

Bangladesh Branches

Balance Sheet As at 31 December 2006

	2006		2005	
	US\$	Taka	US\$	Taka
PROPERTY AND ASSETS				
CASH				
n hand (including foreign currencies)	-	-	-	-
With Bangladesh Bank (including foreign currencies)	-	-	-	-
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS (ON CURRENT AND OTHER ACCOUNTS) :				
n Bangladesh	-	-	-	-
Outside Bangladesh	21,000,000	1,449,315,000	23,544,748	1,559,250,936
	21,000,000	1,449,315,000	23,544,748	1,559,250,936
MONEY AT CALL AND SHORT NOTICE				
	-	-	-	-
INVESTMENTS				
	-	-	-	-
LOANS AND ADVANCES:				
i) Loans, cash credits, overdrafts, etc. :				
In Bangladesh	60,572,447	4,180,407,430	52,127,771	3,452,161,619
Outside Bangladesh	-	-	-	-
	60,572,447	4,180,407,430	52,127,771	3,452,161,619
ii) Bills purchased and discounted (excluding treasury bills of the Government) :				
Payable in Bangladesh	20,552,781	1,418,450,181	15,253,716	1,010,177,342
Payable outside Bangladesh	-	-	-	-
	20,552,781	1,418,450,181	15,253,716	1,010,177,342
	81,125,228	5,598,857,611	67,381,487	4,462,338,961
FIXED ASSETS				
	-	-	-	-
OTHER ASSETS				
	227,988	15,734,592	676,343	44,790,793
NON-BANKING ASSETS				
	-	-	-	-
TOTAL ASSETS	102,353,216	7,063,907,203	91,602,578	6,066,380,690
CAPITAL AND LIABILITIES				
BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS				
Bangladesh Bank	-	-	-	-
Other:				
n Bangladesh	1,608,854	111,035,059	30,865,597	2,044,074,161
Outside Bangladesh	27,044,805	1,866,497,217	42,200,000	2,794,695,000
	28,653,659	1,977,532,276	73,065,597	4,838,769,161
	28,653,659	1,977,532,276	73,065,597	4,838,769,161
DEPOSITS AND OTHER ACCOUNTS :				
Current accounts, contingency account etc.	6,186,786	426,981,036	6,734,275	445,977,362
Term deposits	773,974	53,415,817	247,375	16,382,409
	6,960,760	480,396,853	6,981,650	462,359,771
OTHER LIABILITIES				
	64,102,901	4,424,061,712	9,724,049	643,975,146
TOTAL LIABILITIES	99,717,320	6,881,990,841	89,771,296	5,945,104,078
CAPITAL/SHAREHOLDERS' EQUITY				
Profit and Loss:				
Profit before taxation brought forward	1,831,282	121,276,612	744,197	45,861,140
Translation increase	-	7,436,967	-	3,423,306
Profit Remitted to Head Office	(1,680,615)	(118,315,296)	-	-
	150,667	10,398,283	744,197	49,284,446
Profit for the year after taxation as per P&L accounts	2,485,229	171,518,079	1,087,085	71,992,166
Balance as at 31 December 2006	2,635,896	181,916,362	1,831,282	121,276,612
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	102,353,216	7,063,907,203	91,602,578	6,066,380,690
Off balance sheet items:				
Contingent liabilities:				
Acceptances and endorsements	21,134,614	1,458,605,385	17,054,683	1,129,446,382
Letter of guarantee - Others	565,477	39,026,395	511,100	33,847,598
Bills for collection	-	-	-	-
Irrevocable letters of credit	18,660,898	1,287,881,875	22,523,510	1,491,619,450
	40,360,989	2,785,513,655	40,089,293	2,654,913,430

Steve Banner
Chief Executive Officer, Bangladesh

Adnan Wahed
Chief Operating Officer, Bangladesh

Hoda Vasi Chowdhury & Co
Chartered Accountants

Dhaka, 25 February 2007

AUDITORS' REPORT
See annexed report of date

Profit and Loss Account For the year ended 31 December 2006

	2006		2005	
	US\$	Taka	US\$	Taka
Interest income	5,443,231	375,664,587	2,877,448	190,558,994
Interest paid on deposits and borrowings	(2,059,278)	(142,121,071)	(1,972,234)	(130,611,197)
Net interest income	3,383,953	233,543,516	905,214	59,947,797
Commission, exchange and brokerage	2,367,391	163,385,490	1,806,051	119,605,727
Total operating income	5,751,344	396,929,006	2,711,265	179,553,524
Less: Operating expenses	(1,232,746)	(85,077,965)	(734,747)	(48,658,636)
Profit before income tax	4,518,598	311,851,041	1,976,518	130,894,888
Provision for income tax	(2,033,369)	(140,332,962)	(889,433)	(58,902,722)
Net Profit after taxation carried to Balance Sheet	2,485,229	171,518,079	1,087,085	71,992,166

These Financial Statements should be read in conjunction with the annexed notes

Steve Banner
Chief Executive Officer, Bangladesh

Adnan Wahed
Chief Operating Officer, Bangladesh

AUDITORS' REPORT
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Dhaka, 25 February 2007

Hoda Vasi Chowdhury & Co
Chartered Accountants

Cash Flow Statement For the year ended 31 December 2006

	2006		2005	
	US\$		US\$	
A) Cash flow from operating activities				
Interest and commission received	5,891,586		2,455,563	
Interest paid	(2,261,551)		(1,689,892)	
Received from other operating activities	2,373,897		1,836,688	
Paid for operating expenses	(1,232,746)		(734,747)	
Operating profit before changes in operating assets and liabilities	4,771,186		1,867,612	
(Increase)/decrease in operating assets:				
Loan and advances to customers	(13,743,741)		(25,966,162)	
Other Assets	-		5,457,368	
Increase/(decrease) in operating liabilities:				
Customers' deposits and other accounts	(20,890)		(1,730,869)	
Borrowing from other banks and financial institutions	(44,411,938)		25,804,746	
Other liabilities	52,541,250		8,383,126	
	(5,635,319)		11,948,209	
Net cash provided from operating activities	(864,133)		13,815,821	
B) Cash flow from investing activities				
	-		-	
C) Cash flow from financing activities				
Profit remitted to Head Office	(1,680,615)		-	
D) Net increase in cash and cash equivalent (A+B+C)	(2,544,748)		13,815,821	
E) Opening cash and cash equivalent	23,544,748		9,728,927	
F) Closing cash and cash equivalent (D+E)	21,000,000		23,544,748	

Statement of Liquidity (Maturity analysis of assets and liabilities) As at 31 December 2006

Particulars	Maturity up to 1 month	Maturity within 1 to 3 months	Maturity within 3 to 12 months	Maturity within 1 to 5 years	Maturity over 5 years	Total Amount
	US \$	US \$	US \$	US \$	US \$	US\$
ASSETS						
Cash in hand	-	-	-	-	-	-
Balance with other banks and financial institutions	21,000,000	-	-	-	-	21,000,000
Money at call and short notice	-	-	-	-	-	-
Investment in Treasury Bills & others	-	-	-	-	-	-
Loans & advances to customers	14,957,810	38,701,827	11,139,578	16,326,013	-	81,125,228
Fixed assets	-	-	-	-	-	-
Other assets	227,988	-	-	-	-	227,988
Non-banking assets	-	-	-	-	-	-
Total Assets	36,185,798	38,701,827	11,139,578	16,326,013	-	102,353,216
LIABILITIES						
Borrowings from other banks & financial institutions	13,867,755	10,466,237	4,319,667	-	-	28,653,659
Deposits & other accounts	6,186,786	20,479	753,495	-	-	6,960,760
Other liabilities	64,102,901	-	-	-	-	64,102,901
Total Liabilities	84,157,442	10,486,716	5,073,162	-	-	99,717,320
Net Liquidity Difference	(47,971,644)	28,215,111	6,066,416	16,326,013	-	2,635,896

Net result of the liquidity statement represents the profit for the year 2006 of the Unit of the Bank.