

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 third quarter ended 30 September 2015



AB Bank Limited & its Subsidiaries
Consolidated Balance Sheet
As at 30 September 2015

| <u>PROPERTY AND ASSETS</u> | Notes | 30.09.2015 Taka | 31.12.2014 Taka |
|--|--------------|-------------------------------|-------------------------------|
| Cash | 3(a) | 15,821,276,145 | 13,950,476,378 |
| In hand (including foreign currencies) | 3.1(a) | 1,483,885,857 | 1,140,708,758 |
| Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) | 3.2(a) | 14,337,390,288 | 12,809,767,620 |
| Balance with other banks and financial institutions | 4(a) | 4,507,398,717 | 6,555,722,116 |
| In Bangladesh | 4.1(a) | 2,567,243,944 | 4,214,889,208 |
| Outside Bangladesh | 4.2(a) | 1,940,154,774 | 2,340,832,909 |
| Money at call and on short notice | 5(a) | 3,526,039,408 | 2,456,985,298 |
| Investments | 6(a) | 40,910,490,653 | 31,717,883,909 |
| Government | 6.1(a) | 34,732,956,735 | 25,305,839,814 |
| Others | 6.2(a) | 6,177,533,919 | 6,412,044,095 |
| Loans, advances and lease/investments | | 202,364,098,631 | 184,737,891,930 |
| Loans, cash credits, overdrafts, etc./Investments | 7(a) | 200,534,404,175 | 181,936,611,502 |
| Bills purchased and discounted | 8(a) | 1,829,694,456 | 2,801,280,428 |
| Fixed assets including premises, furniture and fixtures | 9(a) | 4,865,885,952 | 4,940,112,222 |
| Other assets | 10(a) | 15,130,221,323 | 12,455,465,235 |
| Non-banking assets | | - | - |
| Total Assets | | <u>287,125,410,829</u> | <u>256,814,537,088</u> |
| <u>LIABILITIES AND CAPITAL</u> | | | |
| Liabilities | | | |
| Borrowings from other banks, financial institutions and agents | 11(a) | 8,911,600,447 | 11,385,667,525 |
| AB Bank Subordinated Bond | 12 | 6,500,000,000 | 2,500,000,000 |
| Deposits and other accounts | 13(a) | 219,811,203,312 | 198,116,757,714 |
| Current account and other accounts | | 19,893,178,012 | 17,645,003,388 |
| Bills payable | | 1,896,518,172 | 1,195,054,117 |
| Savings bank deposits | | 21,190,385,407 | 19,427,515,775 |
| Fixed deposits | | 126,180,302,992 | 117,532,923,933 |
| Other deposits | | 50,650,818,728 | 42,316,260,501 |
| Other liabilities | 14(a) | 30,631,280,023 | 26,062,452,062 |
| Total Liabilities | | <u>265,854,083,781</u> | <u>238,064,877,301</u> |
| Capital/Shareholders' Equity | | | |
| Equity attributable to equity holders of the parent company | | 21,275,049,721 | 18,759,103,871 |
| Paid-up capital | 15 | 5,990,165,460 | 5,324,591,520 |
| Statutory reserve | 16 | 5,963,446,264 | 5,582,440,229 |
| Other reserve | 17(a) | 3,412,639,258 | 1,817,451,907 |
| Retained earnings | 18(a) | 5,908,798,739 | 6,034,620,214 |
| Minority interest | 18(b) | (3,722,673) | (9,444,084) |
| Total Equity | | <u>21,271,327,048</u> | <u>18,749,659,787</u> |
| Total Liabilities and Shareholders' Equity | | <u>287,125,410,829</u> | <u>256,814,537,088</u> |

| Off-Balance Sheet Items | Notes | 30.09.2015 Taka | 31.12.2014 Taka |
|---|--------------|----------------------------|----------------------------|
| Contingent liabilities | 19 | 68,034,587,882 | 77,068,505,153 |
| Acceptances and endorsements | | 23,296,434,456 | 27,020,988,453 |
| Letters of guarantee | | 13,896,641,140 | 13,845,332,265 |
| Irrevocable letters of credit | | 19,551,511,976 | 21,987,317,194 |
| Bills for collection | | 7,046,489,319 | 7,738,447,692 |
| Other contingent liabilities | | 4,243,510,992 | 6,476,419,550 |
| 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 | | 68,034,587,882 | 77,068,505,153 |

-Sd/-
Mahadev Sarker FCA
Chief Financial Officer

-Sd/-
Md. Shahjahan
Head of ICCD

-Sd/-
Moshiur Rahman Chowdhury
President & Managing Director (CC)

-Sd/-
Shishir Ranjan Bose FCA
Independent Director

-Sd/-
M. Wahidul Haque
Chairman

Dhaka,
October 26, 2015

AB Bank Limited and its Subsidiaries
Consolidated Profit and Loss Account
For the period ended 30 September 2015

| | Notes | Jan'15- Sept.'15 Taka | Jan'14- Sept.'14 Taka | July'15-Sept.'15 Taka | July'14-Sept.'14 Taka |
|--|-------|--------------------------|--------------------------|--------------------------|--------------------------|
| OPERATING INCOME | | | | | |
| Interest income/profit on investments | 21(a) | 15,904,148,461 | 16,268,516,427 | 5,277,856,940 | 5,722,539,687 |
| Interest/profit paid on deposits and borrowings, etc. | 22(a) | (12,453,198,573) | (11,543,074,996) | (4,252,552,597) | (3,774,596,557) |
| Net interest income | | 3,450,949,888 | 4,725,441,432 | 1,025,304,343 | 1,947,943,130 |
| Investment income | 23(a) | 2,349,822,110 | 2,070,238,611 | 891,251,260 | 766,486,850 |
| Commission, exchange and brokerage | 24(a) | 2,237,356,869 | 2,527,697,617 | 652,042,599 | 757,993,102 |
| Other operating income | 25(a) | 119,117,884 | 130,589,821 | 42,030,405 | 45,644,403 |
| | | 4,706,296,863 | 4,728,526,049 | 1,585,324,265 | 1,570,124,354 |
| Total operating income (a) | | 8,157,246,751 | 9,453,967,481 | 2,610,628,608 | 3,518,067,484 |
| OPERATING EXPENSES | | | | | |
| Salary and allowances | 26(a) | 2,121,425,510 | 1,833,228,763 | 845,998,445 | 735,287,741 |
| Rent, taxes, insurance, electricity, etc. | 27(a) | 441,239,995 | 444,914,988 | 157,159,348 | 145,821,388 |
| Legal expenses | 28(a) | 7,468,412 | 13,492,148 | 595,410 | 5,951,796 |
| Postage, stamps, telecommunication, etc. | 29(a) | 106,630,514 | 107,278,929 | 36,076,320 | 34,871,357 |
| Stationery, printing, advertisement, etc. | 30(a) | 126,785,575 | 127,074,112 | 43,532,086 | 40,105,501 |
| Chief executive's salary and fees | | 9,900,000 | 9,143,560 | 3,900,000 | 3,900,000 |
| Directors' fees | 31(a) | 5,703,150 | 7,774,393 | 2,522,316 | 1,896,685 |
| Auditors' fees | 32(a) | 3,555,598 | 1,161,742 | 595,448 | 391,247 |
| Depreciation and repairs of Bank's assets | 33(a) | 441,712,054 | 411,860,087 | 153,652,234 | 141,563,023 |
| Other expenses | 34(a) | 963,407,374 | 905,422,573 | 300,420,074 | 330,847,354 |
| Total operating expenses (b) | | 4,227,828,182 | 3,861,351,296 | 1,544,451,681 | 1,440,636,093 |
| Profit before provision (c = (a-b)) | | 3,929,418,569 | 5,592,616,186 | 1,066,176,926 | 2,077,431,391 |
| Provision against loans and advances | 35(a) | 1,150,000,000 | 1,299,847,220 | 482,500,000 | 407,762,555 |
| Provision for diminution in value of investments | 36(a) | 33,144,611 | 44,467,138 | 7,836,142 | 7,915,020 |
| Other provisions | 37(a) | 163,300,000 | 362,517,180 | 85,300,000 | 134,176,795 |
| Total provision (d) | | 1,346,444,611 | 1,706,831,538 | 575,636,142 | 549,854,370 |
| Profit before tax (c-d) | | 2,582,973,959 | 3,885,784,648 | 490,540,784 | 1,527,577,021 |
| Provision for taxation | | 1,631,849,319 | 2,230,739,340 | 385,174,077 | 685,199,284 |
| Net profit after tax | | 951,124,640 | 1,655,045,307 | 105,366,707 | 842,377,737 |
| Appropriations | | | | | |
| Statutory reserve | | 387,890,653 | 23,313,571 | - | - |
| General reserve | | - | - | - | - |
| Dividends, etc. | | - | - | - | - |
| | | 387,890,653 | 23,313,571 | - | - |
| Retained surplus | | 563,233,987 | 1,631,731,736 | 105,366,707 | 842,377,738 |
| Minority interest | | 5,731,711 | 4,929,842 | 1,927,002 | 1,816,375 |
| Net Profit attributable to the shareholders of parent company | | 557,502,277 | 1,626,801,894 | 103,439,705 | 840,561,363 |
| Consolidated Earnings Per Share (EPS) | 38(a) | 1.58 | 2.75 | 0.17 | 1.40 |

-Sd/-
Mahadev Sarker FCA
Chief Financial Officer

-Sd/-
Md. Shahjahan
Head of ICCD

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President & Managing Director (CC)

-Sd/-
Shishir Ranjan Bose FCA
Independent Director

-Sd/-
M. Wahidul Haque
Chairman

Dhaka,
October 26, 2015

AB Bank Limited and its Subsidiaries
Consolidated Cash Flow Statement
For the period ended 30 September 2015

| | Jan'15- Sept.'15 Taka | Jan'14- Sept.'14 Taka |
|--|----------------------------------|----------------------------------|
| Cash Flows from Operating Activities | | |
| Interest receipts | 15,491,912,001 | 15,367,187,387 |
| Interest payments | (10,769,147,634) | (10,646,596,327) |
| Dividend receipts | 113,012,358 | 69,812,571 |
| Fee and commission receipts | 1,497,420,972 | 1,708,650,079 |
| Recoveries on loans previously written off | 868,329 | 12,014,364 |
| Payments to employees | (2,131,325,510) | (1,842,372,323) |
| Payments to suppliers | (126,785,575) | (127,074,112) |
| Income taxes paid | (2,061,615,070) | (1,850,022,611) |
| Receipts from other operating activities | 3,094,995,204 | 2,938,049,035 |
| Payments for other operating activities | (1,692,054,557) | (1,622,669,187) |
| Operating profit before changes in operating assets & liabilities | 3,417,280,518 | 4,006,978,877 |
| Increase/decrease in operating assets and liabilities | | |
| Loans and advances to customers | (17,213,970,242) | (24,476,820,005) |
| Other assets | (697,003,066) | (542,033,841) |
| Deposits from other banks | (6,457,069,303) | 2,101,145,305 |
| Deposits from customers | 26,467,463,962 | 13,597,163,246 |
| Trading liabilities (short-term borrowings) | (2,676,816,000) | 7,504,503,950 |
| Other liabilities | 2,347,387,712 | 968,265,522 |
| | 1,769,993,064 | (847,775,822) |
| Net cash flow from operating activities (a) | 5,187,273,581 | 3,159,203,055 |
| Cash Flows from Investing Activities | | |
| Purchase of government securities | (8,636,276,508) | (124,211,745) |
| (Purchase)/Sale of trading securities, shares, bonds, etc. | 234,510,177 | 443,895,762 |
| Purchase of property, plant and equipment | (95,547,144) | (387,950,011) |
| Net cash flow from investing activities (b) | (8,497,313,475) | (68,265,994) |
| Cash Flows from Financing Activities | | |
| Increase/(decrease) of long-term borrowings | 4,202,748,922 | 2,434,161,717 |
| Dividend paid | (334,049) | (238,769,774) |
| Net cash flow from financing activities (c) | 4,202,414,872 | 2,195,391,942 |
| Net (decrease)/increase in cash (a+b+c) | 892,374,978 | 5,286,329,003 |
| Effects of exchange rate changes on cash and cash equivalents | - | - |
| Cash and cash equivalents at beginning of the year | 22,966,416,693 | 18,341,599,343 |
| Cash and cash equivalents at end of the period (*) | 23,858,791,671 | 23,627,928,348 |
| (*) Cash and cash equivalents: | | |
| Cash | 1,483,885,857 | 1,653,659,975 |
| Prize bonds | 4,077,400 | 2,715,800 |
| Money at call and on short notice | 3,526,039,408 | 2,547,050,632 |
| Balance with Bangladesh Bank and its agent bank(s) | 14,337,390,288 | 12,567,849,574 |
| Balance with other banks and financial institutions | 4,507,398,718 | 6,856,652,367 |
| | 23,858,791,671 | 23,627,928,348 |
| Net Operating Cash Flow Per Share (NOCFPS) | 8.66 | 5.27 |

-Sd/-
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Chief Financial Officer

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Chairman

Dhaka,
October 26, 2015

AB Bank Limited and its Subsidiaries
Consolidated Statement of Changes in Equity
For the period ended 30 September 2015

(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 2015 | 5,324,591,520 | 5,582,440,229 | 118,175,719 | 1,323,567,485 | 1,281,307 | 374,427,395 | (9,444,084) | 6,034,620,214 | 18,749,659,786 |
| Adjustment: | | | | | | | | | |
| Bonus for 2014: | | | | | | | | | |
| 12.50% Stock Dividend | 665,573,940 | | | | | | | (665,573,940) | - |
| Restated Opening Balance | 5,990,165,460 | 5,582,440,229 | 118,175,719 | 1,323,567,485 | 1,281,307 | 374,427,395 | (9,444,084) | 5,369,046,274 | 18,749,659,786 |
| Net profit after taxation for the period ended | - | - | - | - | - | - | 5,731,711 | 945,392,930 | 951,124,640 |
| Addition/(Adjustment) made during the period | - | 387,890,653 | 805,000,000 | - | 258,580 | 789,995,913 | (10,300) | (383,822,607) | 1,599,312,238 |
| Foreign Exchange Rate Fluctuation | - | (6,884,618) | (67,142) | - | - | - | - | (21,817,857) | (28,769,616) |
| Balance at 30 September 2015 | 5,990,165,460 | 5,963,446,264 | 923,108,577 | 1,323,567,485 | 1,539,887 | 1,164,423,308 | (3,722,674) | 5,908,798,739 | 21,271,327,048 |
| Balance at 30 September 2014 | 5,324,591,520 | 5,587,785,932 | 117,529,928 | 1,323,567,485 | 922,267 | 346,732,775 | (10,710,584) | 6,200,185,667 | 18,890,604,991 |

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-Sd/-
M. Wahidul Haque
Chairman

Dhaka,
October 26, 2015

AB Bank Limited
Balance Sheet
As at 30 September 2015

| <u>PROPERTY AND ASSETS</u> | Notes | 30.09.2015 Taka | 31.12.2014 Taka |
|--|--------------|----------------------------|----------------------------|
| Cash | 3 | 15,819,760,593 | 13,947,708,945 |
| In hand (including foreign currencies) | 3.1 | 1,482,370,306 | 1,137,941,325 |
| Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) | 3.2 | 14,337,390,288 | 12,809,767,620 |
| Balance with other banks and financial institutions | 4 | 4,362,424,443 | 6,488,688,322 |
| In Bangladesh | | 2,444,138,054 | 4,171,808,425 |
| Outside Bangladesh | | 1,918,286,388 | 2,316,879,897 |
| Money at call and on short notice | 5 | 4,152,096,008 | 3,862,958,626 |
| Investments | 6 | 40,004,107,608 | 30,778,575,066 |
| Government | 6.1 | 34,732,956,735 | 25,305,839,814 |
| Others | 6.2 | 5,271,150,874 | 5,472,735,252 |
| Loans, advances and lease/investments | 7 | 195,803,526,956 | 177,570,797,390 |
| Loans, cash credits, overdrafts, etc./Investments | 7.1 | 194,941,721,823 | 176,387,446,062 |
| Bills purchased and discounted | 8 | 861,805,133 | 1,183,351,328 |
| Fixed assets including premises, furniture and fixtures | 9 | 4,241,588,790 | 4,404,994,528 |
| Other assets | 10 | 20,119,263,462 | 17,614,433,173 |
| Non-banking assets | | - | - |
| Total Assets | | 284,502,767,860 | 254,668,156,050 |
| <u>LIABILITIES AND CAPITAL</u> | | | |
| Liabilities | | | |
| Borrowings from other banks, financial institutions and agents | 11 | 8,493,171,422 | 10,976,810,430 |
| AB Bank Subordinated Bond | 12 | 6,500,000,000 | 2,500,000,000 |
| Deposits and other accounts | 13 | 219,998,075,043 | 198,189,197,221 |
| Current accounts and other accounts | | 19,896,294,130 | 17,639,785,113 |
| Bills payable | | 1,896,518,172 | 1,195,054,117 |
| Savings bank deposits | | 21,190,385,407 | 19,427,515,775 |
| Fixed deposits | | 126,180,302,992 | 117,532,923,933 |
| Other deposits | | 50,834,574,341 | 42,393,918,283 |
| Other liabilities | 14 | 29,035,363,168 | 24,845,034,825 |
| Total Liabilities | | 264,026,609,633 | 236,511,042,476 |
| Capital/Shareholders' Equity | | | |
| Total Shareholders' Equity | | 20,476,158,227 | 18,157,113,573 |
| Paid-up capital | 15 | 5,990,165,460 | 5,324,591,520 |
| Statutory reserve | 16 | 5,963,446,264 | 5,582,440,229 |
| Other reserve | 17 | 3,233,255,068 | 1,638,259,155 |
| Retained earnings | 18 | 5,289,291,435 | 5,611,822,670 |
| Total Liabilities and Shareholders' Equity | | 284,502,767,860 | 254,668,156,050 |

| | Notes | 30.09.2015 Taka | 31.12.2014 Taka |
|---|--------------|------------------------------|------------------------------|
| Off-Balance Sheet Items | | | |
| Contingent liabilities | | | |
| Acceptances and endorsements | 19 | 68,034,587,882 | 77,068,505,153 |
| Letters of guarantee | 19.1 | 23,296,434,456 | 27,020,988,453 |
| Irrevocable letters of credit | | 13,896,641,140 | 13,845,332,265 |
| Bills for collection | | 19,551,511,976 | 21,987,317,194 |
| Other contingent liabilities | | 7,046,489,319 | 7,738,447,692 |
| | | 4,243,510,992 | 6,476,419,550 |
| Other commitments | | | |
| Documentary credits and short term trade-related transactions | | - | - |
| Forward assets purchased and forward deposits placed | | - | - |
| Undrawn note issuance and revolving underwriting facilities | | - | - |
| Undrawn formal standby facilities, credit lines and other commitments | | - | - |
| Total | | <u>68,034,587,882</u> | <u>77,068,505,153</u> |

-Sd/-
Mahadev Sarker FCA
Chief Financial Officer

-Sd/-
Md. Shahjahan
Head of ICCD

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Moshiur Rahman Chowdhury
President & Managing Director (CC)

-Sd/-
Shishir Ranjan Bose FCA
Independent Director

-Sd/-
M. Wahidul Haque
Chairman

Dhaka,
October 26, 2015

AB Bank Limited
Profit and Loss Account
For the period ended 30 September 2015

| Notes | Jan'15- Sept.'15 Taka | Jan'14- Sept.'14 Taka | July'15-Sept.'15 Taka | July'14-Sept.'14 Taka |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| OPERATING INCOME | | | | |
| Interest income/profit on investments | 21 15,624,477,376 | 15,906,628,802 | 5,167,390,710 | 5,609,258,833 |
| Interest paid/profit on deposits and borrowings, etc. | 22 (12,397,419,934) | (11,475,397,558) | (4,231,411,132) | (3,770,565,048) |
| Net interest income | 3,227,057,442 | 4,431,231,245 | 935,979,578 | 1,838,693,785 |
| Investment income | 23 2,342,712,382 | 2,052,443,305 | 891,981,039 | 761,135,196 |
| Commission, exchange and brokerage | 24 2,070,968,374 | 2,325,746,379 | 597,634,754 | 682,752,478 |
| Other operating income | 25 87,023,083 | 98,052,120 | 28,342,088 | 35,392,714 |
| | 4,500,703,839 | 4,476,241,803 | 1,517,957,881 | 1,479,280,387 |
| Total operating income (a) | 7,727,761,281 | 8,907,473,048 | 2,453,937,459 | 3,317,974,173 |
| OPERATING EXPENSES | | | | |
| Salary and allowances | 26 2,060,550,980 | 1,774,371,579 | 817,229,734 | 715,767,087 |
| Rent, taxes, insurance, electricity, etc. | 27 430,424,419 | 434,190,133 | 153,048,051 | 142,163,822 |
| Legal expenses | 28 7,194,986 | 13,239,013 | 422,387 | 5,872,216 |
| Postage, stamps, telecommunication, etc. | 29 100,735,127 | 100,618,860 | 34,067,830 | 32,122,746 |
| Stationery, printing, advertisement, etc. | 30 125,991,919 | 125,203,370 | 43,166,341 | 39,161,982 |
| Chief executive's salary and fees | 9,900,000 | 9,143,560 | 3,900,000 | 3,900,000 |
| Directors' fees | 31 5,175,485 | 7,358,393 | 2,248,651 | 1,810,685 |
| Auditors' fees | 32 3,394,482 | 986,887 | 541,588 | 333,437 |
| Depreciation and repairs of Bank's assets | 33 421,243,813 | 382,846,630 | 147,002,543 | 134,626,483 |
| Other expenses | 34 949,990,992 | 880,628,327 | 295,119,482 | 321,237,023 |
| Total operating expenses (b) | 4,114,602,202 | 3,728,586,752 | 1,496,746,607 | 1,396,995,482 |
| Profit before provision (c = (a-b)) | 3,613,159,079 | 5,178,886,296 | 957,190,852 | 1,920,978,690 |
| Provision against loans and advances | 35 1,150,000,000 | 1,299,847,220 | 482,500,000 | 407,762,555 |
| Provision for diminution in value of investments | 36 - | - | - | - |
| Other provisions | 37 163,300,000 | 362,517,180 | 85,300,000 | 134,176,795 |
| Total provision (d) | 1,313,300,000 | 1,662,364,400 | 567,800,000 | 541,939,350 |
| Profit before taxation (c-d) | 2,299,859,079 | 3,516,521,896 | 389,390,852 | 1,379,039,340 |
| Provision for taxation | 1,543,723,805 | 2,106,121,059 | 353,381,758 | 638,820,487 |
| Net profit after taxation | 756,135,274 | 1,410,400,837 | 36,009,093 | 740,218,853 |
| Appropriations | | | | |
| Statutory reserve | 387,890,653 | 23,313,571 | - | - |
| General reserve | - | - | - | - |
| Dividends, etc. | - | - | - | - |
| | 387,890,653 | 23,313,571 | - | - |
| Retained surplus | 368,244,621 | 1,387,087,265 | 36,009,093 | 740,218,854 |
| Earnings Per Share (EPS) | 1.26 | 2.35 | 0.06 | 1.24 |

-Sd/-
Mahadev Sarker FCA
Chief Financial Officer

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Md. Shahjahan
Head of ICCD

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President & Managing Director (CC)

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Shishir Ranjan Bose FCA
Independent Director

-Sd/-
M. Wahidul Haque
Chairman

Dhaka,
October 26, 2015

AB Bank Limited
Cash Flow Statement
For the period ended 30 September 2015

| | Jan'15- Sept.'15 Taka | Jan'14- Sept.'14 Taka |
|--|----------------------------------|----------------------------------|
| Cash flows from Operating Activities | | |
| Interest receipts | 15,212,240,917 | 15,005,299,762 |
| Interest payments | (10,713,368,996) | (10,578,918,889) |
| Dividend receipts | 105,088,398 | 62,756,224 |
| Fees and commission receipts | 1,332,439,921 | 1,504,084,721 |
| Recoveries on loans previously written off | 868,329 | 12,014,364 |
| Payments to employees | (2,070,450,980) | (1,783,515,139) |
| Payments to suppliers | (125,991,919) | (125,203,370) |
| Income taxes paid | (1,934,112,030) | (1,806,858,441) |
| Receipts from other operating activities | 3,062,307,191 | 2,897,386,493 |
| Payments for other operating activities | (1,659,740,529) | (1,617,357,564) |
| Operating profit before changes in operating assets & liabilities | 3,209,280,302 | 3,569,688,161 |
| Increase/decrease in operating assets and liabilities | | |
| Loans and advances to customers | (17,820,493,107) | (24,086,101,268) |
| Other assets | (649,106,563) | (148,478,986) |
| Deposits from other banks | (6,457,069,303) | 2,101,145,305 |
| Deposits from customers | 26,581,896,186 | 13,520,420,876 |
| Trading liabilities (short-term borrowings) | (2,686,387,930) | 7,492,566,138 |
| Other liabilities | 2,185,474,465 | 703,390,760 |
| | 1,154,313,750 | (417,057,174) |
| Net cash flow from operating activities (a) | 4,363,594,052 | 3,152,630,987 |
| Cash Flows from Investing Activities | | |
| Purchase of government securities | (8,636,276,508) | (124,211,745) |
| (Purchase)/Sale of trading securities, shares, bonds, etc. | 201,584,379 | 457,561,177 |
| Purchase of property, plant and equipment | (95,547,144) | (387,700,636) |
| Net cash flow from investing activities (b) | (8,530,239,273) | (54,351,204) |
| Cash Flows from Financing Activities | | |
| Increase/(decrease) of long-term borrowings | 4,202,748,922 | 2,434,161,717 |
| Dividend paid | (334,049) | (238,769,774) |
| Net cash flow from financing activities (c) | 4,202,414,872 | 2,195,391,942 |
| Net Increase/(decrease) in cash (a+b+c) | 35,769,651 | 5,293,671,725 |
| Effects of exchange rate changes on cash and cash equivalents | - | - |
| Cash and cash equivalents at beginning of the year | 24,302,588,793 | 19,593,765,610 |
| Cash and cash equivalents at end of the period (*) | 24,338,358,444 | 24,887,437,335 |
| (*) Cash and cash equivalents: | | |
| Cash | 1,482,370,306 | 1,649,463,913 |
| Prize bonds | 4,077,400 | 2,715,800 |
| Money at call and on short notice | 4,152,096,008 | 4,014,941,632 |
| Balance with Bangladesh Bank and its agent bank(s) | 14,337,390,288 | 12,567,849,574 |
| Balance with other banks and financial institutions | 4,362,424,443 | 6,652,466,415 |
| | 24,338,358,444 | 24,887,437,335 |
| Net Operating Cash Flow Per Share (NOCFPS) | 7.28 | 5.26 |

-Sd/-
Mahadev Sarker FCA
Chief Financial Officer

-Sd/-
Md. Shahjahan
Head of ICCD

-Sd/-
Moshiur Rahman Chowdhury
President & Managing Director (CC)

-Sd/-
Shishir Ranjan Bose FCA
Independent Director

-Sd/-
M. Wahidul Haque
Chairman

Dhaka,
October 26, 2015

AB Bank Limited
Statement of Changes in Equity
For the period ended 30 September 2015

(Amounts in Taka)

| Particulars | Paid-up capital | Statutory reserve | General reserve | Assets revaluation reserve | Investment revaluation reserve | Retained earnings | Total |
|--|----------------------|----------------------|--------------------|----------------------------|--------------------------------|----------------------|-----------------------|
| Balance at 01 January 2015 | 5,324,591,520 | 5,582,440,229 | 42,199,200 | 1,323,567,486 | 272,492,469 | 5,611,822,670 | 18,157,113,573 |
| Adjustment: | | | | | | | |
| Bonus for 2014: | | | | | | | |
| 12.50% Stock Dividend | 665,573,940 | | | | | (665,573,940) | - |
| Restated Opening Balance | 5,990,165,460 | 5,582,440,229 | 42,199,200 | 1,323,567,486 | 272,492,469 | 4,946,248,730 | 18,157,113,573 |
| Net profit after taxation for the period ended | - | - | - | - | - | 756,135,274 | 756,135,274 |
| Addition/(Adjustment) made during the period | - | 387,890,653 | 805,000,000 | - | 789,995,913 | (390,840,176) | 1,592,046,390 |
| Foreign Exchange Rate Fluctuation | - | (6,884,618) | - | - | - | (22,252,392) | (29,137,010) |
| Balance at 30 September 2015 | 5,990,165,460 | 5,963,446,264 | 847,199,200 | 1,323,567,486 | 1,062,488,382 | 5,289,291,435 | 20,476,158,227 |
| Balance at 30 September 2014 | 5,324,591,520 | 5,587,785,932 | 42,199,200 | 1,323,567,486 | 244,708,415 | 5,775,357,349 | 18,298,209,902 |

-Sd/-
Mahadev Sarker FCA
Chief Financial Officer

-Sd/-
Md. Shahjahan
Head of ICCD

-Sd/-
Moshiur Rahman Chowdhury
President & Managing Director (CC)

-Sd/-
Shishir Ranjan Bose FCA
Independent Director

-Sd/-
M. Wahidul Haque
Chairman

Dhaka,
October 26, 2015

AB Bank Limited**Notes to the financial statements for the period ended 30 September 2015**

| | 30.09.2015 | 31.12.2014 |
|---|------------------------------|------------------------------|
| | Taka | Taka |
| 3. Cash | | |
| Cash in hand (Note: 3.1) | 1,482,370,306 | 1,137,941,325 |
| Balance with Bangladesh Bank and its agent bank(s) (Note: 3.2) | 14,337,390,288 | 12,809,767,620 |
| | <u>15,819,760,593</u> | <u>13,947,708,945</u> |
| 3(a) Consolidated Cash | | |
| AB Bank Limited | 15,819,760,593 | 13,947,708,945 |
| AB Investments Limited | 25,000 | 25,000 |
| AB International Finance Limited | - | - |
| AB Securities Limited | 28,610 | 6,190 |
| Cashlink Bangladesh Limited (CBL) | 6,555 | 23,096 |
| AB Exchange (UK) Ltd. | 1,455,387 | 2,713,147 |
| | <u>15,821,276,145</u> | <u>13,950,476,378</u> |
| 3.1 Cash in hand | | |
| In local currency | 1,459,079,461 | 1,110,821,477 |
| In foreign currency | 23,290,845 | 27,119,848 |
| | <u>1,482,370,306</u> | <u>1,137,941,325</u> |
| 3.1(a) Consolidated Cash in hand | | |
| AB Bank Limited | 1,482,370,306 | 1,137,941,325 |
| AB Investments Limited | 25,000 | 25,000 |
| AB International Finance Limited | - | - |
| AB Securities Limited | 28,610 | 6,190 |
| Cashlink Bangladesh Limited (CBL) | 6,555 | 23,096 |
| AB Exchange (UK) Ltd. | 1,455,387 | 2,713,147 |
| | <u>1,483,885,857</u> | <u>1,140,708,758</u> |
| 3.2 Balance with Bangladesh Bank and its agent bank(s) | | |
| Balance with Bangladesh Bank | | |
| In local currency | 13,704,582,220 | 11,858,151,070 |
| In foreign currency | 423,963,083 | 563,838,581 |
| | 14,128,545,303 | 12,421,989,650 |
| Sonali Bank Limited (as an agent bank of Bangladesh Bank) - local currency | 208,844,984 | 387,777,970 |
| | <u>14,337,390,288</u> | <u>12,809,767,620</u> |
| 3.2(a) Consolidated Balance with Bangladesh Bank and its agent bank(s) | | |
| AB Bank Limited | 14,337,390,288 | 12,809,767,620 |
| AB Investments Limited | - | - |
| AB International Finance Limited | - | - |
| AB Securities Limited | - | - |
| Cashlink Bangladesh Limited (CBL) | - | - |
| AB Exchange (UK) Ltd. | - | - |
| | <u>14,337,390,288</u> | <u>12,809,767,620</u> |
| 4. Balance with other banks and financial institutions | | |
| In Bangladesh | 2,444,138,054 | 4,171,808,425 |
| Outside Bangladesh | 1,918,286,388 | 2,316,879,897 |
| | <u>4,362,424,443</u> | <u>6,488,688,322</u> |

AB Bank Limited**Notes to the financial statements for the period ended 30 September 2015**

| | 30.09.2015 | 31.12.2014 |
|--|------------------------------|------------------------------|
| | Taka | Taka |
| 4(a) Consolidated balance with other banks and financial institutions | | |
| In Bangladesh | (Note: 4.1.a) 2,567,243,944 | 4,214,889,208 |
| Outside Bangladesh (Nostro Accounts) | (Note: 4.2.a) 1,940,154,774 | 2,340,832,909 |
| | <u>4,507,398,717</u> | <u>6,555,722,116</u> |
| 4.1.a Consolidated In Bangladesh | | |
| AB Bank Limited | 2,444,138,054 | 4,171,808,425 |
| AB Investment Limited | 3,269,802 | 544,019 |
| AB International Finance Limited | - | - |
| AB Securities Limited | 289,847,803 | 114,444,709 |
| Cashlink Bangladesh Limited (CBL) | 14,376,824 | 6,384,834 |
| AB Exchange (UK) Ltd. | - | - |
| | <u>2,751,632,484</u> | <u>4,293,181,988</u> |
| Less: Inter company transaction | 184,388,540 | 78,292,780 |
| | <u>2,567,243,944</u> | <u>4,214,889,208</u> |
| 4.2.a Consolidated Outside Bangladesh (Nostro Accounts) | | |
| AB Bank Limited | 1,918,286,388 | 2,316,879,897 |
| AB Investment Limited | - | - |
| AB International Finance Limited | 23,762,067 | 20,114,404 |
| AB Securities Limited | - | - |
| Cashlink Bangladesh Limited (CBL) | - | - |
| AB Exchange (UK) Ltd. | 589,414 | 4,003,394 |
| | 1,942,637,869 | 2,340,997,695 |
| Less: Inter company transactions | 2,483,096 | 164,787 |
| | <u>1,940,154,774</u> | <u>2,340,832,909</u> |
| 5. Money at call and on short notice | | |
| In Bangladesh | 1,540,000,000 | 600,000,000 |
| Outside Bangladesh | 2,612,096,008 | 3,262,958,626 |
| | <u>4,152,096,008</u> | <u>3,862,958,626</u> |
| 5(a) Consolidated money at call and on short notice | | |
| AB Bank Limited | 4,152,096,008 | 3,862,958,626 |
| AB Investment Limited | - | - |
| AB International Finance Limited | - | - |
| AB Securities Limited | - | - |
| Cashlink Bangladesh Limited (CBL) | - | - |
| AB Exchange (UK) Limited | - | - |
| | <u>4,152,096,008</u> | <u>3,862,958,626</u> |
| Less: Inter-group transaction | (626,056,600) | (1,405,973,328) |
| | <u>3,526,039,408</u> | <u>2,456,985,298</u> |
| 6. Investments | | |
| Claim wise: | | |
| Government securities | (Note: 6.1) 34,732,956,735 | 25,305,839,814 |
| Other investments | (Note: 6.2) 5,271,150,874 | 5,472,735,252 |
| | <u>40,004,107,608</u> | <u>30,778,575,066</u> |

AB Bank Limited**Notes to the financial statements for the period ended 30 September 2015**

| | 30.09.2015 | 31.12.2014 |
|--|----------------------------|-----------------------|
| | Taka | Taka |
| 6 (a) Consolidated investments | | |
| AB Bank Limited | 40,004,107,608 | 30,778,575,066 |
| AB International Finance Limited | - | - |
| AB Investment Limited | 714,092,152 | 746,884,485 |
| AB Securities Limited | 168,174,275 | 168,307,740 |
| Cashlink Bangladesh Limited (CBL) | 24,116,618 | 24,116,618 |
| AB Exchange (UK) Ltd. | - | - |
| | 40,910,490,653 | 31,717,883,909 |
| 6.1 Government securities | | |
| Treasury bills | 7,540,455,841 | 2,612,978,291 |
| 30 days Bangladesh Bank bills | - | - |
| Treasury bonds | 26,937,923,494 | 22,488,628,622 |
| Debentures - Bangladesh House Building Finance Corporation (Maturity date: 14 March 2015, interest rate: 5.50%) | - | 5,000,000 |
| Bangladesh Bank Islami Investment bonds | 250,500,000 | 196,000,000 |
| Prize bonds | 4,077,400 | 3,232,900 |
| | 34,732,956,735 | 25,305,839,814 |
| 6.1(a) Consolidated Government securities | | |
| AB Bank Limited | 34,732,956,735 | 25,305,839,814 |
| AB Investment Limited | - | - |
| AB International Finance Limited | - | - |
| AB Securities Limited | - | - |
| Cashlink Bangladesh Limited (CBL) | - | - |
| AB Exchange (UK) Ltd. | - | - |
| | 34,732,956,735 | 25,305,839,814 |
| 6.2 Other investments | | |
| Shares | (Note 6.2.1) 4,740,917,281 | 4,972,939,056 |
| Bond | (Note 6.2.2) 130,000,000 | 130,000,000 |
| | 4,870,917,281 | 5,102,939,056 |
| Investments -ABBL, Mumbai Branch | | |
| Treasury bills | 400,233,593 | 335,151,337 |
| Debentures and Bonds | - | 34,644,860 |
| | 400,233,593 | 369,796,197 |
| Total Other investments | 5,271,150,874 | 5,472,735,252 |
| 6.2 (a) Consolidated other investments | | |
| AB Bank Limited | 5,271,150,874 | 5,472,735,252 |
| AB Investment Limited | 714,092,152 | 746,884,485 |
| AB International Finance Limited | - | - |
| AB Securities Limited | 168,174,275 | 168,307,740 |
| Cashlink Bangladesh Limited (CBL) | 24,116,618 | 24,116,618 |
| AB Exchange (UK) Ltd. | - | - |
| | 6,177,533,919 | 6,412,044,095 |
| 6.2.1 Investments in shares | | |
| Quoted (Publicly Traded) | 3,892,910,436 | 4,074,932,211 |
| Unquoted | 848,006,845 | 898,006,845 |
| | 4,740,917,281 | 4,972,939,056 |

AB Bank Limited**Notes to the financial statements for the period ended 30 September 2015**

| | 30.09.2015 Taka | 31.12.2014 Taka |
|--|----------------------------------|----------------------------------|
| 6.2.2 Investment in subordinated bonds | | |
| Prime Bank Limited | 90,000,000 | 90,000,000 |
| Trust Bank Limited | 40,000,000 | 40,000,000 |
| | 130,000,000 | 130,000,000 |
| 7. Loans, advances and lease/investments | 195,803,526,956 | 177,570,797,390 |
| 7.1 Broad category-wise breakup | | |
| In Bangladesh | | |
| Loans | 172,712,614,308 | 151,973,642,894 |
| Overdrafts | 22,072,389,228 | 24,257,058,709 |
| Cash credits | - | - |
| | 194,785,003,536 | 176,230,701,603 |
| Outside Bangladesh: ABL, Mumbai Branch | | |
| Loans | 116,533,755 | 118,290,492 |
| Overdrafts | 167,476 | 173,447 |
| Cash credits | 40,017,055 | 38,280,520 |
| | 156,718,287 | 156,744,459 |
| | 194,941,721,823 | 176,387,446,062 |
| 7.2 Product wise Loans and Advances | - | |
| Overdraft | 22,160,304,343 | 24,258,189,159 |
| Cash Credit | 40,017,055 | 37,995,893 |
| Time loan | 55,619,701,994 | 54,883,861,279 |
| Term loan | 100,099,332,099 | 76,409,640,764 |
| Bills under LC | 383,670,290 | 597,494,835 |
| Trust Receipt | 9,337,546,102 | 12,033,291,210 |
| Packing credit | 387,152,825 | 469,070,866 |
| Loan against accepted bills | 4,421,521,901 | 5,659,662,347 |
| Consumer Loan | 1,343,965,372 | 1,315,552,111 |
| Staff Loan | 1,148,509,841 | 722,687,599 |
| Bills Purchased & Discounted | 861,805,133 | 1,183,351,328 |
| | 195,803,526,956 | 177,570,797,390 |
| 7.3 Net loans, advances and lease/investments | | |
| Gross loans and advances | 195,803,526,956 | 177,570,797,390 |
| Less: | | |
| Interest suspense | 5,528,714,110 | 2,889,551,303 |
| Provision for loans and advances | 5,397,405,457 | 4,853,671,957 |
| | 10,926,119,567 | 7,743,223,260 |
| | 184,877,407,389 | 169,827,574,130 |

AB Bank Limited**Notes to the financial statements for the period ended 30 September 2015**

| | 30.09.2015 Taka | 31.12.2014 Taka |
|--|----------------------------------|----------------------------------|
| 7.4 Classification of loans, advances and lease/investments In Bangladesh | | |
| <u>Unclassified</u> | | |
| Standard | 185,635,713,501 | 169,504,238,421 |
| Special Mention Account | 1,768,500,263 | 418,500,342 |
| | 187,404,213,764 | 169,922,738,763 |
| <u>Classified</u> | | |
| Sub-Standard | 208,005,000 | 691,700,000 |
| Doubtful | 553,084,000 | 331,100,000 |
| Bad/Loss | 7,049,611,598 | 5,731,787,357 |
| | 7,810,700,598 | 6,754,587,357 |
| | 195,214,914,362 | 176,677,326,120 |
| Outside Bangladesh-Mumbai Branch | | |
| Unclassified Loan | 480,988,697 | 792,109,246 |
| Classified Loan | 107,623,897 | 101,362,024 |
| | 588,612,594 | 893,471,270 |
| | 195,803,526,956 | 177,570,797,390 |
| 7(a) Consolidated Loans, advances and lease/investments | | |
| AB Bank Limited | 194,941,721,823 | 176,387,446,062 |
| AB Investment Limited | 6,908,968,544 | 7,107,095,221 |
| AB International Finance Limited | - | - |
| AB Securities Limited | 1,006,520,159 | 1,046,831,154 |
| Cashlink Bangladesh Limited (CBL) | - | - |
| AB Exchange (UK) Ltd. | - | - |
| | 202,857,210,527 | 184,541,372,437 |
| Less: Inter company transaction | 2,322,806,352 | 2,604,760,935 |
| | 200,534,404,175 | 181,936,611,502 |
| 8 Bills purchased and discounted | | |
| In Bangladesh | 429,910,825 | 446,624,517 |
| Outside Bangladesh - ABBL, Mumbai Branch | 431,894,308 | 736,726,811 |
| | 861,805,133 | 1,183,351,328 |
| 8 (a) Consolidated Bills purchased and discounted | | |
| AB Bank Limited | 861,805,133 | 1,183,351,328 |
| AB Investment Limited | - | - |
| AB International Finance Limited | 967,889,323 | 1,617,929,100 |
| AB Securities Limited | - | - |
| Cashlink Bangladesh Limited (CBL) | - | - |
| AB Exchange (UK) Ltd. | - | - |
| | 1,829,694,456 | 2,801,280,428 |
| 9. Fixed assets including premises, furniture and fixtures | | |
| Cost: | | |
| Land and Building | 3,341,682,082 | 3,341,682,082 |
| Furniture and fixtures | 225,865,197 | 218,512,340 |
| Office appliances | 61,822,934 | 62,061,284 |
| Electrical appliances | 1,478,806,853 | 1,443,497,994 |
| Motor vehicles | 581,016,352 | 567,752,028 |
| Intangible Assets | 549,916,595 | 571,032,453 |
| | 6,239,110,014 | 6,204,538,180 |
| Less: Accumulated depreciation and amortization | 1,997,521,224 | 1,799,543,653 |
| | 4,241,588,790 | 4,404,994,528 |

AB Bank Limited**Notes to the financial statements for the period ended 30 September 2015**

| | 30.09.2015 Taka | 31.12.2014 Taka |
|--|----------------------------------|----------------------------------|
| 9(a) Consolidated Fixed assets including premises, furniture and fixtures | | |
| Cost: | | |
| AB Bank Limited | 6,239,110,014 | 6,204,538,180 |
| AB Investments Limited | 682,564,941 | 574,374,720 |
| AB International Finance Limited | 7,648,825 | 7,623,595 |
| AB Securities Limited | 28,706,347 | 29,069,045 |
| Cashlink Bangladesh Limited (CBL) | 250,270,879 | 250,270,879 |
| AB Exchange (UK) Ltd. | 15,288,479 | 15,359,298 |
| | <u>7,223,589,486</u> | <u>7,081,235,717</u> |
| Accumulated depreciation: | | |
| AB Bank Limited | 1,997,521,224 | 1,799,543,653 |
| AB Investments Limited | 64,234,973 | 50,853,564 |
| AB International Finance Limited | 7,544,090 | 7,452,313 |
| AB Securities Limited | 24,772,654 | 21,667,677 |
| Cashlink Bangladesh Limited (CBL) | 250,075,515 | 250,021,004 |
| AB Exchange (UK) Ltd. | 13,555,078 | 11,585,284 |
| | <u>2,357,703,534</u> | <u>2,141,123,495</u> |
| | <u>4,865,885,952</u> | <u>4,940,112,222</u> |
| 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 (99.91% owned subsidiary company of ABBL) | 199,898,000 | 199,898,000 |
| Cashlink Bangladesh Limited (CBL) (90% owned subsidiary company of ABBL) | 212,581,228 | 212,581,228 |
| | <u>512,378,228</u> | <u>512,378,228</u> |
| Outside Bangladesh: | | |
| AB International Finance Ltd., Hong Kong (wholly owned subsidiary company of ABBL) | 5,203,944 | 5,203,944 |
| AB Exchange (UK) Limited (wholly owned subsidiary company of ABBL) | 50,423,392 | 50,423,392 |
| | <u>55,627,337</u> | <u>55,627,337</u> |
| | <u>568,005,565</u> | <u>568,005,565</u> |
| Non-income generating | | |
| Advance corporate income tax | 11,213,164,489 | 9,357,440,764 |
| 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 |
| Accounts receivable | 895,357,137 | 730,277,969 |
| Preliminary, formation, organisational, renovation, development, prepaid expenses and others | 614,964,314 | 507,327,670 |
| Exchange for clearing | 727,957,139 | 459,660,909 |
| Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures, and other income receivables | 750,685,972 | 695,096,286 |
| Security deposits | 166,616,428 | 175,578,647 |
| Advance rent and advertisement | 231,254,254 | 171,597,362 |
| Stationery, stamps, printing materials, etc. | 30,458,337 | 29,273,384 |
| Inter-branch adjustment | 779,827 | 154,618 |
| | <u>19,551,257,897</u> | <u>17,046,427,609</u> |
| | <u>20,119,263,462</u> | <u>17,614,433,173</u> |

AB Bank Limited**Notes to the financial statements for the period ended 30 September 2015**

| | 30.09.2015 Taka | 31.12.2014 Taka |
|--|----------------------------------|----------------------------------|
| 10(a) Consolidated Other assets | | |
| AB Bank Limited | 20,119,263,462 | 17,614,433,173 |
| AB Investment Limited | 486,561,322 | 461,991,430 |
| AB International Finance Limited | 11,637,092 | 13,749,068 |
| AB Securities Limited | 37,676,550 | 97,885,973 |
| Cashlink Bangladesh Limited (CBL) | 31,244,268 | 28,405,366 |
| AB Exchange (UK) Ltd. | 1,460,608 | 1,319,511 |
| | 20,687,843,302 | 18,217,784,520 |
| Less: Inter-group transaction | 5,557,621,979 | 5,762,319,285 |
| | 15,130,221,323 | 12,455,465,235 |
| 11. Borrowings from other banks, financial institutions and agents | | |
| In Bangladesh (Note: 11.1) | 3,042,488,705 | 7,313,322,021 |
| Outside Bangladesh (Note: 11.2) | 5,450,682,717 | 3,663,488,409 |
| | 8,493,171,422 | 10,976,810,430 |
| 11.1 In Bangladesh: | | |
| 11.1.1 Bangladesh Bank | | |
| ADB loan | 9,997,875 | 17,107,125 |
| Islamic Investment Bonds | 29,562 | 500,000,000 |
| Refinance against IPFF | 351,971,006 | 105,176,850 |
| Refinance against Women Entr., Small Enterprise, ETP & Others | 89,697,312 | 126,633,297 |
| | 451,695,756 | 748,917,272 |
| 11.1.2 Call & Term Borrowing from | | |
| Basic Bank Limited | - | 950,000,000 |
| Dutch Bangla Bank Limited | 1,811,485,476 | 1,565,293,240 |
| South East Bank Limited | 389,324,167 | - |
| CITI Bank NA | - | 420,000,000 |
| HSBC | - | 300,000,000 |
| ICB Islami Bank Limited | - | 470,000,000 |
| Brac Bank Limited | - | 1,000,000,000 |
| United Commercial Bank Limited | - | 1,300,000,000 |
| Commercial Bank of Ceylon | 389,983,306 | 390,422,237 |
| Bangladesh Commerce Bank Limited | - | 155,957,262 |
| Accrued interest | - | 12,732,010 |
| | 2,590,792,949 | 6,564,404,749 |
| | 3,042,488,705 | 7,313,322,021 |
| 11.2 Outside Bangladesh | | |
| Sonali Bank UK | 609,320,848 | 616,893,327 |
| ICICI BK LTD, HK | 1,797,522,968 | - |
| International Finance Corporation | 2,727,581,901 | 2,732,718,832 |
| Banca UBAE | 316,257,000 | 313,876,251 |
| | 5,450,682,717 | 3,663,488,409 |
| 11(a) Consolidated Borrowings from other banks, financial institutions and agents | | |
| AB Bank Limited | 8,493,171,422 | 10,976,810,430 |
| AB Investment Limited | 2,163,387,085 | 2,406,573,816 |
| AB International Finance Limited | 629,445,418 | 1,407,722,530 |
| AB Securities Limited | 304,379,921 | 299,693,825 |
| Cashlink Bangladesh Limited (CBL) | 136,741,029 | 183,241,029 |
| AB Exchange (UK) Ltd. | - | - |
| | 11,727,124,875 | 15,274,041,630 |
| Less: Intercompany transactions | 2,815,524,429 | 3,888,374,105 |
| | 8,911,600,447 | 11,385,667,525 |

AB Bank Limited**Notes to the financial statements for the period ended 30 September 2015**

| | 30.09.2015 Taka | 31.12.2014 Taka |
|--|----------------------------------|----------------------------------|
| 12. AB Bank Subordinated Bond | | |
| Subordinated Bond | 6,500,000,000 | 2,500,000,000 |
| 13. Deposit and other accounts | | |
| Inter-bank deposits | 3,550,669,564 | 10,007,738,867 |
| Other deposits | 216,447,405,478 | 188,181,458,354 |
| | 219,998,075,043 | 198,189,197,221 |
| 13(a) Consolidated Deposit and other accounts | | |
| AB Bank Limited | 219,998,075,043 | 198,189,197,221 |
| AB Investment Limited | - | - |
| AB International Finance Limited | - | 6,018,236 |
| AB Securities Limited | - | - |
| Cashlink Bangladesh Limited (CBL) | - | - |
| AB Exchange (UK) Ltd. | - | - |
| | 219,998,075,043 | 198,195,215,457 |
| Less: Inter-group transaction | 186,871,732 | 78,457,744 |
| | 219,811,203,312 | 198,116,757,714 |
| 13.1 Demand and time deposits | | |
| a) Demand Deposits | 23,699,946,989 | 20,583,315,650 |
| Current accounts and other accounts | 19,896,294,130 | 17,639,785,113 |
| Savings Deposits (9%) | 1,907,134,687 | 1,748,476,420 |
| Bills Payable | 1,896,518,172 | 1,195,054,117 |
| b) Time Deposits | 196,298,128,054 | 177,605,881,571 |
| Savings Deposits (91%) | 19,283,250,721 | 17,679,039,355 |
| Short Notice Deposits | 33,419,387,252 | 27,253,775,501 |
| Fixed Deposits | 126,180,302,992 | 117,532,923,933 |
| Other Deposits | 17,415,187,089 | 15,140,142,782 |
| Total Demand and Time Deposits | 219,998,075,043 | 198,189,197,221 |
| 14. Other liabilities | | |
| Accumulated provision against loans and advances (Note 14.1) | 5,397,405,457 | 4,853,671,957 |
| Provision for current tax (Note 14.2) | 13,840,866,756 | 12,339,190,786 |
| Deferred tax liabilities (Note 14.3) | 129,898,794 | 136,219,062 |
| Interest suspense account | 5,528,714,110 | 2,889,551,303 |
| Provision against other assets (Note 14.4) | 733,998,969 | 614,228,969 |
| Provision for outstanding debit entries in NOSTRO accounts | 200,000 | 200,000 |
| Accounts payable - Bangladesh Bank | 206,751,214 | 163,907,636 |
| Accrued expenses | 71,878,821 | 361,528,702 |
| Provision for off balance sheet items (Note 14.5) | 853,300,000 | 1,010,000,000 |
| Provision against investments (Note 14.6) | 1,995,053,000 | 1,995,053,000 |
| Others (*) | 277,296,048 | 481,483,411 |
| | 29,035,363,168 | 24,845,034,825 |

(*) 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.

AB Bank Limited

Notes to the financial statements for the period ended 30 September 2015

| | 30.09.2015 | 31.12.2014 |
|--|----------------------|----------------------|
| | Taka | Taka |
| 14.1 Accumulated provision against loans and advances | | |
| <u>The movement in specific provision for bad and doubtful debts</u> | | |
| Balance at 01 January | 2,891,323,484 | 2,244,104,159 |
| Fully provided debts written off during the period (-) | - | 1,412,080,675 |
| Recovery of amounts previously written off (+) | - | - |
| Specific provision made during the period (+) | 482,500,000 | 2,059,300,000 |
| Transferred to general provision (-) | (70,000,000) | - |
| Transfer from general reserve (+) | 255,000,000 | - |
| Recoveries and provision no longer required (-) | - | - |
| Net charge to Profit and Loss Account (+) | 667,500,000 | 647,219,325 |
| Balance at 30 September | 3,558,823,484 | 2,891,323,484 |
| Provision made by ABBL, Mumbai Branch | 31,669,560 | 32,808,560 |
| Total provision on classified loans and advances | 3,590,493,044 | 2,924,132,044 |

On unclassified loans

| | | |
|--|----------------------|----------------------|
| Balance at 01 January | 1,925,867,313 | 1,703,660,313 |
| Transfer from specific provisions (+) | 70,000,000 | - |
| Transfer to general reserve during the period (-) | (860,000,000) | - |
| General provision made during the period (+) | 667,500,000 | 222,207,000 |
| | (122,500,000) | 222,207,000 |
| Balance at the period ended | 1,803,367,313 | 1,925,867,313 |
| Provision made by ABBL, Mumbai Branch | 3,545,100 | 3,672,600 |
| Total provision on un-classified loans and advances | 1,806,912,413 | 1,929,539,913 |
| Total provision on loans and advances | 5,397,405,457 | 4,853,671,957 |

Provision for

Required

| | |
|----------------------------------|----------------------|
| Un-classified loans and advances | 1,791,345,100 |
| Classified loans and advances | 3,589,069,560 |
| | 5,380,414,660 |

| 30.09.2015 | |
|----------------------|-------------------|
| Maintained | Excess |
| 1,806,912,413 | 15,567,313 |
| 3,590,493,044 | 1,423,484 |
| 5,397,405,457 | 16,990,797 |

14.1.1 Details of provision for loans and advances

General Provision

| | | |
|-------------------------|---------------|---------------|
| Standard | 1,711,945,100 | 1,727,512,413 |
| Special Mention Account | 79,400,000 | 79,400,000 |

Specific Provision

| | | |
|-------------|---------------|---------------|
| Substandard | 45,169,560 | 45,169,560 |
| Doubtful | 141,500,000 | 141,500,000 |
| Bad/Loss | 3,402,400,000 | 3,403,823,484 |

Excess provision maintained at 30 September 2015

16,990,797

14.2 Provision for current tax

| | | |
|---------------------------------------|-----------------------|-----------------------|
| Balance at 01 January | 12,133,437,043 | 9,519,523,785 |
| Add: Provision made during the year | 1,470,160,402 | 2,613,913,258 |
| Balance at the year ended | 13,603,597,445 | 12,133,437,043 |
| Provision held by ABBL, Mumbai Branch | 237,269,310 | 205,753,743 |
| | 13,840,866,756 | 12,339,190,786 |

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

AB Bank Limited

Notes to the financial statements for the period ended 30 September 2015

| | 30.09.2015 Taka | 31.12.2014 Taka |
|---|---------------------------|---------------------------|
| 14.3 Deferred tax liabilities | | |
| Balance at 01 January | 136,219,062 | 109,050,939 |
| Add/(less): Provision made during the period | (6,572,964) | 27,091,990 |
| Add/(Less): Adjustment/Rate Fluctuation during the period | 252,696 | 76,133 |
| | <u>129,898,794</u> | <u>136,219,062</u> |

14.4 Provision against other assets

| | | |
|------------------------|---------------------------|---------------------------|
| <u>Provision for</u> | | |
| Prepaid legal expenses | 72,030,000 | 66,030,000 |
| Protested bills | 26,065,610 | 26,065,610 |
| Others | 635,903,359 | 522,133,359 |
| | <u>733,998,969</u> | <u>614,228,969</u> |

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

14.4.1 Calculation of Provision against other assets

| | Outstanding amount | Base for Provision | Rate | Provisions Requirement | Provisions Maintained |
|---|---------------------------|---------------------------|-------------|-------------------------------|------------------------------|
| Prepaid legal expenses | 71,773,665 | 71,773,665 | 50% & 100% | 36,122,943 | 72,030,000 |
| Protested bills | 23,643,989 | 23,643,989 | 100% | 23,643,989 | 26,065,610 |
| Others | 80,000,000 | 80,000,000 | 100% | 80,000,000 | 635,903,359 |
| Required provision for other assets | | | | 139,766,933 | 733,998,969 |
| Total provision requirement | | | | | 139,766,933 |
| Total provision maintained | | | | | 733,998,969 |
| Excess provision maintained at 30 September 2015 | | | | | <u>594,232,036</u> |

| | 30.09.2015 Taka | 31.12.2014 Taka |
|---|---------------------------|-----------------------------|
| 14.5 Provision for off balance sheet items | | |
| Balance at 01 January | 1,010,000,000 | 810,000,000 |
| Less. Transferred to general reserve | (200,000,000) | - |
| Add: Provision made during the period | 43,300,000 | 200,000,000 |
| | <u>853,300,000</u> | <u>1,010,000,000</u> |

14.5.1 Particulars of required provision for Off-Balance Sheet Items

| | Base for Provision | Rate (%) | 30.09.2015 | 31.12.2014 |
|---|---------------------------|-----------------|---------------------------|---------------------------|
| Acceptances and endorsements | 22,973,202,776 | 1% | 229,732,028 | 267,879,526 |
| Letters of guarantee | 13,896,641,140 | 1% | 138,966,411 | 138,453,323 |
| Irrevocable letters of credit | 19,551,511,976 | 1% | 195,515,120 | 219,873,172 |
| Bills for collection | 5,085,177,651 | 1% | 50,851,777 | 60,588,983 |
| Others | 4,243,510,992 | 1% | 42,435,110 | 64,764,196 |
| Total Off Balance Sheet Items & required provision | 65,750,044,534 | | 657,500,445 | 751,559,199 |
| Total provision maintained | | | 853,300,000 | 1,010,000,000 |
| Excess provision at 30 September 2015 | | | <u>195,799,555</u> | <u>258,440,801</u> |

No provision has been maintained against Off Balance Sheet items of Mumbai Branch amounting Tk. 2,284,446,460.58 as per Reserve Bank of India (RBI) guidelines.

AB Bank Limited**Notes to the financial statements for the period ended 30 September 2015**

| | 30.09.2015 Taka | 31.12.2014 Taka |
|--|----------------------------------|----------------------------------|
| 14.6 Provision against investments | | |
| Balance at 01 January | 1,995,053,000 | 1,995,053,000 |
| Add: Provision made during the period | - | - |
| | 1,995,053,000 | 1,995,053,000 |
| 14(a) Consolidated Other liabilities | | |
| AB Bank Limited | 29,035,363,168 | 24,845,034,825 |
| AB Investment Limited | 868,424,789 | 814,831,811 |
| AB International Finance Limited | 218,363,845 | 58,743,830 |
| AB Securities Limited | 728,930,852 | 656,127,920 |
| Cashlink Bangladesh Limited (CBL) | 12,454,369 | 12,450,906 |
| AB Exchange (UK) Ltd. | 2,765,087 | 2,959,224 |
| | 30,866,302,110 | 26,390,148,516 |
| Less: Inter-group transaction | 235,022,088 | 327,696,455 |
| | 30,631,280,023 | 26,062,452,062 |
| 15. Share Capital | 5,990,165,460 | 5,324,591,520 |
| 15.1 Authorised Capital | | |
| 600,000,000 ordinary shares of Taka 10 each | 6,000,000,000 | 6,000,000,000 |
| 15.2 Issued, Subscribed and Paid-up Capital | | |
| 10,000,000 ordinary shares of Taka 10 each issued for cash | 100,000,000 | 100,000,000 |
| 5,000,000 ordinary shares of Taka 10 each issued for rights | 50,000,000 | 50,000,000 |
| 584,016,546 ordinary shares of Taka 10 each issued as bonus shares | 5,840,165,460 | 5,174,591,520 |
| | 5,990,165,460 | 5,324,591,520 |
| 16. Statutory reserve | | |
| In Bangladesh | | |
| Opening balance | 5,384,130,846 | 5,384,130,846 |
| Add: Addition during the period | 356,613,417 | - |
| | 5,740,744,263 | 5,384,130,846 |
| Outside Bangladesh - ABBL, Mumbai Branch | | |
| Opening balance | 198,309,382 | 180,668,545 |
| Add: Addition during the period | 31,277,236 | 22,074,774 |
| Add: Transferred from Investment fluctuation reserve | - | - |
| Add/(Less): Adjustment for Foreign Exchange Rate Fluctuation | (6,884,618) | (4,433,937) |
| | 222,702,000 | 198,309,382 |
| | 5,963,446,264 | 5,582,440,229 |
| 17. Other reserve | | |
| General reserve | 847,199,200 | 42,199,200 |
| Assets revaluation reserve | 1,323,567,486 | 1,323,567,486 |
| Investment revaluation reserve | 1,062,488,382 | 272,492,469 |
| | 3,233,255,068 | 1,638,259,155 |
| 17.1 General reserve | | |
| Opening balance | 42,199,200 | 42,199,200 |
| Add: Transferred from general provision of loans and advances | 860,000,000 | - |
| Add: Transferred from off balance sheet provisions | 200,000,000 | - |
| Less: Transferred to specific provision of loans and advances | (255,000,000) | - |
| | 847,199,200 | 42,199,200 |

AB Bank Limited**Notes to the financial statements for the period ended 30 September 2015**

| | 30.09.2015 Taka | 31.12.2014 Taka |
|---|----------------------------------|----------------------------------|
| 17(a) Consolidated Other reserve | | |
| AB Bank Limited | 3,233,255,068 | 1,638,259,155 |
| AB Investment Limited | - | - |
| AB International Finance Limited | 77,449,265 | 77,257,827 |
| AB Securities Limited | 101,934,926 | 101,934,926 |
| Cashlink Bangladesh Limited (CBL) | - | - |
| AB Exchange (UK) Ltd. | - | - |
| | 3,412,639,258 | 1,817,451,907 |
| 18. Retained earnings | | |
| Opening balance | 5,611,822,670 | 4,986,366,647 |
| Add: Post-tax profit for the period | 756,135,274 | 1,260,033,729 |
| Less: Transfer to statutory reserve | 387,890,653 | 22,074,774 |
| Cash dividend | - | 248,812,688 |
| Bonus shares issued | 665,573,940 | 348,337,760 |
| | 5,314,493,351 | 5,627,175,154 |
| Add/(Less): Retained earnings adjustment | (2,949,523) | - |
| Add: Foreign Exchange Translation gain/(loss) | (22,252,392) | (15,352,484) |
| | 5,289,291,435 | 5,611,822,670 |
| 18(a) Consolidated Retained earnings | | |
| AB Bank Limited | 5,289,291,435 | 5,611,822,670 |
| AB Investment Limited | 524,609,914 | 443,830,684 |
| AB International Finance Limited | 69,636,255 | 93,455,537 |
| AB Securities Limited | 136,286,342 | 142,031,030 |
| Cashlink Bangladesh Limited (CBL) | (321,455,769) | (378,712,146) |
| AB Exchange (UK) Ltd. | (44,679,317) | (39,518,318) |
| | 5,653,688,860 | 5,872,909,457 |
| Less: Adjustment made during the period | (223,089,022) | (123,968,489) |
| Minority Interest | (32,020,858) | (37,742,268) |
| | 5,908,798,739 | 6,034,620,214 |
| 18(b) Minority Interest | | |
| AB Investment Limited | 8,001 | 7,193 |
| AB Securities Limited | 414,902 | 419,938 |
| Cashlink Bangladesh Limited | (4,145,577) | (9,871,215) |
| | (3,722,673) | (9,444,084) |
| 19. Contingent liabilities | | |
| | 68,034,587,882 | 77,068,505,153 |
| 19.1 Letters of guarantee | | |
| Money for which the Bank is contingently liable in respect of guarantees issued favoring: | | |
| Directors | - | - |
| Government | - | - |
| Banks and other financial institutions | 174,200,000 | 258,800,000 |
| Others | 13,722,441,140 | 13,586,532,265 |
| | 13,896,641,140 | 13,845,332,265 |

AB Bank Limited

Notes to the financial statements for the period ended 30 September 2015

| | Jan'15- Sept.'15 | Jan'14- Sept.'14 |
|--|------------------------------|------------------------------|
| | Taka | Taka |
| 20. Profit and loss account | | |
| <u>Income:</u> | | |
| Interest, discount and similar income | 17,717,085,480 | 17,691,907,832 |
| Dividend income | 105,088,398 | 62,756,224 |
| Fee, commission and brokerage | 1,332,439,921 | 1,504,084,721 |
| Gains less losses arising from investment securities | (10,710,661) | 8,129,978 |
| Gains less losses arising from dealing in foreign currencies | 738,528,454 | 821,661,658 |
| Other operating income | 87,023,083 | 98,052,120 |
| Gains less losses arising from dealing securities | 155,726,542 | 196,278,072 |
| Income from non-banking assets | - | - |
| Profit less losses on interest rate changes | - | - |
| | <u>20,125,181,216</u> | <u>20,382,870,606</u> |
| <u>Expenses:</u> | | |
| Interest, fee and commission | 12,397,419,934 | 11,475,397,558 |
| Administrative expenses | 2,906,194,409 | 2,606,723,363 |
| Other operating expenses | 949,990,992 | 880,628,327 |
| Depreciation and amortization on banking assets | 258,416,802 | 241,235,063 |
| Losses on loans and advances | - | - |
| | <u>16,512,022,136</u> | <u>15,203,984,310</u> |
| | <u>3,613,159,079</u> | <u>5,178,886,296</u> |
| 21. Interest income/profit on investments | | |
| Interest on loans and advances: | | |
| Loans and advances | 15,045,420,995 | 14,934,460,635 |
| Bills purchased and discounted | 230,865,360 | 527,890,339 |
| | <u>15,276,286,355</u> | <u>15,462,350,975</u> |
| Interest on: | | |
| Calls and placements | 325,924,047 | 437,137,053 |
| Balance with foreign banks | 1,128,781 | 6,497,550 |
| Reverse Repo | 20,543,921 | 273,150 |
| Balance with Bangladesh Bank | 594,272 | 370,075 |
| | <u>348,191,021</u> | <u>444,277,828</u> |
| | <u>-</u> | <u>-</u> |
| | <u>15,624,477,376</u> | <u>15,906,628,802</u> |
| 21(a). Consolidated Interest income/profit on investments | | |
| AB Bank Limited | 15,624,477,376 | 15,906,628,802 |
| AB International Finance Limited | 41,013,341 | 77,972,034 |
| AB Investment Limited | 296,256,908 | 413,483,637 |
| AB Securities Limited | 62,161,821 | 65,060,327 |
| Cashlink Bangladesh Limited (CBL) | 168,739 | - |
| AB Exchange (UK) Ltd. | - | - |
| | <u>16,024,078,185</u> | <u>16,463,144,800</u> |
| Less: Intercompany Transactions | 119,929,724 | 194,628,373 |
| | <u>15,904,148,461</u> | <u>16,268,516,427</u> |

AB Bank Limited

Notes to the financial statements for the period ended 30 September 2015

| | Jan'15- Sept.'15 Taka | Jan'14- Sept.'14 Taka |
|---|--|--|
| 22. Interest/profit paid on deposits, borrowings, etc. | | |
| Interest on deposits: | | |
| Fixed deposits | 8,323,882,130 | 7,895,363,118 |
| Savings deposits | 520,315,131 | 573,977,134 |
| Special notice deposits | 1,353,042,482 | 1,274,382,736 |
| Other deposits | 1,300,388,627 | 1,224,375,535 |
| | 11,497,628,370 | 10,968,098,524 |
| Interest on borrowings: | | |
| Local banks, financial institutions including Bangladesh Bank | 666,476,496 | 475,688,075 |
| Subordinated Bond | 233,315,069 | 31,610,959 |
| | 12,397,419,934 | 11,475,397,558 |
| 22(a). Consolidated Interest/profit paid on deposits, borrowings, etc. | | |
| AB Bank Limited | 12,397,419,934 | 11,475,397,558 |
| AB Investment Limited | 132,067,427 | 202,993,430 |
| AB International Finance Limited | 1,621,614 | 7,126,944 |
| AB Securities Limited | 44,209,046 | 54,375,161 |
| Cashlink Bangladesh Limited (CBL) | - | - |
| AB Exchange (UK) Ltd. | - | - |
| | 12,575,318,021 | 11,739,893,093 |
| Less: Intercompany Transactions | 122,119,448 | 196,818,097 |
| | 12,453,198,573 | 11,543,074,996 |
| 23. Investment income | | |
| Capital gain on sale of shares | (10,710,661) | 8,129,978 |
| Interest on treasury bills | 233,303,405 | 235,947,514 |
| Dividend on shares | 105,088,398 | 62,756,224 |
| Interest on debentures | 641,671 | 2,887,500 |
| Interest on treasury bonds | 1,844,112,415 | 1,529,226,085 |
| Gain/(Loss) on treasury bills and treasury bonds | 155,726,542 | 196,278,072 |
| Interest on other bonds & others | 14,550,612 | 17,217,932 |
| | 2,342,712,382 | 2,052,443,305 |
| 23(a). Consolidated Investment income | | |
| AB Bank Limited | 2,342,712,382 | 2,052,443,305 |
| AB Investment Limited | 4,788,272 | 14,766,118 |
| AB International Finance Limited | - | - |
| AB Securities Limited | 2,321,456 | 3,029,189 |
| Cashlink Bangladesh Limited (CBL) | - | - |
| AB Exchange (UK) Ltd. | - | - |
| | 2,349,822,110 | 2,070,238,611 |
| 24. Commission, exchange and brokerage | | |
| Other fees, commission and service charges | 710,085,770 | 782,435,445 |
| Commission on letters of credit | 507,098,844 | 593,233,207 |
| Commission on letters of guarantee | 115,255,307 | 128,416,069 |
| Exchange gains less losses arising from dealings in foreign currencies | 738,528,454 | 821,661,658 |
| | 2,070,968,374 | 2,325,746,379 |

AB Bank Limited**Notes to the financial statements for the period ended 30 September 2015**

| | Jan'15- Sept.'15 Taka | Jan'14- Sept.'14 Taka |
|--|--|--|
| 24(a). Consolidated Commission, exchange and brokerage | | |
| AB Bank Limited | 2,070,968,374 | 2,325,746,379 |
| AB Investment Limited | 41,185,974 | 52,515,496 |
| AB International Finance Limited | 31,445,722 | 31,757,751 |
| AB Securities Limited | 36,349,560 | 54,434,661 |
| Cashlink Bangladesh Limited (CBL) | 57,629,619 | 59,275,669 |
| AB Exchange (UK) Ltd. | 1,962,902 | 3,967,661 |
| | 2,239,542,151 | 2,527,697,617 |
| Less: Intercompany Transactions | 2,185,282 | - |
| | 2,237,356,869 | 2,527,697,617 |
| 25. Other income | | |
| Locker rent, insurance claim and others | 3,645,677 | 3,305,132 |
| Recoveries on loans previously written off | 868,329 | 12,014,364 |
| Recoveries on telex, telephone, fax, etc. | 60,544,179 | 60,838,211 |
| Recoveries on courier, postage, stamp, etc. | 18,998,869 | 20,151,778 |
| Gain on sale of Bank property | - | - |
| Non-operating income (*) | 2,966,028 | 1,742,635 |
| | 87,023,083 | 98,052,120 |
| (*) Non-operating income includes sale of scrap items. | | |
| 25(a). Consolidated other income | | |
| AB Bank Limited | 87,023,083 | 98,052,120 |
| AB Investment Limited | 6,567,670 | 7,358,907 |
| AB International Finance Limited | 29,364,167 | 30,880,738 |
| AB Securities Limited | 2,490,078 | 2,362,818 |
| Cashlink Bangladesh Limited (CBL) | - | 404,760 |
| AB Exchange (UK) Ltd. | - | - |
| | 125,444,998 | 139,059,343 |
| Less: Inter company transactions | 6,327,114 | 8,469,522 |
| | 119,117,884 | 130,589,821 |
| 26. Salary and allowances | | |
| Basic salary, provident fund contribution and all other allowances | 1,886,846,780 | 1,561,655,723 |
| Festival and incentive bonus | 173,704,200 | 212,715,856 |
| | 2,060,550,980 | 1,774,371,579 |
| 26(a). Consolidated salary and allowances | | |
| AB Bank Limited | 2,060,550,980 | 1,774,371,579 |
| AB Investment Limited | 13,665,538 | 12,322,604 |
| AB International Finance Limited | 20,399,860 | 22,568,027 |
| AB Securities Limited | 23,383,167 | 20,685,898 |
| Cashlink Bangladesh Limited (CBL) | 164,403 | 128,862 |
| AB Exchange (UK) Ltd. | 3,261,563 | 3,151,793 |
| | 2,121,425,510 | 1,833,228,763 |
| 27. Rent, taxes, insurance, electricity, etc. | | |
| Rent, rates and taxes | 257,463,899 | 276,268,557 |
| Electricity, gas, water, etc. | 108,161,309 | 94,452,379 |
| Insurance | 64,799,211 | 63,469,197 |
| | 430,424,419 | 434,190,133 |

AB Bank Limited**Notes to the financial statements for the period ended 30 September 2015**

| | Jan'15- Sept.'15 Taka | Jan'14- Sept.'14 Taka |
|--|--|--|
| 27(a). Consolidated Rent, taxes, insurance, electricity, etc. | | |
| AB Bank Limited | 430,424,419 | 434,190,133 |
| AB Investment Limited | 2,103,443 | 2,169,770 |
| AB International Finance Limited | 5,261,945 | 4,980,942 |
| AB Securities Limited | 5,924,693 | 5,915,582 |
| Cashlink Bangladesh Limited (CBL) | - | - |
| AB Exchange (UK) Ltd. | 1,662,886 | 1,795,952 |
| | 445,377,385 | 449,052,378 |
| Less: Inter company transactions | 4,137,390 | 4,137,390 |
| | 441,239,995 | 444,914,988 |
| 28. Legal expenses | | |
| Legal expenses | 7,194,986 | 13,239,013 |
| 28(a). Consolidated Legal expenses | | |
| AB Bank Limited | 7,194,986 | 13,239,013 |
| AB Investment Limited | 51,750 | 159,250 |
| AB International Finance Limited | 51,037 | - |
| AB Securities Limited | - | 22,000 |
| Cashlink Bangladesh Limited (CBL) | 57,500 | - |
| AB Exchange (UK) Ltd. | 113,139 | 71,885 |
| | 7,468,412 | 13,492,148 |
| 29. Postage, stamp, telecommunication, etc. | | |
| Telex, fax, internet, wireless link, SWIFT, etc. | 68,570,851 | 67,912,434 |
| Telephone | 9,070,284 | 9,097,551 |
| Postage, stamp and shipping | 23,093,993 | 23,608,876 |
| | 100,735,127 | 100,618,860 |
| 29(a). Consolidated Postage, stamp, telecommunication, etc. | | |
| AB Bank Limited | 100,735,127 | 100,618,860 |
| AB Investment Limited | 633,500 | 633,719 |
| AB International Finance Limited | 3,840,785 | 4,453,246 |
| AB Securities Limited | 1,171,893 | 1,204,379 |
| Cashlink Bangladesh Limited (CBL) | 4,606 | 85,180 |
| AB Exchange (UK) Ltd. | 244,603 | 283,545 |
| | 106,630,514 | 107,278,929 |
| 30. Stationery, printing, advertisements, etc. | | |
| Printing and stationery | 99,414,504 | 95,885,412 |
| Publicity, advertisement, etc. | 26,577,415 | 29,317,958 |
| | 125,991,919 | 125,203,370 |

AB Bank Limited**Notes to the financial statements for the period ended 30 September 2015**

| | Jan'15- Sept.'15 Taka | Jan'14- Sept.'14 Taka |
|---|--------------------------|--------------------------|
| 30(a). Consolidated Stationery, printing, advertisements, etc. | | |
| AB Bank Limited | 125,991,919 | 125,203,370 |
| AB Investment Limited | 141,145 | 315,339 |
| AB International Finance Limited | 189,288 | 935,656 |
| AB Securities Limited | 463,223 | 618,679 |
| Cashlink Bangladesh Limited (CBL) | - | 1,068 |
| AB Exchange (UK) Ltd. | - | - |
| | 126,785,575 | 127,074,112 |
| 31. Directors' fees | | |
| Directors' fees | 1,494,300 | 1,621,500 |
| Meeting expenses | 3,681,185 | 5,736,893 |
| | 5,175,485 | 7,358,393 |
| 31(a). Consolidated Directors' fees | | |
| AB Bank Limited | 5,175,485 | 7,358,393 |
| AB Investment Limited | 207,000 | 126,500 |
| AB International Finance Limited | - | - |
| AB Securities Limited | 250,665 | 149,500 |
| Cashlink Bangladesh Limited (CBL) | 70,000 | 140,000 |
| AB Exchange (UK) Ltd. | - | - |
| | 5,703,150 | 7,774,393 |
| 32. Auditors' fees | | |
| Statutory | - | - |
| Others | 3,394,482 | 986,887 |
| | 3,394,482 | 986,887 |
| 32(a). Consolidated Auditors' fees | | |
| AB Bank Limited | 3,394,482 | 986,887 |
| AB Investment Limited | - | - |
| AB International Finance Limited | - | - |
| AB Securities Limited | - | - |
| Cashlink Bangladesh Limited (CBL) | - | - |
| AB Exchange (UK) Ltd. | 161,116 | 174,855 |
| | 3,555,598 | 1,161,742 |
| 33. Depreciation and repairs of Bank's assets | | |
| <u>Depreciation :</u> | | |
| Electrical appliances | 113,684,748 | 124,856,096 |
| Furniture and fixtures | 9,514,985 | 9,657,310 |
| Office appliances | 1,785,638 | 1,881,646 |
| Building | 14,662,387 | 13,506,100 |
| Motor vehicles | 40,703,572 | 36,421,706 |
| | 180,351,330 | 186,322,858 |
| <u>Repairs:</u> | | |
| Motor vehicles | 22,264,336 | 21,384,995 |
| Electrical appliances | 61,801,743 | 53,948,904 |
| Office premises and others | 73,262,653 | 61,207,789 |
| Furniture and fixtures | 2,003,169 | 1,496,434 |
| Office appliances | 3,495,110 | 3,573,445 |
| | 162,827,011 | 141,611,568 |
| | 343,178,342 | 327,934,425 |
| Amortization of Intangible Assets | 78,065,472 | 54,912,205 |
| | 421,243,813 | 382,846,630 |

AB Bank Limited**Notes to the financial statements for the period ended 30 September 2015**

| | Jan'15- Sept.'15 Taka | Jan'14- Sept.'14 Taka |
|--|--------------------------|--------------------------|
| 33(a). Consolidated Depreciation and repairs of Bank's assets | | |
| AB Bank Limited | 421,243,813 | 382,846,630 |
| AB Investment Limited | 13,863,047 | 11,973,625 |
| AB International Finance Limited | 269,956 | 321,215 |
| AB Securities Limited | 4,310,932 | 4,487,983 |
| Cashlink Bangladesh Limited (CBL) | 54,511 | 9,805,631 |
| AB Exchange (UK) Ltd. | 1,969,794 | 2,425,003 |
| | 441,712,054 | 411,860,087 |

34. Other expenses

| | | |
|---|--------------------|--------------------|
| Contractual service | 351,804,148 | 304,440,706 |
| Amortization of deferred revenue expenses | 33,586,298 | 53,177,341 |
| Petrol, oil and lubricant | 53,036,196 | 50,454,766 |
| Software expenses | 107,545,016 | 91,302,590 |
| Entertainment | 44,392,996 | 46,005,174 |
| Travelling | 23,608,397 | 30,854,947 |
| Subscription, membership and sponsorship | 73,661,130 | 31,518,900 |
| Training, seminar and workshop | 35,753,751 | 32,837,729 |
| Local conveyance | 7,078,663 | 7,216,513 |
| Professional charges | 22,539,528 | 55,955,952 |
| Books, newspapers and periodicals | 1,218,662 | 1,022,010 |
| Branch opening expenses | 172,939 | - |
| Bank Charges | 15,677,775 | 27,895,440 |
| Sundry expenses (*) | 179,915,493 | 147,946,258 |
| | 949,990,992 | 880,628,327 |

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

34(a). Consolidated other expenses

| | | |
|-----------------------------------|--------------------|--------------------|
| AB Bank Limited | 949,990,992 | 880,628,327 |
| AB Investment Limited | 5,845,767 | 10,768,288 |
| AB International Finance Limited | 1,702,928 | 3,090,786 |
| AB Securities Limited | 7,254,157 | 11,770,247 |
| Cashlink Bangladesh Limited (CBL) | 18,073 | 167,218 |
| AB Exchange (UK) Ltd. | 780,740 | 1,140,114 |
| | 965,592,656 | 907,564,981 |
| Less: Inter company transactions | 2,185,282 | 2,142,408 |
| | 963,407,374 | 905,422,573 |

35. Provision against loans and advances

| | | |
|------------------------|----------------------|----------------------|
| On un-classified loans | 667,500,000 | 1,027,207,000 |
| On classified loans | 482,500,000 | 272,640,220 |
| | 1,150,000,000 | 1,299,847,220 |

35(a). Consolidated provision against loans and advances

| | | |
|-----------------------------------|----------------------|----------------------|
| AB Bank Limited | 1,150,000,000 | 1,299,847,220 |
| AB Investment Limited | - | - |
| AB International Finance Limited | - | - |
| AB Securities Limited | - | - |
| Cashlink Bangladesh Limited (CBL) | - | - |
| AB Exchange (UK) Ltd. | - | - |
| | 1,150,000,000 | 1,299,847,220 |

AB Bank Limited**Notes to the financial statements for the period ended 30 September 2015**

| | Jan'15- Sept.'15 Taka | Jan'14- Sept.'14 Taka |
|--|--------------------------|--------------------------|
| 36. Provisions for diminution in value of investments | | |
| In quoted shares | - | - |

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

| | | |
|-----------------------------------|-------------------|-------------------|
| AB Bank Limited | - | - |
| AB Investment Limited | 31,858,400 | 42,595,751 |
| AB International Finance Limited | - | - |
| AB Securities Limited | 1,286,211 | 1,871,387 |
| Cashlink Bangladesh Limited (CBL) | - | - |
| AB Exchange (UK) Ltd. | - | - |
| | 33,144,611 | 44,467,138 |

37. Other provision

| | | |
|---------------------------------------|--------------------|--------------------|
| Provision for off balance sheet items | 43,300,000 | 112,500,000 |
| Provision for Other assets | 120,000,000 | 250,017,180 |
| | 163,300,000 | 362,517,180 |

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

37(a). Consolidated other provisions

| | | |
|-----------------------------------|--------------------|--------------------|
| AB Bank Limited | 163,300,000 | 362,517,180 |
| AB Investment Limited | - | - |
| AB International Finance Limited | - | - |
| AB Securities Limited | - | - |
| Cashlink Bangladesh Limited (CBL) | - | - |
| AB Exchange (UK) Ltd. | - | - |
| | 163,300,000 | 362,517,180 |

38. Earnings Per Share (EPS)

| | | |
|---------------------------------------|-------------|---------------|
| Profit after taxation | 756,135,274 | 1,410,400,837 |
| Number of ordinary shares outstanding | 599,016,546 | 599,016,546 |
| Earnings Per Share | 1.26 | 2.35 |

38(a) Consolidated Earnings Per Share

| | | |
|---|-------------|---------------|
| Net Profit attributable to the shareholders of parent company | 945,392,930 | 1,650,115,465 |
| Number of ordinary shares outstanding | 599,016,546 | 599,016,546 |
| Earnings Per Share | 1.58 | 2.75 |

Earnings Per Share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of 30 September 2015 in terms of Bangladesh Accounting Standard (BAS)-33. According to BAS-33, EPS for the period ended 30 September 2014 was restated for the issues of bonus share in 2015.