

SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the period ended 30 September 2016 (3rd Quarter)

LANKABANGLA FINANCE LIMITED Safura Tower (Level-11) 20 Kemal Ataturk Avenue, Banani Dhaka-1213, Bangladesh. Phone: +88 02 988 3701-10 Fax: (88 02) 88 10998 www.lankabangla.com

Separate Balance Sheet (Un-audited) As at 30 September 2016 Amount in Taka PROPERTY AND ASSETS 30 September 2016 31 December 2015 616,106,031 Cash 516,139,048 Cash in hand 199,834 515,939,214 Balance with Bangladesh Bank and its agent Bank 615,282,611 **1,543,536,901** 1,543,536,901 **725,473,016** 725,473,016 **Balance with other Banks and Financial Institutions** Inside Bangladesh Outside Bangladesh Money at Call and Short Notice 2,266,078,067 1,836,284,248 Investment Government securities 2,266,078,067 1,836,284,248 Others investment Leases, loans & advances 45,878,626,453 Loans, cash credit and overdraft etc. 45,878,626,453 36,018,816,850 Bills discounted and purchased Fixed Assets including Land, Building, Furniture & Fixtures 948,616,619 877,649,370 Other assets 4,873,732,496 4,640,180,877 Non-Banking assets TOTAL PROPERTY AND ASSETS 56,126,696,567 44,614,543,408 **LIABILITIES & SHAREHOLDERS' EQUITY** 6,235,918,622 Borrowings from Bangladesh Bank, Other Banks and Financial Institutions 8,472,815,251 30,196,004,667 Deposits and other accounts 37,972,973,021 Current deposits and other accounts Bills payable Saving bank deposit Term deposits Bearer certificate of deposit 37,809,670,287 30,080,861,537 Other deposits 163,302,734 115,143,130 Other liabilities 2,723,890,988 4,032,494,550 50,478,282,822 39,155,814,276 TOTAL LIABILITIES 5,648,413,745 **Shareholders' Equity** 5,458,729,132 2,767,399,490 1,097,763,039 2,406,434,340 987,633,086 Paid up Capital Statutory reserve Retained earnings 1,783,251,216 2,064,661,706 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY Net asset value per share- (NAV) 8R. Director Managing Director Chief Financial Officer Company Secretary

Separate Profit and	Loss Acco	unt (Un-	audited)	
For the period ended 30 September 2016		Amount	in Taka	
Operating Income	30 September 2016			Q-3 of 2015 (July-September)
Net interest	1,230,313,954	913,267,615	384,131,825	376,242,279
Interest income	3,845,454,668	3,285,657,470	1,276,512,471	1,216,129,570
Less: Interest expenses on deposits and borrowings	2,615,140,713		892,380,646	839,887,291
Income from investment	141,855,947		36,153,327	128,906,934
Commission, Exchange and Brokerage Income	-	-	-	-
Other operational income	264,136,716	189,029,175	87,784,633	64,271,647
Total :	1,636,306,617	1,481,400,186	508,069,784	569,420,860
Operating Expenses				
Salary and allowances	484,033,507	382,196,985	169,020,619	127,108,195
Rent, taxes, insurance, electricity etc.	90,960,860		32,380,271	23,993,584
Legal and professional fees	13,102,542	, ,	5,370,403	4,473,186
Postage, stamp, telecommunication etc.		7,749,884	3,853,215	2,881,247
Stationery, printing, advertisement	28,494,030	23,295,951	7,779,414	6,783,208
Managing director's salary and allowance	12,581,448		4,193,816	3,995,117
Director fees and expenses	512,000	375,000	128,000	100,000
Audit fees	300,000	320,000	100,000	80,000
Charges on loan losses	-	-	-	-
Repairs, maintenance and depreciation	53,921,701	40,638,672	22,362,360	14,484,909
Other expenses	203,492,851	136,652,467	66,115,376	51,252,456
Total:	896,932,906	681,212,241	311,303,474	235,151,902
			022,000, 11	
Net Operating Income	739,373,711	800,187,945	196,766,311	334,268,958
Provisions for loans / investments	175,683,723	210,540,511	53,911,626	123,298,319
General Provision	133,705,370		17,914,887	56,057,532
Specific provision	77,134,832	136,236,394	51,631,405	93,334,265
Provision for diminution in value of investments	(35,156,479)	' '		(26,093,478)
Provision for other assets	-	-	-	-
Profit before tax and reserve:	563,689,987	589,647,434	142,854,685	210,970,639
Provident for the	42.040.222		4 227 000	
Provision for tax	13,040,222	-	4,327,088	_
Deferred tax expenses/(income)	12.040.222		4 227 000	-
Provision during the period	13,040,222	-	4,327,088	-
Net profit after tax:	550,649,766	589,647,434	138,527,597	210,970,639
Earning per share (EPS)	1.99	2.13	0.50	0.76
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Separate Statement of Cash I	Flows (Un- <u>a</u> u	ıdited)
For the period ended 30 September 2016		
		t in Taka
A) Cash flows from operating activities	30 September 2016	30 September 2015
Interest received Interest paid Dividend received Fees and commission received Income from investment Cash paid to employees (including directors) Cash paid to suppliers & Others Income taxes paid Received from other operating activities Paid for other operating activities	4,020,946,398 (2,176,499,082) 59,633,240 196,816,774 42,347,499 (474,286,520) (36,609,312) (16,665,110) 67,079,942 (358,439,302)	3,296,348,982 (2,182,361,692) 21,675,319 148,325,030 130,128,116 (380,876,413) (39,901,718) (9,423,584) 40,704,145 (147,379,494)
Cash generated from operating activities	1,324,324,527	877,238,693
Increase/ (decrease) in operating assets & liabilities		
Loans and advances to customers Other assets Deposits from customers and others Other liabilities	(9,880,844,777) (82,018,193) 7,776,968,354 442,895,079 (1,742,999,536)	(10,348,286,425) (33,198,200) 10,160,341,988 475,096,869 253,954,233
Net Cash from Operating Activities	(418,675,009)	1,131,192,926
B) Cash flows from investing activities		
Changes in investment in securities Purchase of property, plant and equipment Sales proceeds of fixed assets Investment in commercial paper Investment in subsidiaries Net Cash used in Investing Activities	(159,793,819) (72,883,320) 295,527 (270,000,000) (60,000,000)	(52,304,330) (721,879,014) 694,172 - (21,000,000) (265,089,173)
_	(502,502,022)	(203,003,173)
c) Cash flows from financing activities Drawdown of Term Loan, OD and REPO Dividend paid (cash dividend) Net Cash used in Financing Activities	2,236,896,628 (337,809,139) 1,899,087,489	(885,671,484) (189,619,282) (1,075,290,766)
D) Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C) E) Opening cash and cash-equivalents F) Closing cash and cash-equivalents (D+E)*	918,030,868 1,241,612,064 2,159,642,932	(209,187,013) 1,322,686,453 1,113,499,440
* Closing cash and cash-equivalents Cash in hand Balance with Bangladesh Bank and its agent bank(s) Balance with other Banks and Financial Institutions Total:	823,420 615,282,611 1,543,536,901 2,159,642,932	373,789 459,245,366 _653,880,285 <u>1,113,499,440</u>
Chairman Director Managing Director Ch	nief Financial Office	Company Secretary

or the period ended 30 September 2016					Amount in
Particulars	Share Capital	Statutory Reserve	General Reserve	Retained Earnings	Total
Balance as at 01 January 2016	2,406,434,340	987,633,086	-	2,064,661,706	5,458,729,132
tems involved in changes in equity					
Net profit for the period	-	-	-	550,649,766	550,649,766
Appropriation to statutory reserve	-	110,129,953	-	(110,129,953)	-
Stock dividend (15%)	360,965,150	-	-	(360,965,150)	-
Cash dividend (15%)	-	-	-	(360,965,152)	(360,965,152)
Balance as at 30 September 2016	2,767,399,490	1,097,763,039		1,783,251,216	5,648,413,745

Managing Director

Consolidated Profit and Loss Account (Un-audited)

Chief Financial Officer

Director

Consolidated Balance She	et (Un-audit	ed)
As at 30 September 2016		
PROPERTY AND ASSETS		nt in Taka 31 December 2015
Cash	616,359,139	516,273,295
Cash in hand	1,076,528	334,081
Balance with Bangladesh Bank and its agent Bank	615,282,611	515,939,214
Balance with other banks and financial institutions	2,696,113,096	1,427,389,298
Inside Bangladesh	2,696,113,096	1,427,389,298
Outside Bangladesh	-	-
Money at Call and Short Notice	-	-
Investments	5,273,895,331	4,372,854,794
Government securities Other investments	5,273,895,331	4,372,854,794
other investments	3,273,033,331	4,372,034,734
Leases, loans & advances	51,411,131,527	41,819,015,931
Lease portfolio, term finance, short term loan, etc.		
Fixed Assets including Land, Building, Furniture & Fixtures	1,359,498,687	1,291,853,287
Other assets	1,180,708,001	1,020,498,293
Non Bouldes costs		
Non-Banking assets TOTAL PROPERTY AND ASSETS	62,537,705,782	50,447,884,897
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LIABILITY AND SHAREHOLDERS' EQUITY		
Borrowings from Bangladesh Bank, other banks & financial institutions	11,339,563,887	9,006,817,980
Term deposits and other deposits	37,972,973,021	30,106,707,729
Term deposits	37,809,670,287	29,991,564,599
Other deposits	163,302,734	115,143,130
Other liabilities	6,910,902,368	4,985,106,251
TOTAL LIABILITIES	56,223,439,276	44,098,631,960
TO THE EIRBIETTES	30,223,433,270	44,030,031,300
Shareholders' Equity	6,228,820,167	6,261,793,994
Paid up capital	2,767,399,490	2,406,434,340
Share premium	1,090,888,800	1,090,888,800
Statutory reserve	1,097,763,038	987,633,085
General reserve	53,849,069	53,849,069
Retained earnings	1,218,919,770	1,722,988,700
Non controlling interest	85,446,339	87,458,943
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	62,537,705,782	50,447,884,897
Net asset value per share- (NAV)	22.51	22.63
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Chairman Director Managing Director C	hief Financial Officer	Company Secretary

For the period ended 20 Center has 2016						
For the period ended 30 September 2016		Amount				
Operating Income	30 September		Q-3 of 2016 (July-September)	Q-3 of 2015 (July-September)		
	2016	2015				
Net interest income	1,086,814,007		348,639,632	216,270,302		
Interest income		3,488,281,209				
Less: Interest expenses on deposits and borrowings		2,751,068,636		1,007,703,684		
Income from investment	373,926,228		89,140,181	246,191,796		
Commission, Exchange and Brokerage Income	374,439,771		112,048,031	154,994,168		
Other operational income	439,040,949	294,764,514	137,459,536	88,174,533		
Total Operating Income	2,274,220,955	1,817,666,076	687,287,380	705,630,799		
Operating Expenses						
Salary and allowances	773,081,629	607,002,196	262,822,846	203,012,479		
Rent, taxes, insurance, electricity etc.	143,978,826		49,424,212	39,393,128		
Legal and professional fees	15,558,824		6,549,718	5,029,621		
Postage, stamp, telecommunication etc.		11,449,285	5,269,081	4,112,264		
Stationery, printing, advertisement	36,038,164		10,290,813	9,157,007		
Managing director's salary and allowance	12,581,448		4,193,816	3,995,117		
Director fees and expenses	1,654,389		532,089	233,044		
Audit fees	466,761	449,372	171,886	151,874		
Changes on loan losses	-	-	-	-		
Repairs, maintenance and depreciation	84,509,016	74,902,793	32,231,786	26,313,231		
Other expenses	361,729,088	262,351,928	117,293,143	79,145,080		
Total Operating Expenses	1,443,480,050		488,779,389	370,542,845		
Net Operating Income	830,740,905	692,259,176	198,507,992	335,087,955		
Net Operating income	630,740,903	092,239,170	190,507,992	333,067,333		
Provision for loans and advances/investments	425,230,755	499,526,872	126,500,506	243,114,651		
Provision for loans and advances	210,840,202	144,020,387	69,546,292	21,891,797		
Provision for diminution in value of investments	(6,193,620)	(5,025,445)	(15,634,666)	(26,093,478)		
Provision for margin loan	220,584,173	360,531,930	72,588,880	247,316,332		
General provision for other assets				-		
Profit before tax and reserve	405 510 150	102 722 204	72 007 406	01 072 204		
Profit before tax and reserve	405,510,150	192,732,304	72,007,486	91,973,304		
	69,531,429	76,789,552	21,155,099	5,111,170		
Provision for tax made during the period	69,531,429	76,789,552	21,155,099	5,111,170		
Deferred tax (expense)/ Income			-	-		
Net profit after tax	335,978,721	115,942,752	50,852,386	86,862,133		
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Attributed to						
	225 101 000	117 015 250	E2 277 002	01 004 054		
Shareholders of the Company	335,101,099	117,815,358	52,277,882	91,894,851		
Non controlling interest	877,622	(1,872,606)	(1,425,496)	(5,032,718)		
	335,978,721	115,942,752	50,852,386	86,862,133		
Earning per share (2015 restated)	1.21	0.43	0.19	0.33		
raining her snare (2013 testaten)		0.43	0.19	0.33		
ht of the second	\supset	100	- ^	Como.		
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Chairman Director Managin	ng Director C	hief Financial ((,	any Secretary		

Consolidated Statement of Cash	Flows (Un-a	udited)
For the period ended 30 September 2016		
		t in Taka
A) Cash flows from operating activities	30 September 2016	30 September 2015
Interest received	4 174 621 622	2 577 714 217
Interest paid	4,174,631,632	3,577,714,317
Dividend received	(2,447,155,978)	
Fees and commission received	148,442,346	71,396,756
Income from investment	632,010,384	615,524,362
Cash paid to employees (including directors)	204,634,846	292,531,503
Cash paid to employees (including directors) Cash paid to suppliers	(775,121,544)	(669,482,385)
Income taxes paid	(73,402,164)	(31,107,024)
	(98,803,580)	(107,481,489)
Received from other operating activities	178,958,171	80,311,868
Paid for other operating activities	(514,051,675)	(411,096,166)
Cash generated from operating activities before change in operating assets and liabilities	1,430,142,437	903,239,820
Increase/ (decrease) in operating assets & liabiliti	es	
Loans and advances to customers	(9.812.062.072)	(10,148,990,633)
Other assets	(71,395,040)	
Deposits from customers and others	7,866,265,292	
Other liabilities	953,964,151	355,503,705
Total increase/ (decrease) in operating assets & liabilities		459,664,853
The state of the s	(1,003,227,000)	433,004,033
Net Cash flow from Operating Activities (Total of "A"):	366,914,768	1,362,904,673
B) Cash flows from investing activities		
Changes in investment in securities	(631,040,536)	(249,294,202)
Net proceeds/(payments) for sale/ purchase of Treasury bil		529,400,000
Purchase of property, plant and equipment	(97,355,375)	(740,564,287)
Investment in commercial paper	(270,000,000)	-
Sales proceeds of fixed assets	5,396,543	21,081,552
Net Cash used by Investing Activities (Total of "B"	, ,	
	(992,999,307)	<u>(439,376,937)</u>
C) Cash flows from financing activities		
Drawdown of Term Loan, OD and REPO	2,332,745,906	(1,026,774,074)
Dividend paid	(337,851,664)	
Net Cash flow from Financing Activities (Total of "C"):	1,994,894,242	
		(1)110,011,007
D) Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	1,368,809,643	(293,394,731)
E) Opening cash and cash-equivalents	1,943,662,593	2,241,428,751
F) Closing cash and cash equivalents (D+E)*	3,312,472,236	1,948,034,019
* Closing cash and cash-equivalents		
Cash in hand (including foreign currencies)	1,076,528	556,717
Balance with Bangladesh Bank and its agent bank (,,	459,245,366
Balance with other Banks and Financial Institutions		1,488,231,936
Total:	3,312,472,236	1,948,034,019
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Chairman Director Managing Director C	hief Financial Officer	Company Secretary

Company Secretary

For the period ended 30 September 20	016							Amount in T
Particulars	Share Capital	Share Premium	Statutory Reserve	General Reserve	Retained Earnings	Total	Non Controlling Interest	Total
Balance as at 01 January 2016	2,406,434,340	1,090,888,800	987,633,085	53,849,069	1,722,988,700	6,261,793,994	87,458,943	6,349,252,937
Items Involved in Changes in Equity								
Changes of non controlling interest	-	-	-	-	(7,109,774)	(7,109,774)	(2,890,226)	(10,000,000)
Net profit for the period	-	-	-	-	335,101,099	335,101,099	877,622	335,978,721
Appropriation to statutory reserve	-	-	110,129,953	-	(110,129,953)	-	-	-
Appropriation to General reserve	-		· · ·	-	-	-	-	-
Dividend								-
Stock dividend (15%)	360,965,150	_	_	-	(360,965,150)	-	-	-
Cash dividend (15%)	=	_	_	-	(360,965,152)	(360,965,152)	-	(360,965,152)
Balance as at 30 September 2016	2,767,399,490	1,090,888,800	1,097,763,038	53,849,069	1,218,919,770	6,228,820,167	85,446,339	6,314,266,506