,873	
6.1(a) Consolidated Government securities			
AB Bank Limited	19,229,277,159	19,743,454,873	
AB Investment Limited	-	-	
AB International Finance Limited	-	-	
AB Securities Limited	-	-	
Cashlink Bangladesh Limited (CBL)	-	-	
AB Exchange (UK) Ltd.	-	-	
	19,229,277,159	19,743,454,873	
6.2 Other investments			
Shares	5,641,081,753	5,791,995,148	
Bond	140,000,000	140,000,000	
	5,781,081,753	5,931,995,148	
Investments -ABBL, Mumbai branch			
Treasury bills	316,716,933	374,529,525	
Debentures and bonds	36,962,630	64,808,100	
	353,679,563	439,337,625	
Total Other investments	6,134,761,317	6,371,332,773	
6.2 (a) Consolidated other investments			
AB Bank Limited	6,134,761,317	6,371,332,773	
AB Investment Limited	709,330,553	740,381,828	
AB International Finance Limited	-	-	
AB Securities Limited	83,495,615	67,495,079	
Cashlink Bangladesh Limited (CBL)	26,932,725	26,932,725	
AB Exchange (UK) Ltd.	-	-	
	6,954,520,210	7,206,142,406	
Less: Inter- group transactions	-	-	
	6,954,520,210	7,206,142,406	
6.2.1 Investments in shares			
Quoted (Publicly Traded)	4,743,074,908	4,988,920,181	
Unquoted	898,006,845	803,074,967	
	5,641,081,753	5,791,995,148	

AB Bank Limited
Notes to financial statements for the period ended 30 June 2013

		<u>Amounts in Taka</u>	
		At 30 June 2013	At 31 December 2012
7. Loans, advances and lease/investments		120,395,217,883	106,065,758,923
7.1 Broad category-wise breakup			
In Bangladesh			
Loans	100,985,348,707	88,019,786,261	
Overdrafts	18,187,288,541	17,025,203,384	
Cash credits	-	-	
	119,172,637,249	105,044,989,644	
Outside Bangladesh: ABBL, Mumbai Branch			
Loans	268,603,066	277,279,676	
Overdrafts	42,257,837	4,057,448	
Cash credits	12,497,870	47,458,232	
	323,358,772	328,795,356	
	119,495,996,020	105,373,785,000	
7.2 Classification of loans, advances and lease/investments			
In Bangladesh			
<u>Unclassified</u>			
Standard	113,547,090,410	101,794,205,867	
Special Mention Account	478,714,064	505,004,000	
	114,025,804,474	102,299,209,867	
<u>Classified</u>			
Substandard	1,106,700,000	437,063,154	
Doubtful	1,438,200,000	524,890,000	
Bad/Loss	3,101,653,146	2,475,800,546	
	5,646,553,146	3,437,753,700	
	119,672,357,620	105,736,963,567	
Outside Bangladesh-Mumbai Branch			
Unclassified Loan	647,953,462	244,282,510	
Classified Loan	74,906,801	84,512,846	
	722,860,263	328,795,356	
	120,395,217,883	106,065,758,923	
7(a) Consolidated Loans, advances and lease/investments			
AB Bank Limited	119,495,996,020	105,373,785,000	
AB Investment Limited	7,111,592,330	7,585,189,288	
AB International Finance Limited	-	-	
AB Securities Limited	1,053,544,715	1,073,788,194	
Cashlink Bangladesh Limited (CBL)	-	-	
AB Exchange (UK) Ltd.	-	-	
	127,661,133,065	114,032,762,482	
Less: Inter company transaction	2,762,518,786	2,721,036,520	
	124,898,614,279	111,311,725,962	
8. Bills purchased and discounted			
In Bangladesh	499,720,371	439,934,818	
Outside Bangladesh - ABBL, Mumbai Branch	399,501,491	252,039,105	
	899,221,863	691,973,923	

AB Bank Limited
Notes to financial statements for the period ended 30 June 2013

		Amounts in Taka	
		At 30 June 2013	At 31 December 2012
8 (a) Consolidated Bills purchased and discounted			
AB Bank Limited	899,221,863	691,973,923	
AB Investment Limited	-	-	
AB International Finance Limited	2,137,787,483	1,659,285,813	
AB Securities Limited	-	-	
Cashlink Bangladesh Limited (CBL)	-	-	
AB Exchange (UK) Ltd.	-	-	
	3,037,009,346	2,351,259,736	
9. Fixed assets including premises, furniture and fixtures			
Cost:			
Land and Building	3,125,447,444	3,111,940,206	
Furniture and fixtures	204,422,526	202,789,081	
Office appliances	60,916,441	61,663,735	
Electrical appliances	1,371,385,410	1,353,846,742	
Motor vehicles	479,145,509	479,583,052	
Intangible Assets	230,452,250	218,879,331	
	5,471,769,581	5,428,702,146	
Less: Accumulated depreciation and amortization	1,346,599,167	1,199,181,586	
	4,125,170,414	4,229,520,560	
9(a) Consolidated Fixed assets including premises, furniture and fixtures			
Cost:			
AB Bank Limited	5,471,769,581	5,428,702,146	
AB Investments Limited	574,374,720	571,076,609	
AB International Finance Limited	9,048,175	9,273,255	
AB Securities Limited	28,819,670	28,777,170	
Cashlink Bangladesh Limited (CBL)	251,690,884	268,419,630	
AB Exchange (UK) Ltd.	14,969,006	15,837,740	
	6,350,672,035	6,322,086,549	
Accumulated depreciation:			
AB Bank Limited	1,346,599,167	1,199,181,586	
AB Investments Limited	27,133,847	19,128,664	
AB International Finance Limited	8,668,978	8,770,016	
AB Securities Limited	13,877,122	11,193,635	
Cashlink Bangladesh Limited (CBL)	221,537,216	209,896,835	
AB Exchange (UK) Ltd.	6,852,705	5,265,911	
	1,624,669,036	1,453,436,647	
	4,726,003,000	4,868,649,902	
10. Other assets			
Income generating-Equity Investment			
In Bangladesh:			
AB Investment Limited (99.99% owned subsidiary company of ABBL)	99,899,000	99,899,000	
AB Securities Limited (99.71% owned subsidiary company of ABBL)	34,898,000	34,898,000	
Cashlink Bangladesh Limited (CBL) (90% owned subsidiary company of ABBL)	212,581,228	212,581,228	
Outside Bangladesh:			
AB International Finance Ltd., Hong Kong (wholly owned subsidiary company of ABBL)	5,203,944	5,203,944	
AB Exchange (UK) Limited (wholly owned subsidiary company of ABBL)	29,554,825	32,280,000	
	382,136,997	384,862,173	

AB Bank Limited
Notes to financial statements for the period ended 30 June 2013

		Amounts in Taka	
		At 30 June 2013	At 31 December 2012
Non-income generating			
Inter-branch adjustment	-	4,191,701	
Advance corporate income tax (note: 10.1)	6,463,396,252	5,673,148,042	
Arab Bangladesh Bank Foundation (99.60% owned subsidiary company of ABBL)	19,920,000	19,920,000	
Share Money Deposits - AB Investment Limited	4,900,100,000	4,900,100,000	
Share Money Deposits - AB Securities Limited	165,000,000	165,000,000	
Accounts receivable	889,097,020	1,232,257,570	
Preliminary, formation, organisational, renovation, development, prepaid expenses and others	1,043,331,246	1,033,615,467	
Exchange for clearing	797,926,766	703,078,129	
Interest accrued on investment but not collected, and debentures, and other income receivables	608,945,359	686,226,038	
Security deposits	239,831,026	267,435,160	
Local drafts paid without advice	-	-	
Advance rent and advertisement	144,060,013	156,275,414	
Stationery, stamps, printing materials, etc	30,418,567	34,546,476	
	15,302,026,249	14,875,793,998	
	15,684,163,248	15,260,656,171	
10(a) Consolidated Other assets			
AB Bank Limited	15,684,163,248	15,260,656,170	
AB Investment Limited	525,684,661	235,544,527	
AB International Finance Limited	10,726,142	9,249,425	
AB Securities Limited	136,045,460	107,900,318	
Cashlink Bangladesh Limited (CBL)	24,342,816	23,287,654	
AB Exchange (UK) Ltd.	867,746	1,350,208	
	16,381,830,075.60	15,637,988,302	
Less: Inter-group transaction	6,140,269,342	6,370,150,451	
	10,241,560,736	9,267,837,851	
10.1 Advance corporate income tax			
In Bangladesh:			
Balance at 01 January	4,066,825,904	2,548,624,404	
Add: Paid during the year	1,325,524,111	1,470,386,008	
Add: Tax withheld during the year	122,143,930	47,815,492	
	1,447,668,041	1,518,201,500	
Less: Settlement during the year	-	-	
Balance at 31 December	5,514,493,945	4,066,825,904	
Advance tax paid by ABBL, Mumbai Branch	94,128,814	306,886,007	
	5,608,622,759	4,373,711,911	
11. Borrowings from other banks, financial institutions and agents			
In Bangladesh			
	3,690,256,911	3,262,748,341	
Outside Bangladesh	1,019,180,275	386,513,441	
	4,709,437,186	3,649,261,782	
11(a) Consolidated Borrowings from other banks, financial institutions and agents			
AB Bank Limited	4,709,437,186	3,649,261,782	
AB Investment Limited	2,472,680,691	2,565,203,769	
AB International Finance Limited	1,684,118,010	1,455,596,448	
AB Securities Limited	293,450,939	247,970,830	
Cashlink Bangladesh Limited (CBL)	343,241,029	343,241,029	
AB Exchange (UK) Ltd.	-	-	
	9,502,927,857	8,261,273,858	
Less: Intercompany transactions	4,383,369,305	4,144,291,698	
	5,119,558,552	4,116,982,161	

AB Bank Limited
Notes to financial statements for the period ended 30 June 2013

		Amounts in Taka	
		At 30 June 2013	At 31 December 2012
12. Deposit and other accounts			
Inter-bank deposits		3,148,318,775	2,449,359,073
Other deposits		145,395,455,300	137,576,594,818
		148,543,774,075	140,025,953,891
12(a) Consolidated Deposit and other accounts			
AB Bank Limited		148,543,774,075	140,025,953,891
AB Investment Limited		-	-
AB International Finance Limited		-	-
AB Securities Limited		-	-
Cashlink Bangladesh Limited (CBL)		-	-
AB Exchange (UK) Ltd.		-	-
		148,543,774,075	140,025,953,891
Less: Inter-group transaction		336,278,194	117,910,184
		148,207,495,881	139,908,043,708
12.3 Demand and time deposits			
a) Demand Deposits		19,072,804,789	16,440,888,883
Current accounts and other accounts		16,195,493,984	13,487,687,930
Savings Deposits (9%)		1,431,568,729	1,486,053,943
Bills Payable		1,445,742,076	1,467,147,010
b) Time Deposits		129,470,969,287	123,585,065,008
Savings Deposits (91%)		14,474,750,482	13,374,485,484
Short Notice Deposits		20,261,659,993	21,160,436,286
Fixed Deposits		83,353,181,456	80,452,713,916
Non Resident Foreign Currency Deposits A/C		273,436,416	287,062,440
Other Deposits		11,107,940,940	8,310,366,882
Total Demand and Time Deposits		148,543,774,075	140,025,953,891
13. Other liabilities			
Accumulated provision against loans and advances (Note 13.1)		3,404,232,767	2,318,340,874
Inter-branch adjustment		130,914,121	-
Provision for current tax		8,448,003,278	7,772,599,103
Deferred tax liabilities		112,104,055	112,104,055
Interest suspense account		1,283,410,242	879,992,653
Provision against other assets		283,916,957	282,197,228
Provision for outstanding debit entries in NOSTRO accounts		200,000	200,000
Accounts payable - Bangladesh Bank		155,413,934	66,308,878
Accrued expenses		98,149,387	62,205,113
Provision for off balance sheet items (Note 13.2)		680,000,000	580,000,000
Provision against investments (Note 13.3)		1,676,153,000	1,597,153,000
Others (*)		337,307,924	462,305,337
		16,609,805,666	14,133,406,241
(*) 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.			
13.1 Accumulated provision against loans and advances			
<u>The movement in specific provision for bad and doubtful debts</u>			
Balance at 01 January		1,015,379,159	1,030,514,450
Fully provided debts written off during the period	(-)	-	800,135,291
Recovery of amounts previously written off	(+)	-	-
Specific provision made for the year	(+)	820,000,000	711,800,000
Transferred from other assets provisions	(+)	-	60,000,000
Transfer from general provision	(+)	-	13,200,000
Recoveries and provision no longer required	(-)	-	-
Net charge to Profit and Loss Statement	(+)	-	-
		820,000,000	(15,135,291)
Balance at 31 December		1,835,379,159	1,015,379,159
Provision made by ABBL, Mumbai Branch		29,974,995	33,327,401
Total provision on classified loans and advances		1,865,354,154	1,048,706,560

AB Bank Limited
Notes to financial statements for the period ended 30 June 2013
On unclassified loans

Balance at 01 January	
Recoveries and provision no longer required	(-)
Transfer to specific provision during the period	(-)
General provision made for the year	(+)
Balance at 30 June	
Provision made by ABBL, Mumbai Branch	
Total provision on un-classified loans and advances	
Total provision on loans and advances	

Provision for
Required

Un-classified loans and advances	1,152,518,300
Classified loans and advances	1,864,674,995
	3,017,193,295

13.1.1 Details of provision for loans and advances
General Provision :

Standard
Special Mention Account

Specific Provision:

Substandard
Doubtful
Bad/Loss

Excess provision maintained at June 30, 2013
13.2 Provision for off balance sheet items

Balance at 01 January
Add: Provision made during the period
Less: Adjustment during the period

13.3 Provision against investments

Balance at 01 January
Add: Provision made during the period
Less: Adjustment during the period
Balance at 30 June 2013
Provision for Mumbai Branch
Balance at 30 June 2013

13(a) Consolidated Other liabilities

AB Bank Limited
AB Investment Limited
AB International Finance Limited
AB Securities Limited
Cashlink Bangladesh Limited (CBL)
AB Exchange (UK) Ltd.
Less: Inter-group transaction

Amounts in Taka

At 30 June 2013	At 31 December 2012
--------------------	------------------------

1,265,260,313	1,278,460,313
-	-
-	13,200,000
269,700,000	
269,700,000	(13,200,000)
1,534,960,313	1,265,260,313
3,918,300	4,374,000
1,538,878,613	1,269,634,313
3,404,232,767	2,318,340,873
Maintained	Excess
1,538,878,613	386,360,313
1,865,354,154	679,159
3,404,232,767	387,039,472

Provision	
Required	Maintained
1,152,518,300	1,538,878,613
1,143,518,300	1,529,878,613
9,000,000	9,000,000
1,864,674,995	1,865,354,154
220,274,995	220,274,995
525,000,000	525,000,000
1,119,400,000	1,120,079,159
	387,039,472

580,000,000	510,000,000
100,000,000	70,000,000
-	-
680,000,000	580,000,000

1,597,153,000	1,220,753,000
79,000,000	376,400,000
-	-
1,676,153,000	1,597,153,000
-	-
1,676,153,000	1,597,153,000

16,609,805,666	14,133,406,241
966,787,564	891,700,012
310,820,433	65,932,526
1,001,942,983	727,117,384
11,365,202	18,581,007
12,676,304	13,260,337
18,913,398,152	15,849,997,507
750,551,048	559,982,513
18,162,847,103	15,290,014,994

AB Bank Limited
Notes to financial statements for the period ended 30 June 2013

		Amounts in Taka	
		At 30 June 2013	At 31 December 2012
14. Share Capital		4,423,336,680	4,423,336,680
14.1 Authorised Capital			
600,000,000 ordinary shares of Taka 10 each		6,000,000,000	6,000,000,000
14.2 Issued, Subscribed and Paid-up Capital			
15,000,000 ordinary shares of Taka 10 each issued for cash		150,000,000	150,000,000
427,333,668 ordinary shares of Taka 10 each issued as bonus shares		4,273,336,680	4,273,336,680
		4,423,336,680	4,423,336,680
15. Statutory reserve			
In Bangladesh			
Opening balance		4,824,544,671	4,230,234,501
Add: Addition during the period		-	594,310,170
		4,824,544,671	4,824,544,671
Outside Bangladesh - ABBL, Mumbai Branch			
Opening balance		180,770,130	159,962,774
Add: Transferred from retained earnings		15,498,183	29,756,322
Add: Transferred from Investment fluctuation reserve		10,589,859	
Add/(Less) Adjustment for Foreign Exchange Rate Fluctuation		(18,833,322)	(8,948,966)
		188,024,850	180,770,130
		5,012,569,521	5,005,314,801
16. Other reserve			
General reserve (Note 16.1)		42,199,200	42,199,200
Assets revaluation reserve (Note 16.2)		1,326,815,807	1,326,815,807
Investment revaluation reserve (Note 16.3)		7,323,607	16,846,523
Foreign exchange revaluation for investment in foreign operation		4,215,977	60,392,031
		1,380,554,592	1,446,253,561
16.1 General reserve			
Opening balance		42,199,200	42,199,200
Add : Addition during the year		-	-
		42,199,200	42,199,200
16.2 Assets revaluation reserve			
Opening balance		1,335,395,306	1,338,065,823
Add : Addition during the year		-	-
Less : Adjustment during the year		8,579,499	2,670,517
		1,326,815,807	1,335,395,306
16.3 Investment revaluation reserve (Treasury Bills & Treasury Bonds)			
In Bangladesh			
Revaluation Reserve for:			
Held to Maturity (HTM)		-	-
Held for Trading (HFT)		7,323,607	2,813,207
		7,323,607	2,813,207
Outside Bangladesh			
ABBL, Mumbai branch		-	12,521,377
		7,323,607	15,334,585

AB Bank Limited
Notes to financial statements for the period ended 30 June 2013

		Amounts in Taka	
		At 30 June 2013	At 31 December 2012
16(a) Consolidated Other reserve			
AB Bank Limited	1,380,554,592	1,446,253,561	
AB Investment Limited	-	-	
AB International Finance Limited	78,897,296	85,862,514	
AB Securities Limited	-	-	
Cashlink Bangladesh Limited (CBL)	-	-	
AB Exchange (UK) Ltd.	-	-	
	1,459,451,888	1,532,116,076	
17. Retained earnings			
Opening balance	5,158,900,828	5,291,115,537	
Add: Post-tax profit for the period	272,100,361	1,438,537,814	
Less: Transfer to statutory reserve	15,498,183	624,066,492	
Cash dividend	-	184,305,695	
Bonus shares issued	-	737,222,780	
	5,415,503,006	5,184,058,384	
Add/(Less): Retained earnings adjustment of Mumbai Br.		(1,384,954)	
Add/(Less): Foreign Exchange Translation loss	(41,957,456)	(23,772,601)	
	5,373,545,550	5,158,900,828	
17(a) Consolidated Retained earnings			
AB Bank Limited	5,373,545,550	5,158,900,828	
AB Investment Limited	455,732,109	656,771,295	
AB International Finance Limited	81,441,654	100,646,480	
AB Securities Limited	158,581,682	208,980,372	
Cashlink Bangladesh Limited (CBL)	(474,630,775)	(489,608,852)	
AB Exchange (UK) Ltd.	(29,770,579)	(29,221,119)	
	5,564,899,643	5,606,469,004	
Less: Inter group transaction/Share discounting	1,618,772	393,069,411	
Minority Interest	(46,991,832)	(48,334,938)	
	5,613,510,247	5,261,734,530	
Add: Foreign currency translation gain/(Loss)	-	-	
	5,613,510,247	5,261,734,530	
17(b) Mionirity Interest			
AB Investment Limited	5,562	11,948	
AB Securities Limited	569,683	717,999	
Cashlink Bangladesh Limited	(19,463,077)	(20,960,885)	
	(18,887,832)	(20,230,939)	
18. Contingent liabilities	78,640,515,316	52,595,442,736	
18.1 Letters of guarantee			
Money for which the Bank is in contingently liable in respect of guarantees issued favoring:			
Directors	-	-	
Government	-	-	
Banks and other financial institutions	28,900,000	290,900,000	
Others	15,757,020,425	12,591,432,805	
	15,785,920,425	12,882,332,805	

AB Bank Limited
Notes to financial statements for the period ended 30 June 2013

Profit and Loss Statement

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

Expenses:

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

Amounts in Taka	
Jan'13- June'13	Jan'12- Jun'12
9,658,926,163	8,667,207,069
43,619,938	16,056,343
1,048,106,001	852,017,799
65,089,897	32,167,381
393,486,436	459,426,356
57,258,087	68,088,967
(14,543,695)	(2,794,666)
-	-
-	-
11,251,942,826	10,092,169,249
6,856,120,253	6,263,875,167
1,355,983,208	1,286,600,974
570,059,150	490,266,470
157,658,745	163,248,857
-	-
8,939,821,356	8,203,991,467
2,312,121,470	1,888,177,782

20. Interest income/profit on investments

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

7,845,784,089	7,033,366,667
188,011,232	192,203,155
8,033,795,321	7,225,569,821
388,975,798	418,169,335
8,979,190	6,797,502
-	1,554,267
375,284	473,716
398,330,272	426,994,820
-	-
8,432,125,593	7,652,564,641

20(a). Consolidated Interest income/profit on investments

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

Less Intercompany Transactions

8,432,125,593	7,652,564,641
56,236,039	41,379,268
233,403,373	413,612,401
50,814,918	86,620,019
-	20,018,002
-	-
8,772,579,923	8,214,194,331
145,154,434	161,625,013
8,627,425,489	8,052,569,318

21. Interest/profit 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

4,953,168,673	4,405,429,409
321,545,447	259,301,511
749,704,577	529,103,487
568,376,699	412,207,606
6,592,795,396	5,606,042,013
263,324,858	657,833,154
6,856,120,253	6,263,875,167

AB Bank Limited
Notes to financial statements for the period ended 30 June 2013

Amounts in Taka

21(a). Consolidated Interest/profit paid on deposits, borrowings, etc

	Jan'13- June '13	Jan'12- Jun'12
AB Bank Limited	6,856,120,253	6,263,875,167
AB Investment Limited	154,271,778	161,023,207
AB International Finance Limited	10,131,058	6,191,250
AB Securities Limited	37,952,710	39,912,052
Cashlink Bangladesh Limited (CBL)	-	294,907
AB Exchange (UK) Ltd.	-	-
	7,058,475,798	6,471,296,584
Less Intercompany Transactions	146,606,229	163,084,829
	6,911,869,569	6,308,211,754

22. Investment income

Capital gain on sale of shares	65,089,897	32,167,381
Interest on treasury bills	285,403,560	31,058,876
Dividend on shares	43,619,938	16,056,343
Interest on debentures	2,887,500	2,887,500
Interest on treasury bonds	925,955,260	971,828,303
Gain/(Loss) on treasury bills and treasury bonds	(14,543,695)	(2,794,666)
Interest on other bonds & others	12,554,251	8,867,749
	1,320,966,710	1,060,071,486

22(a). Consolidated Investment income

AB Bank Limited	1,320,966,710	1,060,071,486
AB Investment Limited	2,048,589	1,514,837
AB International Finance Limited	-	-
AB Securities Limited	2,405,701	1,032,048
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	1,325,421,000	1,062,618,372
Less Intercompany Transactions (*)		
	1,325,421,000	1,062,618,372

(*) Inter-company transactions includes dividend income from AB Investment Limited, AB Securities Limited and AB International Finance Limited.

23. Commission, exchange and brokerage

Other fees, commission and service charges	525,331,462	440,958,490
Commission on letters of credit	398,428,838	338,067,705
Commission on letters of guarantee	124,345,700	72,991,604
Exchange gains less losses arising from dealings in foreign currencies	393,486,436	459,426,356
	1,441,592,437	1,311,444,155

23(a). Consolidated Commission, exchange and brokerage

AB Bank Limited	1,441,592,437	1,311,444,155
AB Investment Limited	14,058,881	68,770,056
AB International Finance Limited	24,274,373	13,638,945
AB Securities Limited	15,093,583	27,630,616
Cashlink Bangladesh Limited (CBL)	48,705,042	7,849,695
AB Exchange (UK) Ltd.	2,788,309	1,477,357
	1,546,512,624	1,430,810,824
Less Intercompany Transactions	47,957,070	
	1,498,555,554	1,430,810,824

AB Bank Limited
Notes to financial statements for the period ended 30 June 2013

Amounts in Taka

24. Other income

Locker rent, insurance claim and others
Recoveries on loans previously written off
Recoveries on telex, telephone, fax, etc
Recoveries on courier, postage, stamp, etc
Gain on sale of Bank property
Non-operating income (*)

Jan'13- June'13	Jan'12- Jun'12
2,955,702	2,974,671
3,106,397	18,565,029
39,586,778	30,793,406
11,531,376	10,298,702
-	-
77,834	5,457,159
57,258,087	68,088,967

(*) Non-operating income includes sale of vehicles, old tyres, tubes, newspapers, furniture, fixtures, etc.

24(a). Consolidated other income

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

57,258,087	68,088,967
4,076,303	3,721,816
25,631,280	26,833,313
426,203	325,119
510,190	12,786,452
-	-
87,902,063	111,755,667
3,993,605	3,795,164
83,908,458	107,960,503

Less: Inter company transactions

25. Salary and allowances

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

939,133,245	838,898,598
-	58,204,227
939,133,245	897,102,825

25(a). Consolidated salary and allowances

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

939,133,245	897,102,825
6,195,431	7,949,138
11,517,186	11,008,682
9,887,590	10,716,937
98,930	8,007,709
2,250,120	4,044,398
969,082,502	938,829,690

26. Rent, taxes, insurance, electricity, etc

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

131,261,366	120,583,920
36,494,902	29,778,988
54,335,326	39,071,780
222,091,594	189,434,688

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

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

222,091,594	189,434,688
809,129	1,094,420
2,878,167	2,997,317
3,721,543	3,583,149
1,530,844	2,794,691
1,134,100	2,599,344
232,165,377	202,503,610
2,541,810	2,333,034
229,623,567	200,170,576

Less: Inter company transactions

AB Bank Limited**Notes to financial statements for the period ended 30 June 2013**

Amounts in Taka

	Jan'13- June'13	Jan'12- Jun'12
27. Legal expenses		
Legal expenses	4,638,324	2,202,653
27(a). Consolidated Legal expenses		
AB Bank Limited	4,638,324	2,202,653
AB Investment Limited	28,750	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	120,750	460,625
AB Exchange (UK) Ltd.	30,006	6,508
	4,817,829	2,669,786
28. Postage, stamp, telecommunication, etc		
Telex, fax, internet, wireless link, SWIFT, etc	50,034,239	50,771,365
Telephone	5,845,052	6,629,739
Postage, stamp and shipping	14,337,256	12,208,991
	70,216,546	69,610,095
28(a). Consolidated Postage, stamp, telecommunication, etc		
AB Bank Limited	70,216,546	69,610,095
AB Investment Limited	396,256	420,839
AB International Finance Limited	3,311,564	2,565,238
AB Securities Limited	741,558	775,639
Cashlink Bangladesh Limited (CBL)	219,254	384,223
AB Exchange (UK) Ltd.	167,911	178,312
	75,053,090	73,934,347
Less: Inter company transactions	6,506,311	-
	68,546,779	73,934,347
29. Stationery, printing, advertisements, etc		
Printing and stationery	63,193,987	64,479,504
Publicity, advertisement, etc	16,188,338	26,515,436
	79,382,325	90,994,939
29(a). Consolidated Stationery, printing, advertisements, etc		
AB Bank Limited	79,382,325	90,994,939
AB Investment Limited	389,578	265,499
AB International Finance Limited	104,869	81,737
AB Securities Limited	251,316	326,148
Cashlink Bangladesh Limited (CBL)	13,110	63,625
AB Exchange (UK) Ltd.	16,479	13,831
	80,157,677	91,745,780
30. Directors' fees		
Directors' fees	833,750	786,600
Meeting expenses	345,546	341,640
	1,179,296	1,128,240

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.

AB Bank Limited
Notes to financial statements for the period ended 30 June 2013

Amounts in Taka

30(a). Consolidated Directors' fees

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

Jan'13- June'13	Jan'12- Jun'12
1,179,296	1,128,240
46,000	23,000
-	-
138,000	103,500
15,000	15,000
-	-
1,378,296	1,269,740

31. Auditors' fees

 Statutory
 Others

285,441	539,132
959,178	951,270
1,244,619	1,490,401

31(a). Consolidated Auditors' fees

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

1,244,619	1,490,401
-	-
-	-
-	-
-	-
108,020	579,219
1,352,639	2,069,621

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

 Electrical appliances
 Furniture and fixtures
 Office appliances
 Building
 Motor vehicles

87,447,418	83,705,936
6,364,150	6,375,655
1,317,158	1,705,922
7,368,118	7,533,559
26,894,787	30,308,031
129,391,632	129,629,103

Repairs:

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

9,244,623	8,489,660
10,857,653	9,202,643
9,892,770	11,828,044
713,070	457,455
2,216,391	1,668,096
32,924,508	31,645,898
162,316,139	161,275,001

Amortization of Intangible Assets

28,267,113	33,619,753
190,583,252	194,894,754

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

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

190,583,252	194,894,754
8,219,975	8,121,996
1,844,664	222,381
3,025,123	2,978,550
26,308,085	27,532,642
1,586,795	1,730,244
231,567,894	235,480,567

AB Bank Limited
Notes to financial statements for the period ended 30 June 2013

Amounts in Taka

33. Other expenses

	Jan'13- June'13	Jan'12- Jun'12
Contractual service	178,810,008	112,630,565
Amortization of deferred revenue expenses	106,976,140	108,755,403
Petrol, oil and lubricant	34,541,855	31,843,121
Software expenses	67,922,257	28,797,335
Entertainment	26,066,481	29,139,167
Travelling	20,688,836	21,236,035
Subscription, membership and sponsorship	14,049,111	15,701,664
Training, seminar and workshop	7,686,946	3,021,083
Local conveyance	4,282,501	4,173,460
Professional charges	16,547,883	19,072,858
Books, newspapers and periodicals	1,330,119	578,504
Branch opening expenses	14,666	125,103
Bank Charges	6,146,719	3,353,934
Sundry expenses (*)	84,995,629	111,838,240
	570,059,150	490,266,470

(*) 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	570,059,150	490,266,470
AB Investment Limited	4,892,946	6,054,818
AB International Finance Limited	418,266	1,634,474
AB Securities Limited	9,092,606	5,552,133
Cashlink Bangladesh Limited (CBL)	5,685,104	27,271,277
AB Exchange (UK) Ltd.	557,308	929,820
	590,705,381	531,708,992
Less: Inter company transactions	41,450,759	2,314
	549,254,622	531,706,678

34. Provision against loans and advances

On un-classified loans	269,700,000	106,800,000
On classified loans	820,119,769	395,000,000
	1,089,819,769	501,800,000

34(a). Consolidated provision against loans and advances

AB Bank Limited	1,089,819,769	501,800,000
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	1,089,819,769	501,800,000

35. Provisions for diminution in value of investments

In quoted shares	79,000,000	1,904,102
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AB Bank Limited**Notes to financial statements for the period ended 30 June 2013**

Amounts in Taka

35(a). Consolidated provisions for diminution in value of investments

	Jan'13- June'13	Jan'12- Jun'12
AB Bank Limited	79,000,000	1,904,102
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	79,000,000	1,904,102

36. Other provision

Provision for off balance sheet items	100,000,000	40,000,000
Provision for Other assets	1,204,402	10,000,000
	101,204,402	50,000,000

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 provisions

AB Bank Limited	101,204,402	50,000,000
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	-
	101,204,402	50,000,000

37. Earnings per share

Profit after taxation	272,100,361	512,756,116
Number of ordinary shares outstanding	497,625,377	497,625,377
Earnings per share	0.55	1.03

37. (a) Consolidated Earnings per share

Net Profit attributable to the shareholders of parent company	394,700,716	760,781,474
Number of ordinary shares outstanding	497,625,377	497,625,377
Earnings per share	0.79	1.53

Earnings per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares at the reporting date in terms of Bangladesh Accounting Standard (BAS)-33. Accordingly to BAS-33, EPS for the period ended 30 June 2012 was restated for the issues of bonus share in 2012.