

Arab Bangladesh Bank Limited

Balance Sheet
As on June 30, 2007

(Un-audited)

(Amount in '000 Taka)

	30.06.07	31.12.06
PROPERTY AND ASSETS		
Cash:	3,337,609	3,247,072
Cash in hand (Including foreign currencies)	481,110	519,829
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)	2,856,499	2,727,242
Balance with other bank and financial institutions:	1,143,560	1,273,352
In Bangladesh	504,914	230,470
Outside Bangladesh	638,646	1,042,882
Money at call and short notice	2,782,758	517,150
Investment:	7,647,237	6,301,289
Government	4,803,705	4,817,154
Others	2,843,532	1,484,135
Loans and advances:	35,073,327	31,289,251
Loans, cash credit, overdrafts etc.	33,538,398	29,486,235
Bills purchased & discounted	1,534,929	1,803,016
Fixed assets including premises, furn. & fixtures (WDV)	2,280,941	1,148,463
Other assets:	3,149,991	4,212,760
Non-banking assets:	-	-
Total assets:	55,415,422	47,989,337

LIABILITIES AND CAPITAL

Liabilities:

**Borrowing from other banks, financial institution and
agents:**

2,792,369

1,297,378

Deposits and other accounts:

47,212,378

42,076,995

 Current deposits

3,979,224

4,159,605

 Demand deposits

1,713,448

2,176,160

 Bills payable

604,337

538,583

 Saving bank deposits

8,221,397

8,179,509

 Short term deposits

2,996,646

2,620,786

 Fixed deposits

27,945,580

23,363,899

 Bearer certificate of deposits

136,499

140,864

 Other deposits

1,615,247

897,590

Other liabilities:

2,088,197

2,032,201

Total liabilities:

52,092,944

45,406,574

Capital and shareholders' equity:

 Paid up capital

571,740

571,740

 Statutory reserve

772,868

772,868

 Other reserves

683,597

683,597

 Retained earnings

527,422

554,558

 Surplus of profit and loss account (HY 2007)

766,851

-

Total shareholders' equity

3,322,478

2,582,763

Total liabilities and shareholders' equity

55,415,422

47,989,337

Off-Balance Sheet Items

Contingent liabilities:

 Acceptances and endorsements

3,371,323

2,974,763

 Letters of guarantee

3,505,481

2,920,557

 Irrevocable letters of credit

8,328,228

7,802,606

 Bills for collection

2,565,569

2,571,462

 Other contingent liabilities

7,696,290

4,842,892

25,466,890

21,112,280

Other commitments:

 Spot and forward foreign exchange contracts

-

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Total Off-Balance Sheet Items

25,466,890

21,112,280

President & Managing Director

Chief Finance Officer

Profit and Loss Account
For the half year ended June 30, 2007

(Un-audited)

(Amount in '000 Taka)

	Jan. - Jun. 2007	Jan. - Jun. 2006
INCOME AND EXPENDITURE		
Interest income	2,598,070	1,341,530
Interest paid on deposits and borrowing etc.	1,988,880	1,109,200
Net interest income	609,190	232,330
Investment income	615,242	375,484
Commission, exchange and brokerage	617,574	318,735
Other income	44,213	41,379
Total operating income	1,886,218	967,928
Salaries and allowances	335,489	243,723
Managing Director's salaries and fees	2,720	2,560
Directors' fees	184	375
Rent, taxes, insurance, lighting etc.	76,947	65,561
Legal expenses	814	772
Postage, stamps, telecommunication etc.	32,225	15,051
Auditors' fee	10	90
Stationery, printing, advertisement etc.	20,645	12,732
Depreciation and repair of bank's assets	44,694	26,768
Other expenses	88,665	58,107
Total operating expenses	602,393	425,739
Profit before Provisions	1,283,825	542,189
Provision for loans	151,974	140,000
Provision for diminution in value of investment	100,000	-
Other Provisions	15,000	-
Total Provisions	266,974	140,000
Total profit before Taxes	1,016,851	402,189
Provision for Taxation	250,000	130,000
Net Profit after Tax	766,851	272,189
Earning per Share (EPS)	134.13	47.61

President & Managing Director

Chief Finance Officer

Cash Flow Statement
For the half year ended June 30, 2007

(Un-audited)

(Amount in '000 Taka)

	Jan. - Jun. 2007	Jan. - Jun. 2006
A. Cash Flow from Operating Activities:		
Interest Received	2,598,070	1,341,530
Interest Paid	(1,988,880)	(1,109,200)
Dividend Received	30,276	785
Fees and Commission Received	617,574	318,735
Recoveries of Loans Previously Written-off	6,005	19,937
Cash Paid to Employees	(338,209)	(246,283)
Cash Paid to Suppliers	(20,645)	(19,732)
Income Taxes Paid	(121,331)	(125,915)
Received from Other Operating Activities	623,174	396,141
Paid for Other Operating Activities	(243,539)	(159,724)
Operating Profit/(Loss) before Changes in Operating Assets and Liabilities:	1,162,494	416,274
Increase/(Decrease) in Operating Assets and Liabilities:		
Statutory Deposits	-	-
Loans and Advances to Other Banks	-	-
Loans and Advances to Customers	(3,784,075)	(4,286,038)
Other Assets	1,234,100	331,624
Deposits from Other Banks	(708,542)	911,144
Deposits from Customers	5,843,925	3,325,939
Other Liabilities on account of Customers	-	-
Trading Liabilities (Short Term Borrowing)	1,510,788	1,785,000
Other Liabilities	(580,514)	(368,324)
Increase in operating assets & liabilities	3,515,681	1,699,345
Net Cash from Operating Activities	<u>4,678,175</u>	<u>2,115,619</u>
B. Cash Flow from Investing Activities:		
Purchase / Sale of trading securities	(1,359,397)	158,741
Purchase / Sale of other securities	13,455	(235,000)
Purchase / Sale of property, plant & equipment	(1,040,078)	(10,944)
Purchase / Sale of Subsidiary	(50,000)	-
Net Cash from Investing Activities	<u>(2,436,020)</u>	<u>(87,203)</u>
C. Cash Flow from Financing Activities:		
Increase/(decrease) of long-term borrowings	(15,797)	(489,871)
Dividend paid	-	-
Net Cash from Financing Activities	<u>(15,797)</u>	<u>(489,871)</u>
D. Net Increase in Cash & Cash Equivalents (A+B+C)	2,226,358	1,538,545
Effects of Exchange Rate Changes on Cash & Cash Equivalents	-	-
E. Cash and Cash Equivalents at the Beginning of the Period	5,042,850	2,616,566
Cash and Cash Equivalents at the End of the Period (D+E)	<u>7,269,208</u>	<u>4,155,111</u>

President & Managing Director

Chief Finance Officer

Arab Bangladesh Bank Limited

Statement of Changes in Equity for the Half Year Ended June 30, 2007

(Un-audited)

(Amount in '000 Taka)

Particulars	Paid-up Capital	Statutory Reserve	Other Reserve	Retained Earnings	Total
Balance at 01 January 2007	571,740	772,868	683,597	554,558	2,582,763
Net profit for the period after tax	-	-	-	766,851	766,851
Adjustment for:					
Prior year				(27,136)	(27,136)
Balance at 30 June 2007	571,740	772,868	683,597	1,294,273	3,322,478
Balance at 30 June 2006	571,740	650,204	176,127	400,998	1,799,069

Selective Notes to the Financial Statements as on June 30, 2007

1. Accounting Policies:

Accounting policies have been followed in preparing this financial statements are same as applied in financial statements of the Bank of preceding financial year except consolidation of overseas branch due to different financial year.

2. Provision:

a) Loans & Advances

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

b) Other Assets:

Provisions for other assets have been made as per recommendation of Bangladesh Bank.

c) Taxation:

Provision for income tax has been made on taxable income after necessary add back at the rate of 45%.

President & Managing Director

Chief Finance Officer