AB Bank Limited
BCIC Bhaban
30-31 Dilkusha Commercial Area
Dhaka 1000

Un-Audited

AB Bank Limited and its Subsidiaries

Consolidated and separate financial statements
for the period ended September 30, 2017

AMAR STOCK

AB Bank Limited & its Subsidiaries

Consolidated Balance Sheet

As at September 30, 2017

	Notes	30.09.2017 Taka	31.12.2016 Taka
PROPERTY AND ASSETS			
Cash	3(a)	**17,858,065,615**	**19,707,725,976**
In hand (including foreign currencies)	3.1(a)	1,759,012,303	1,536,407,693
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2(a)	16,099,053,313	18,171,318,283
Balance with other banks and financial institutions	4(a)	**5,340,119,859**	**4,655,002,507**
In Bangladesh		1,896,671,339	2,624,288,364
Outside Bangladesh		3,443,448,519	2,030,714,143
Money at call and on short notice	5(a)	**564,710,768**	**7,633,213,824**
Investments	6(a)	**45,967,782,274**	**47,561,451,498**
Government	6.1(a)	40,813,808,885	41,903,780,261
Others	6.2(a)	5,153,973,389	5,657,671,237
Loans, advances and lease/investments		**236,877,892,501**	**226,546,501,234**
Loans, cash credits, overdrafts, etc./Investments	7(a)	235,383,265,357	225,023,967,197
Bills purchased and discounted	8(a)	1,494,627,143	1,522,534,037
Fixed assets including premises, furniture and fixtures	9(a)	**4,542,536,723**	**4,680,967,000**
Other assets	10(a)	**8,021,137,696**	**6,383,908,169**
Non-banking assets		-	-
Total Assets		**319,172,245,436**	**317,168,770,208**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11(a)	**27,107,689,006**	**15,757,755,476**
AB Bank Subordinated Bond	12	**6,000,000,000**	**6,500,000,000**
Deposits and other accounts	13(a)	**229,003,874,201**	**245,394,404,421**
Current account and other accounts		23,387,304,324	22,296,581,953
Bills payable		3,059,913,337	4,865,582,322
Savings bank deposits		28,738,674,135	28,024,691,434
Fixed deposits		122,624,181,691	122,034,379,371
Other deposits		51,193,800,715	68,173,169,341
Other liabilities	14(a)	**32,580,300,850**	**25,182,491,365**
Total Liabilities		**294,691,864,057**	**292,834,651,262**
Capital/Shareholders' Equity			
Equity attributable to equity holders of the parent company		**24,470,250,851**	**24,324,206,960**
Paid-up capital	15	6,738,936,140	6,738,936,140
Statutory reserve	16	6,536,373,914	6,495,637,440
Other reserve	17(a)	2,877,070,156	3,253,395,264
Retained earnings	18(a)	8,317,870,641	7,836,238,115
Minority interest	18(b)	10,130,527	9,911,986
Total Equity		**24,480,381,378**	**24,334,118,946**
Total Liabilities and Shareholders' Equity		**319,172,245,436**	**317,168,770,208**

AMARSTOCK

	Notes	30.09.2017 Taka	31.12.2016 Taka
Off-Balance Sheet Items			
Contingent liabilities	19	**66,093,147,066**	**73,478,914,136**
Acceptances and endorsements		26,959,209,741	29,034,996,366
Letters of guarantee	19.1	13,652,724,755	13,920,306,922
Irrevocable letters of credit		17,367,541,819	22,005,679,984
Bills for collection		8,067,833,770	8,517,930,863
Other contingent liabilities		45,836,980	-
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		**66,093,147,066**	**73,478,914,136**

-Sd-
Mahadev Sarker Sumon FCA
Chief Financial Officer

-Sd-
Anupam Kanti Debnath
Head of ICCD

-Sd-
Moshiur Rahman Chowdhury
President & Managing Director

-Sd-
Shishir Ranjan Bose FCA
Independent Director

-Sd-
M. Wahidul Haque
Chairman

Dhaka,
October 30, 2017

AMAR STOCK

AB Bank Limited and its Subsidiaries
Consolidated Profit and Loss Account
For the period ended September 30, 2017

	Notes	Jan.'17- Sept.'17 Taka	Jan.'16-Sept.'16 Taka	July'17-Sept.'17 Taka	July'16-Sept.'16 Taka
OPERATING INCOME					
Interest income/profit on investments	21(a)	13,040,261,760	15,423,232,772	4,059,374,189	4,717,119,431
Interest/profit paid on deposits and borrowings, etc.	22(a)	(10,728,931,473)	(12,137,732,966)	(3,680,824,291)	(4,230,516,852)
Net interest income		**2,311,330,287**	**3,285,499,805**	**378,549,898**	**486,602,579**
Investment income	23(a)	3,585,215,215	3,287,184,139	1,066,818,002	1,774,575,269
Commission, exchange and brokerage	24(a)	2,251,344,071	2,109,102,627	680,002,107	641,175,518
Other operating income	25(a)	141,076,315	134,461,173	44,991,087	41,719,781
		5,977,635,601	**5,530,747,939**	**1,791,811,196**	**2,457,470,568**
Total operating income (a)		**8,288,965,888**	**8,816,247,744**	**2,170,361,094**	**2,944,073,147**
OPERATING EXPENSES					
Salary and allowances	26(a)	2,303,723,000	2,201,135,532	790,521,046	754,614,179
Rent, taxes, insurance, electricity, etc.	27(a)	535,286,965	513,278,320	175,067,952	185,549,139
Legal expenses	28(a)	5,137,995	17,307,630	3,200,814	1,774,802
Postage, stamps, telecommunication, etc.	29(a)	106,713,522	107,118,482	32,414,718	34,011,746
Stationery, printing, advertisement, etc.	30(a)	156,243,897	158,113,859	47,835,984	63,329,152
Chief executive's salary and fees		7,090,551	9,900,000	3,250,000	3,450,000
Directors' fees	31(a)	6,789,470	6,463,883	1,612,971	2,360,639
Auditors' fees	32(a)	1,652,788	3,322,306	1,299,449	263,209
Depreciation and repairs of Bank's assets	33(a)	404,133,639	423,405,713	126,811,576	138,345,702
Other expenses	34(a)	1,019,910,933	1,007,078,118	348,188,443	311,540,508
Total operating expenses (b)		**4,546,682,761**	**4,447,123,841**	**1,530,202,953**	**1,495,239,076**
Profit before provision (c = (a-b))		**3,742,283,127**	**4,369,123,903**	**640,158,141**	**1,448,834,071**
Provision against loans and advances	35(a)	3,369,412,970	1,971,006,800	991,993,473	920,197,045
Provision for diminution in value of investments	36(a)	2,050,000	4,758,000	500,000	1,586,000
Other provisions	37(a)	2,736,446	57,511,545	13,153,899	13,900,708
Total provision (d)		**3,374,199,416**	**2,033,276,345**	**1,005,647,372**	**935,683,753**
Profit before tax (c-d)		**368,083,711**	**2,335,847,558**	**(365,489,231)**	**513,150,317**
Provision for taxation		**(113,902,143)**	**1,088,852,157**	**(250,303,412)**	**258,366,688**
Current tax		1,250,100,712	1,695,714,703	177,600,137	558,770,647
Deferred tax		(1,364,002,855)	(606,862,546)	(427,903,549)	(300,403,959)
Net profit after tax		**481,985,855**	**1,246,995,401**	**(115,185,819)**	**254,783,630**
Appropriations					
Statutory reserve		24,974,722	20,947,347	(313,416)	332,686
General reserve		-	-	-	-
Dividends, etc.		-	-	-	-
		24,974,722	**20,947,347**	**(313,416)**	**332,686**
Retained surplus		**457,011,133**	**1,226,048,054**	**(114,872,404)**	**254,450,944**
Minority interest		**241,892**	**9,333,349**	**72,557**	**3,012,766**
Net Profit attributable to the shareholders of parent company		**456,769,240**	**1,216,714,705**	**(114,944,961)**	**251,438,177**
Consolidated Earnings Per Share (EPS)	38(a)	**0.71**	**1.84**	**(0.17)**	**0.37**

-Sd-
Mahadev Sarker Sumon FCA
Chief Financial Officer

-Sd-
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Head of ICCD

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President & Managing Director

-Sd-
Shishir Ranjan Bose FCA
Independent Director

-Sd-
M. Wahidul Haque
Chairman

Dhaka,
October 30, 2017

AB Bank Limited and its Subsidiaries

Consolidated Cash Flow Statement

For the period ended September 30, 2017

	Jan.'17- Sept.'17 Taka	Jan.'16-Sept.'16 Taka
Cash Flows from Operating Activities		
Interest receipts	11,429,423,512	15,083,723,236
Interest payments	(10,909,270,667)	(11,377,158,667)
Dividend receipts	104,262,827	119,989,794
Fee and commission receipts	1,411,381,936	1,457,014,386
Recoveries on loans previously written off	3,182,303	7,853,237
Payments to employees	(2,310,813,551)	(2,211,035,532)
Payments to suppliers	(156,243,897)	(158,113,859)
Income taxes paid	(502,442,482)	(1,264,025,648)
Receipts from other operating activities	4,430,537,824	3,945,890,522
Payments for other operating activities	(1,837,995,843)	(1,816,004,774)
Operating profit before changes in operating assets & liabilities	**1,662,021,962**	**3,788,132,695**
Increase/decrease in operating assets and liabilities		
Loans and advances to customers	(8,720,553,019)	(7,994,104,211)
Other assets	(274,804,588)	257,931,477
Deposits from other banks	(1,672,657,535)	3,543,315,063
Deposits from customers	(14,537,533,491)	36,901,388,851
Trading liabilities (short-term borrowings)	11,429,408,803	(10,107,408,403)
Other liabilities	3,340,807,217	3,573,936,498
	(10,435,332,613)	**26,175,059,275**
Net cash flow from operating act	**(8,773,310,651)**	**29,963,191,969**
Cash Flows from Investing Activities		
Purchase of government securities	716,335,693	(24,088,850,238)
(Purchase)/Sale of trading securities, shares, bonds, etc.	503,697,847	(64,744,173)
Purchase of property, plant and equipment	(100,605,909)	(191,731,792)
Net cash used in investing activities (b)	**1,119,427,632**	**(24,345,326,203)**
Cash Flows from Financing Activities		
Increase/(decrease) of long-term borrowings	(579,475,272)	59,289,685
Dividend paid	(139,476)	(137,987)
Net cash flow from financing activities (c)	**(579,614,748)**	**59,151,698**
Net (decrease)/increase in cash (a+b+c)	(8,233,497,768)	5,677,017,465
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the year	31,999,693,508	26,357,133,035
Cash and cash equivalents at end of the period (*)	**23,766,195,742**	**32,034,150,501**
(*) Cash and cash equivalents:		
Cash	1,759,012,303	1,517,853,534
Prize bonds	3,299,500	2,393,800
Money at call and on short notice	564,710,768	9,352,066,257
Balance with Bangladesh Bank and its agent bank(s)	16,099,053,313	17,298,421,322
Balance with other banks and financial institutions	5,340,119,859	3,863,415,587
	23,766,195,742	**32,034,150,501**
Net Operating Cash Flow Per Share (NOCFPS)	**(13.02)**	**44.46**

-Sd-
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Shishir Ranjan Bose FCA
Independent Director

-Sd-
M. Wahidul Haque
Chairman

Dhaka,
October 30, 2017

AB Bank Limited and its Subsidiaries

Consolidated Statement of Changes in Equity

For the period ended September 30, 2017

(Amount 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 2017	6,738,936,140	6,495,637,441	1,298,909,941	1,303,760,780	4,526,759	646,197,784	9,911,986	7,836,238,115	24,334,118,946
Net profit after taxation for the period	-	-	-	-	-	-	241,892	481,743,962	481,985,855
Addition/(Adjustment) made during the period	-	24,974,722	-	(2,669,317)	-	(373,179,725)	(23,352)	(36,441,242)	(387,338,914)
Foreign Exchange Rate Fluctuation	-	15,761,751	1,505,077	-	(1,981,143)	-	-	36,329,805	51,615,491
Balance at September 30, 2017	**6,738,936,140**	**6,536,373,914**	**1,300,415,018**	**1,301,091,463**	**2,545,616**	**273,018,059**	**10,130,527**	**8,317,870,641**	**24,480,381,378**
Balance at September 30, 2016	**6,738,936,140**	**6,132,339,351**	**1,298,660,454**	**1,305,535,181**	**(3,898,998)**	**1,053,231,703**	**7,085,909**	**7,728,666,786**	**24,260,556,526**

-Sd-	-Sd-	-Sd-	-Sd-	-Sd-
Mahadev Sarker Sumon FCA	**Anupam Kanti Debnath**	**Moshiur Rahman Chowdhury**	**Shishir Ranjan Bose FCA**	**M. Wahidul Haque**
Chief Financial Officer	Head of ICCD	President & Managing Director	Independent Director	Chairman

Dhaka,
October 30, 2017

AB Bank Limited

Balance Sheet

As at September 30, 2017

PROPERTY AND ASSETS	Notes	30.09.2017 Taka	31.12.2016 Taka
Cash	3	**17,857,962,920**	**19,707,650,776**
In hand (including foreign currencies)	3.1	1,758,909,608	1,536,332,492
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2	16,099,053,313	18,171,318,283
Balance with other banks and financial institutions	4	**5,253,328,614**	**4,557,434,958**
In Bangladesh		1,820,482,646	2,531,704,237
Outside Bangladesh		3,432,845,968	2,025,730,721
Money at call and on short notice	5	**1,001,838,755**	**8,325,871,504**
Investments	6	**45,256,377,945**	**46,666,898,817**
Government	6.1	40,813,808,885	41,903,780,261
Others	6.2	4,442,569,060	4,763,118,556
Loans, advances and lease/investments	7	**229,223,318,899**	**218,769,451,248**
Loans, cash credits, overdrafts, etc./Investments		228,317,444,254	218,136,406,416
Bills purchased and discounted	8	905,874,645	633,044,832
Fixed assets including premises, furniture and fixtures	9	**3,954,432,414**	**4,080,377,435**
Other assets	10	**14,087,185,307**	**12,728,206,273**
Non-banking assets		-	-
Total Assets		**316,634,444,855**	**314,835,891,011**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	**27,006,897,339**	**15,454,422,143**
AB Bank Subordinated Bond	12	**6,000,000,000**	**6,500,000,000**
Deposits and other accounts	13	**229,541,855,845**	**245,640,782,909**
Current accounts and other accounts		23,392,068,267	22,298,120,917
Bills payable		3,059,913,337	4,865,582,322
Savings bank deposits		28,738,674,135	28,024,691,434
Fixed deposits		122,624,181,691	122,034,379,371
Other deposits		51,727,018,416	68,418,008,865
Other liabilities	14	**31,163,677,957**	**24,126,225,778**
Total Liabilities		**293,712,431,141**	**291,721,430,830**
Capital/Shareholders' Equity			
Total Shareholders' Equity		**22,922,013,713**	**23,114,460,183**
Paid-up capital	15	6,738,936,140	6,738,936,140
Statutory reserve	16	6,536,373,914	6,495,637,440
Other reserve	17	2,694,369,538	3,070,222,838
Retained earnings	18	6,952,334,122	6,809,663,765
Total Liabilities and Shareholders' Equity		**316,634,444,855**	**314,835,891,011**

AMARSTOCK

	Notes	30.09.2017 Taka	31.12.2016 Taka
Off-Balance Sheet Items			
Contingent liabilities	19	**66,093,147,066**	**73,478,914,136**
Acceptances and endorsements		26,959,209,741	29,034,996,366
Letters of guarantee	19.1	13,652,724,755	13,920,306,922
Irrevocable letters of credit		17,367,541,819	22,005,679,984
Bills for collection		8,067,833,770	8,517,930,863
Other contingent liabilities		45,836,980	-
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		**66,093,147,066**	**73,478,914,136**

-Sd-
Mahadev Sarker Sumon FCA
Chief Financial Officer

-Sd-
Anupam Kanti Debnath
Head of ICCD

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Moshiur Rahman Chowdhury
President & Managing Director

-Sd-
Shishir Ranjan Bose FCA
Independent Director

-Sd-
M. Wahidul Haque
Chairman

Dhaka,
October 30, 2017

AMARSTOCK

AB Bank Limited

Profit and Loss Account

For the period ended September 30, 2017

	Notes	Jan.'17- Sept.'17 Taka	Jan.'16-Sept.'16 Taka	July'17-Sept.'17 Taka	July'16-Sept.'16 Taka
OPERATING INCOME					
Interest income/profit on investments	21	12,628,119,970	15,027,367,680	3,927,411,813	4,586,315,904
Interest paid/profit on deposits and borrowings, etc.	22	(10,694,854,977)	(12,090,587,313)	(3,671,111,199)	(4,215,701,770)
Net interest income		**1,933,264,994**	**2,936,780,367**	**256,300,614**	**370,614,134**
Investment income	23	3,555,513,671	3,273,850,188	1,062,953,538	1,770,683,226
Commission, exchange and brokerage	24	2,085,550,445	2,012,472,904	620,714,275	607,863,442
Other operating income	25	88,462,715	94,392,183	26,415,571	26,446,706
		5,729,526,832	**5,380,715,274**	**1,710,083,384**	**2,404,993,374**
Total operating income (a)		**7,662,791,825**	**8,317,495,641**	**1,966,383,998**	**2,775,607,508**
OPERATING EXPENSES					
Salary and allowances	26	2,249,952,247	2,146,623,211	770,406,116	732,945,909
Rent, taxes, insurance, electricity, etc.	27	525,822,996	501,277,419	171,693,213	180,990,292
Legal expenses	28	4,972,284	17,241,848	3,109,853	1,714,971
Postage, stamps, telecommunication, etc.	29	99,542,114	102,841,098	29,945,842	31,636,258
Stationery, printing, advertisement, etc.	30	155,517,513	157,467,340	47,579,725	63,179,427
Chief executive's salary and fees		7,090,551	9,900,000	3,250,000	3,450,000
Directors' fees	31	6,387,130	5,687,200	1,511,801	2,133,967
Auditors' fees	32	1,652,788	3,322,306	1,299,449	263,209
Depreciation and repairs of Bank's assets	33	388,572,395	406,098,573	121,662,955	132,455,908
Other expenses	34	1,001,196,757	1,083,928,270	341,397,784	337,547,944
Total operating expenses (b)		**4,440,706,775**	**4,434,387,265**	**1,491,856,738**	**1,486,317,884**
Profit before provision (c = (a-b))		**3,222,085,050**	**3,883,108,376**	**474,527,260**	**1,289,289,623**
Provision against loans and advances	35	3,363,162,970	1,971,006,800	989,493,473	920,197,045
Provision for diminution in value of investments	36	-	-	-	-
Other provisions	37	2,736,446	57,511,545	13,153,899	13,900,708
Total provision (d)		**3,365,899,416**	**2,028,518,345**	**1,002,647,372**	**934,097,753**
Profit before taxation (c-d)		**(143,814,365)**	**1,854,590,031**	**(528,120,112)**	**355,191,870**
Provision for taxation		(286,868,092)	958,043,833	(309,609,670)	214,055,451
Current tax		1,080,000,000	1,568,149,847	119,399,999	515,396,889
Deferred tax		(1,366,868,092)	(610,106,014)	(429,009,669)	(301,341,438)
Net profit after taxation		**143,053,727**	**896,546,198**	**(218,510,442)**	**141,136,419**
Appropriations					
Statutory reserve		24,974,722	20,947,347	(313,416)	332,686
General reserve		-	-	-	-
Dividends, etc.		-	-	-	-
		24,974,722	**20,947,347**	**(313,416)**	**332,686**
Retained surplus		**118,079,005**	**875,598,851**	**(218,197,027)**	**140,803,733**
Earnings Per Share (EPS)	38	**0.21**	**1.33**	**(0.32)**	**0.21**

-Sd-
Mahadev Sarker Sumon FCA
Chief Financial Officer

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Anupam Kanti Debnath
Head of ICCD

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President & Managing Director

-Sd-
Shishir Ranjan Bose FCA
Independent Director

-Sd-
M. Wahidul Haque
Chairman

Dhaka,
October 30, 2017

AB Bank Limited

Cash Flow Statement

For the period ended September 30, 2017

	Notes	Jan.'17- Sept.'17 Taka	Jan.'16-Sept.'16 Taka
Cash flows from Operating Activities			
Interest receipts		11,017,281,723	14,687,858,143
Interest payments		(10,875,194,171)	(11,330,013,013)
Dividend receipts		84,604,308	102,862,507
Fees and commission receipts		1,249,001,978	1,362,912,043
Recoveries on loans previously written off		3,182,303	7,853,237
Payments to employees		(2,257,042,798)	(2,156,523,211)
Payments to suppliers		(155,517,513)	(157,467,340)
Income taxes paid		(337,123,876)	(1,173,062,106)
Receipts from other operating activities	39	4,382,546,260	3,907,087,487
Payments for other operating activities	40	(1,800,775,510)	(1,873,879,574)
Operating profit before changes in operating assets & liabilities		**1,310,962,703**	**3,377,628,172**
Increase/decrease in operating assets and liabilities			
Loans and advances to customers		(8,843,029,403)	(7,121,155,785)
Other assets		3,445,905	(452,339,884)
Deposits from other banks		(1,672,657,535)	3,543,315,063
Deposits from customers		(14,245,930,335)	37,061,759,859
Trading liabilities (short-term borrowings)		11,631,950,469	(10,004,653,928)
Other liabilities		2,980,315,017	3,318,219,776
		(10,145,905,882)	**26,345,145,101**
Net cash flow from operating activities		**(8,834,943,179)**	**29,722,773,273**
Cash Flows from Investing Activities			
Purchase of government securities		716,335,693	(24,088,850,238)
(Purchase)/Sale of trading securities, shares, bonds, etc.		320,549,496	(34,984,914)
Purchase of property, plant and equipment		(100,605,909)	(191,731,792)
Net cash used in investing activities (b)		**936,279,280**	**(24,315,566,944)**
Cash Flows from Financing Activities			
Increase/(decrease) of long-term borrowings		(579,475,272)	59,289,685
Dividend paid		(139,476)	(137,987)
Net cash flow from financing activities (c)		**(579,614,748)**	**59,151,698**
Net Increase/(decrease) in cash (a+b+c)		**(8,478,278,648)**	**5,466,358,027**
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at beginning of the year		32,594,708,438	27,031,642,418
Cash and cash equivalents at end of the period (*)		**24,116,429,789**	**32,498,000,447**
(*) Cash and cash equivalents:			
Cash		1,758,909,608	1,517,767,802
Prize bonds		3,299,500	2,393,800
Money at call and on short notice		1,001,838,755	9,916,546,257
Balance with Bangladesh Bank and its agent bank(s)		16,099,053,313	17,298,421,322
Balance with other banks and financial institutions		5,253,328,614	3,762,871,266
		24,116,429,789	**32,498,000,447**
Net Operating Cash Flow Per Share (NOCFPS)		**(13.11)**	**44.11**

-Sd-
Mahadev Sarker Sumon FCA
Chief Financial Officer

-Sd-
Anupam Kanti Debnath
Head of ICCD

-Sd-
Moshiur Rahman Chowdhury
President & Managing Director

-Sd-
Shishir Ranjan Bose FCA
Independent Director

-Sd-
M. Wahidul Haque
Chairman

Dhaka,
October 30, 2017

AB Bank Limited
Statement of Changes in Equity
For the period ended September 30, 2017

(Amount in Taka)

Particulars	Paid-up capital	Statutory reserve	General reserve	Assets revaluation reserve	Investment revaluation reserve	Retained earnings	Total
Balance at 01 January 2017	**6,738,936,140**	**6,495,637,441**	**1,222,199,200**	**1,303,760,781**	**544,262,857**	**6,809,663,765**	**23,114,460,182**
Net profit after taxation for the period	-	-	-	-	-	143,053,727	143,053,727
Addition/(Adjustment) made during the period	-	24,974,722	-	(2,669,317)	(373,183,983)	(36,460,336)	(387,338,914)
Foreign Exchange Rate Fluctuation	-	15,761,751	-	-	-	36,076,965	51,838,717
Balance at September 30, 2017	**6,738,936,140**	**6,536,373,914**	**1,222,199,200**	**1,301,091,464**	**171,078,874**	**6,952,334,122**	**22,922,013,713**
Balance at September 30, 2016	**6,738,936,140**	**6,132,339,351**	**1,222,199,200**	**1,305,535,182**	**951,296,776**	**6,777,991,610**	**23,128,298,259**

-Sd-	-Sd-	-Sd-	-Sd-	-Sd-
Mahadev Sarker Sumon FCA	**Anupam Kanti Debnath**	**Moshiur Rahman Chowdhury**	**Shishir Ranjan Bose FCA**	**M. Wahidul Haque**
Chief Financial Officer	Head of ICCD	President & Managing Director	Independent Director	Chairman

Dhaka,
October 30, 2017

AB Bank Limited & its Subsidiaries

Selective Notes to the Financial Statements for the period ended September 30, 2017

1 Accounting Policies:

Accounting policies have been followed in preparing these financial statements are same as applied in financial statements of the Bank of preceding financial year.

2(a) Provision:

i) Loans & Advances

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

ii) Investments

Provisions for diminution in value of investment is made for loss arising on diminution value of investment in quoted shares and is given effect in the accounts on properly as per Bangladesh Bank Guidelines.

iii) Taxation

Provision for income tax has been made on taxable income after necessary add back in accordance with the provisions of Finance Act 2017, the Income Tax Ordinance 1984 and other relevant legislation as applicable.

2(b) Earnings Per Share (EPS):

Earnings Per Share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of September 30, 2017 in terms of Bangladesh Accounting Standard (BAS)-33. According to BAS-33, EPS for the period ended September 30, 2016 was restated for the issues of bonus share in 2016. For the period ended September 30, 2017 classified loans of the Bank have been increased which reduced the Net Interest Income (NII). In addition to that, required provisions have been maintained against those classified loans, which also reduced the EPS of the Bank compared to the same period of last year.

2(c) Net Operating Cash Flows Per Share (NOCFPS):

At the year ended December 31, 2016 Advance-Deposit (AD) ratio of the Bank was 83.67%. During the period ended September 30, 2017 AD ratio stood at 88.53%. Therefore, NOCFPS decreased compared to the same period of last year.

2(d) Others:

Figures relating to previous year/period included in this report have been rearranged, where ever considered necessary.

AMAR STOCK

			30.09.2017 Taka	31.12.2016 Taka
3.	**Cash**			
	Cash in hand	(Note: 3.1)	1,758,909,608	1,536,332,492
	Balance with Bangladesh Bank and its agent bank(s)	(Note: 3.2)	16,099,053,313	18,171,318,283
			17,857,962,920	**19,707,650,776**
3(a)	**Consolidated Cash**			
	AB Bank Limited		17,857,962,920	19,707,650,776
	AB Investments Limited		25,000	25,000
	AB International Finance Limited		35,396	10,117
	AB Securities Limited		35,000	2,245
	Cashlink Bangladesh Limited (CBL)		7,299	37,839
			17,858,065,615	**19,707,725,976**
3.1	**Cash in hand**			
	In local currency		1,725,098,590	1,505,667,616
	In foreign currency		33,811,018	30,664,876
			1,758,909,608	**1,536,332,492**
3.1(a)	**Consolidated Cash in hand**			
	AB Bank Limited		1,758,909,608	1,536,332,492
	AB Investments Limited		25,000	25,000
	AB International Finance Limited		35,396	10,117
	AB Securities Limited		35,000	2,245
	Cashlink Bangladesh Limited (CBL)		7,299	37,839
			1,759,012,303	**1,536,407,693**
3.2	**Balance with Bangladesh Bank and its agent bank(s)**			
	Balance with Bangladesh Bank			
	In local currency		15,764,871,507	17,465,080,869
	In foreign currency		129,334,242	298,117,635
			15,894,205,749	17,763,198,503
	Sonali Bank Limited			
	(as an agent bank of Bangladesh Bank) - local currency		204,847,563	408,119,780
			16,099,053,313	**18,171,318,283**
3.2(a)	**Consolidated Balance with Bangladesh Bank and its agent bank(s)**			
	AB Bank Limited		16,099,053,313	18,171,318,283
	AB Investments Limited		-	-
	AB International Finance Limited		-	-
	AB Securities Limited		-	-
	Cashlink Bangladesh Limited (CBL)		-	-
			16,099,053,313	**18,171,318,283**
4.	**Balance with other banks and financial institutions**			
	In Bangladesh		1,820,482,646	2,531,704,237
	Outside Bangladesh		3,432,845,968	2,025,730,721
			5,253,328,614	**4,557,434,958**
4(a)	**Consolidated balance with other banks and financial institutions**			
	In Bangladesh	(Note: 4.1.a)	1,896,671,339	2,624,288,364
	Outside Bangladesh (Nostro Accounts)	(Note: 4.1.b)	3,443,448,519	2,030,714,143
			5,340,119,859	**4,655,002,507**
4.1.a	**Consolidated In Bangladesh**			
	AB Bank Limited		1,820,482,646	2,531,704,237
	AB Investment Limited		795,862	589,394
	AB International Finance Limited		-	-
	AB Securities Limited		573,962,358	301,781,150
	Cashlink Bangladesh Limited (CBL)		34,724,309	35,129,817
			2,429,965,174	**2,869,204,598**
	Less: Inter company transaction		533,293,835	244,916,234
			1,896,671,339	**2,624,288,364**
4.1.b	**Consolidated Outside Bangladesh (Nostro Accounts)**			
	AB Bank Limited		3,432,845,968	2,025,730,721
	AB Investment Limited		-	-
	AB International Finance Limited		17,030,376	6,443,952
	AB Securities Limited		-	-
	Cashlink Bangladesh Limited (CBL)		-	-
			3,449,876,344	2,032,174,673
	Less: Inter company transactions		6,427,825	1,460,530
			3,443,448,519	**2,030,714,143**

		30.09.2017 Taka	31.12.2016 Taka
5.	**Money at call and on short notice**		
	In Bangladesh	884,080,300	5,636,133,300
	Outside Bangladesh	117,758,455	2,689,738,204
		1,001,838,755	**8,325,871,504**
5(a)	**Consolidated money at call and on short notice**		
	AB Bank Limited	1,001,838,755	8,325,871,504
	AB Investment Limited	-	-
	AB International Finance Limited	-	-
	AB Securities Limited	-	-
	Cashlink Bangladesh Limited (CBL)	-	-
		1,001,838,755	**8,325,871,504**
	Less: Inter-group transaction	(437,127,987)	(692,657,680)
		564,710,768	**7,633,213,824**
6.	**Investments**	**45,256,377,945**	**46,666,898,817**
6 (a)	**Consolidated investments**		
	AB Bank Limited	45,256,377,945	46,666,898,817
	AB International Finance Limited	-	-
	AB Investment Limited	532,852,603	721,255,054
	AB Securities Limited	178,120,087	172,865,988
	Cashlink Bangladesh Limited (CBL)	431,639	431,639
		45,967,782,274	**47,561,451,497**
6.1	**Government securities**		
	Treasury bills	496,324,503	3,099,601,719
	Treasury bonds	40,043,184,882	38,551,927,342
	Bangladesh Bank Islami Investment bonds	271,000,000	248,500,000
	Prize bonds	3,299,500	3,751,200
		40,813,808,885	**41,903,780,261**
6.1(a)	**Consolidated Government securities**		
	AB Bank Limited	40,813,808,885	41,903,780,261
	AB Investment Limited	-	-
	AB International Finance Limited	-	-
	AB Securities Limited	-	-
	Cashlink Bangladesh Limited (CBL)	-	-
		40,813,808,885	**41,903,780,261**
6.2	**Other investments**		
	Shares	4,008,014,761	4,275,825,774
	Bond	20,000,000	65,000,000
		4,028,014,761	**4,340,825,774**
	Investments -ABBL, Mumbai Branch		
	Treasury bills	414,554,299	422,292,782
	Debentures and Bonds	-	-
		414,554,299	**422,292,782**
	Total Other investments	**4,442,569,060**	**4,763,118,556**

		30.09.2017 Taka	31.12.2016 Taka
6.2 (a)	**Consolidated other investments**		
	AB Bank Limited	4,442,569,060	4,763,118,556
	AB Investment Limited	532,852,603	721,255,054
	AB International Finance Limited	-	-
	AB Securities Limited	178,120,087	172,865,988
	Cashlink Bangladesh Limited (CBL)	431,639	431,639
		5,153,973,389	**5,657,671,236**
6.2.1	**Investments in shares**		
	Quoted (Publicly Traded)	3,776,743,831	4,044,554,844
	Unquoted	231,270,930	231,270,930
		4,008,014,761	**4,275,825,774**
6.2.2	**Investment in subordinated bonds**		
	Prime Bank Limited	-	45,000,000
	Trust Bank Limited	20,000,000	20,000,000
		20,000,000	**65,000,000**
7.	**Loans, advances and lease/investments**	**229,223,318,899**	**218,769,451,248**
7.1	**Net loans, advances and lease/investments**		
	Gross loans and advances	229,223,318,899	218,769,451,248
	Less:		
	Interest suspense	13,500,651,606	10,459,867,308
	Provision for loans and advances	9,971,327,623	6,605,083,960
		23,471,979,228	17,064,951,268
		205,751,339,671	**201,704,499,980**
7(a)	**Consolidated Loans, advances and lease/investments**		
	AB Bank Limited	228,317,444,254	218,136,406,416
	AB Investment Limited	6,986,044,129	7,229,768,195
	AB International Finance Limited	-	-
	AB Securities Limited	937,978,790	957,742,708
	Cashlink Bangladesh Limited (CBL)	-	-
		236,241,467,172	**226,323,917,319**
	Less: Inter company transaction	858,201,815	1,299,950,122
		235,383,265,357	**225,023,967,197**
8	**Bills purchased and discounted**		
	In Bangladesh	298,598,720	307,810,673
	Outside Bangladesh - ABBL, Mumbai Branch	607,275,926	325,234,158
		905,874,645	**633,044,832**
8 (a)	**Consolidated Bills purchased and discounted**		
	AB Bank Limited	905,874,645	633,044,832
	AB Investment Limited	-	-
	AB International Finance Limited	588,752,498	889,489,205
	AB Securities Limited	-	-
	Cashlink Bangladesh Limited (CBL)	-	-
		1,494,627,143	**1,522,534,037**

		30.09.2017 Taka	31.12.2016 Taka
9.	**Fixed assets including premises, furniture and fixtures**		
	Cost:		
	Land and Building	3,334,695,982	3,341,682,082
	Furniture and fixtures	249,297,896	244,966,861
	Office appliances	62,017,455	60,825,847
	Electrical appliances	1,643,073,372	1,558,912,484
	Motor vehicles	682,832,948	680,140,745
	Intangible Assets	598,571,417	594,165,723
		6,570,489,069	**6,480,693,743**
	Less: Accumulated depreciation and amortization	2,616,056,656	2,400,316,308
		3,954,432,414	**4,080,377,435**
9(a)	**Consolidated Fixed assets including premises, furniture and fixtures**		
	Cost:		
	AB Bank Limited	6,570,489,069	6,480,693,743
	AB Investments Limited	685,366,541	683,616,541
	AB International Finance Limited	8,064,450	7,889,183
	AB Securities Limited	30,284,145	30,284,145
	Cashlink Bangladesh Limited (CBL)	726,804	81,471,360
		7,294,931,009	7,283,954,972
	Accumulated depreciation:		
	AB Bank Limited	2,616,056,656	2,400,316,308
	AB Investments Limited	99,836,141	86,449,029
	AB International Finance Limited	7,952,616	7,728,873
	AB Securities Limited	27,872,063	27,126,913
	Cashlink Bangladesh Limited (CBL)	676,811	81,366,850
		2,752,394,286	2,602,987,972
		4,542,536,723	**4,680,967,000**
10	**Other Assets:**		
	Income generating-Equity Investment		
	In Bangladesh:		
	AB Investment Limited (99.99% owned subsidiary company of ABBL)	5,811,431,750	5,811,431,750
	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
		6,223,910,978	6,223,910,978
	Outside Bangladesh:		
	AB International Finance Ltd., Hong Kong (wholly owned subsidiary company of ABBL)	5,203,944	5,203,944
	Investment in Amana Bank Limited as Associates	435,720,126	439,683,073
		440,924,070	444,887,018
		6,664,835,048	**6,668,797,996**

		30.09.2017 Taka	31.12.2016 Taka
Non-income generating			
Arab Bangladesh Bank Foundation		19,920,000	19,920,000
(99.60% owned subsidiary company of ABBL)			
Share Money Deposits - AB Investment Limited		-	-
Deferred Tax	(Note:10.01)	3,678,452,173	2,312,064,286
Accounts receivable		1,178,466,708	889,650,552
Preliminary, formation, organisational, renovation, development, prepaid expenses and others		1,036,357,864	805,559,950
Exchange for clearing		163,320,425	570,641,969
Interest accrued on investment but not collected, commission and brokerage receivable on shares and debentures, and other income receivables		865,635,586	1,026,651,535
Security deposits		169,597,210	159,266,370
Advance rent and advertisement		234,697,639	246,555,630
Stationery, stamps, printing materials, etc.		75,902,655	28,476,396
Inter-branch adjustment		-	621,590
		7,422,350,259	**6,059,408,278**
		14,087,185,307	**12,728,206,273**

10(a) Consolidated Other assets

AB Bank Limited	14,087,185,307	12,728,206,273
AB Investment Limited	209,333,178	56,699,559
AB International Finance Limited	46,354,229	23,437,029
AB Securities Limited	193,730,236	32,836,258
Cashlink Bangladesh Limited (CBL)	33,262,505	30,917,320
	14,569,865,456	**12,872,096,439**
Less: Inter-group transaction	6,548,727,762	6,488,188,273
	8,021,137,696	**6,383,908,169**

10.01 Deferred Tax Assets

a) Deferred tax assets for specific provisions of loans and advances

Opening Deferred Tax (Assets)/Liabilities	**2,433,514,889**	**1,561,348,994**
Add. Deferred Tax Income during the period (Tax @ 40% on Specific provision made during the period Tk. 3,340,400,000)	1,336,160,000	872,165,895
Closing Deferred Tax Assets	**3,769,674,889**	**2,433,514,889**

b) Deferred tax liabilities against Property, Plant & Equipment

Balance at 01 January	121,450,602	133,096,262
Add/(less): Provision made during the period	(30,708,092)	(11,504,515)
Add/(Less): Adjustment for Rate Fluctuation during the period	480,206	(141,145)
Closing Deferred Tax Liabilities	**91,222,716**	**121,450,602**
Net Deferred Tax Assets (a-b)	**3,678,452,173**	**2,312,064,287**
Net Deferred Tax Income during the period	**1,366,868,092**	**883,670,410**

11. Borrowings from other banks, financial institutions and agents

In Bangladesh	(Note: 11.1)	21,726,638,369	9,941,690,524
Outside Bangladesh	(Note: 11.2)	5,280,258,970	5,512,731,619
		27,006,897,339	**15,454,422,143**

		30.09.2017 Taka	31.12.2016 Taka
11.1	**In Bangladesh:**		
11.1.1	**Bangladesh Bank**		
	ADB loan	-	890,625
	Export Development Fund	2,355,220,597	2,961,842,309
	Islamic Investment Bond	501,757,230	-
	Refinance against IPFF	354,161,426	372,713,265
	Refinance against Women Entr., Small Enterprise, ETP & Others	261,626,585	321,659,394
		3,472,765,838	**3,657,105,593**
11.1.2	**Call & Term Borrowing from**		
	IFIC Bank Limited	600,000,000	-
	Dutch Bangla Bank Limited		792,450,236
	CITI Bank NA	-	220,000,000
	Agrani Bank Limited	-	393,555,500
	Prime Bank Limited	-	800,000,000
	UCBL	300,000,000	-
	One Bank Limited	200,000,000	-
	Janata Bank	1,000,000,000	-
	National Bank Limited	150,000,000	900,000,000
	Bank Asia Limited	2,500,000,000	-
	Meghna Bank ltd	500,000,000	-
	Uttara Bank Limited	2,000,000,000	-
	Habib Bank Limited	-	79,236,934
	Southeast Bank Limited	-	712,722,451
	Bank Al Falah	-	196,777,750
	Dhaka Bank Limited	-	1,187,290,259
	NCC Bank Limited	500,000,000	-
	Rupali Bank Limited	2,484,800,000	-
	Basic Bank Limited	1,000,000,000	-
	Agrani Bank Limited	1,200,000,000	-
	Dutch Bangla Bank Limited	1,500,000,000	-
	Sonali Bank Limited	1,500,000,000	-
	BD Krishi Bank Limited-FC	161,600,000	
	Trust Bank Limited	-	1,000,000,000
	National Bank Ltd-OBU	323,348,124	-
	Rupali Bank Ltd	727,497,979	-
	South-East Bank Ltd	80,817,504	-
	Basic Bank Ltd	161,639,049	-
	Bank Asia Ltd-OBU	811,243,224	-
	Modhumoti Bank	283,356,002	-
	Bank Alfalah	161,640,395	-
	Accrued interest	107,930,254	1,447,372
	Accrued Interest Repo Other Bank	-	1,104,429
		18,253,872,532	**6,284,584,931**
		21,726,638,369	**9,941,690,524**
11.2	**Outside Bangladesh**		
	Sonali Bank UK	-	495,452,954
	ICICI Bank	1,234,684,392	-
	Banca UBAE, Italy	-	395,436,258
	Al-Noor Bank Limited	4,045,574,577	3,940,519,398
	RAK BANK	-	681,323,009
		5,280,258,970	**5,512,731,619**

AMAR STOCK

		30.09.2017 Taka	31.12.2016 Taka
11(a)	**Consolidated Borrowings from other banks, financial institutions and agents**		
	AB Bank Limited	27,006,897,339	15,454,422,143
	AB Investment Limited	726,071,081	1,207,273,365
	AB International Finance Limited	434,482,965	692,242,365
	AB Securities Limited	232,922,401	253,621,766
	Cashlink Bangladesh Limited (CBL)	-	-
		28,400,373,786	17,607,559,639
	Less: Intercompany transactions	1,292,684,780	1,849,804,163
		27,107,689,006	**15,757,755,476**
12.	**AB Bank Subordinated Bond**		
	AB Bank Subordinated Bond-I	2,000,000,000	2,500,000,000
	AB Bank Subordinated Bond-II	4,000,000,000	4,000,000,000
		6,000,000,000	**6,500,000,000**
13.	**Deposit and other accounts**		
	Inter-bank deposits	3,009,147,743	4,681,805,278
	Other deposits	226,532,708,101	240,958,977,631
		229,541,855,844	**245,640,782,909**
13(a)	**Consolidated Deposit and other accounts**		
	AB Bank Limited	229,541,855,844	245,640,782,909
	AB Investment Limited	-	-
	AB International Finance Limited	1,791,272	-
	AB Securities Limited	-	-
	Cashlink Bangladesh Limited (CBL)	-	-
		229,543,647,116	245,640,782,909
	Less: Inter-group transaction	539,772,916	246,378,489
		229,003,874,200	**245,394,404,420**
13.1	**Demand and time deposits**		
	a) Demand Deposits	**29,038,462,275**	**29,685,925,468**
	Current accounts and other accounts	23,392,068,267	22,298,120,917
	Savings Deposits (9%)	2,586,480,672	2,522,222,229
	Bills Payable	3,059,913,337	4,865,582,322
	b) Time Deposits	**200,503,393,569**	**215,954,857,441**
	Savings Deposits (91%)	26,152,193,463	25,502,469,205
	Short Notice Deposits	32,215,836,564	49,236,728,682
	Fixed Deposits	122,624,181,691	122,034,379,371
	Other Deposits	19,511,181,851	19,181,280,183
	Total Demand and Time Deposits	**229,541,855,845**	**245,640,782,909**
14.	**Other liabilities**		
	Accumulated provision against loans and advances	(Note 14.1) 9,971,327,623	6,605,083,960
	Inter-branch adjustment	123,566	-
	Provision for current tax (net of advance tax)	(Note 14.2) 3,294,865,352	2,561,589,337
	Interest suspense account	13,500,651,606	10,459,867,308
	Provision against other assets	(Note 14.3) 252,198,969	237,198,969
	Accounts payable - Bangladesh Bank	1,126,401,519	802,485,542
	Accrued expenses	267,727,449	360,305,082
	Provision for off balance sheet items	(Note 14.4) 860,000,000	860,000,000
	Provision against investments	(Note 14.5) 1,550,053,000	1,550,053,000
	Others (*)	340,328,875	689,642,580
		31,163,677,957	**24,126,225,778**

(*) Others includes provision for audit fee, excise duty, income tax and VAT deducted at source, unclaimed dividend, accounts payable for safe keeping, earnest and security money,etc.

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			30.09.2017 Taka	31.12.2016 Taka
14.1	**Accumulated provision against loans and advances**			
	The movement in specific provision for bad and doubtful debts			
	Balance at 01 January		2,463,153,374	2,564,529,261
	Fully provided debts written off during the period/year	(-)	-	(2,305,175,887)
	Recovery of amounts previously written off	(+)	-	23,385,264
	Specific provision made during the period/year	(+)	3,340,400,000	2,180,414,736
			3,340,400,000	(101,375,887)
	Balance at the period/year ended		**5,803,553,374**	**2,463,153,374**
	Provision made by ABBL, Mumbai Branch		86,403,911	43,189,581
	Total provision on classified loans and advances		**5,889,957,285**	**2,506,342,955**
	On unclassified loans			
	Balance at 01 January		4,095,267,313	2,115,067,313
	Transfer from other assets provisions	(+)	-	100,000,000
	Transfer from investment provisions	(+)	-	350,000,000
	Transfer from other assets	(+)	-	440,000,000
	Transferred from provisions for current tax	(+)	-	350,000,000
	General provision made during the period	(+)	(17,600,000)	740,200,000
			(17,600,000)	1,980,200,000
	Balance at the period/year ended		4,077,667,313	4,095,267,313
	Provision made by ABBL, Mumbai Branch		3,703,025	3,473,693
	Total provision on un-classified loans and advances		**4,081,370,338**	**4,098,741,006**
	Total provision on loans and advances		**9,971,327,623**	**6,605,083,960**

		30.09.2017	
Provision for	**Required**	**Maintained**	**Excess**
Un-classified loans and advances	4,065,003,025	4,081,370,338	16,367,313
Classified loans and advances	5,881,103,911	5,889,957,285	8,853,374
	9,946,106,936	**9,971,327,623**	**25,220,687**

14.1.1 Details of provision for loans and advances

	30.09.2017	
	Required	**Maintained**
General Provision	**4,065,003,025**	**4,081,370,338**
Standard	3,555,403,025	3,571,770,338
Special Mention Account	509,600,000	509,600,000
Specific Provision	**5,881,103,911**	**5,889,957,285**
Substandard	247,300,000	247,300,000
Doubtful	437,603,911	437,603,911
Bad/Loss	5,196,200,000	5,205,053,374
Excess provision maintained at September 30, 2017		**25,220,687**

14.2	**Provision for current tax (net of advance tax)**			
	Current Tax	(Note 14.2.1)	16,224,426,495	15,150,207,047
	Advance Income Tax	(Note 14.2.2)	12,929,561,145	12,588,617,710
	Provision for current tax (net of advance tax)		**3,294,865,351**	**2,561,589,337**

14.2.1 Provision for current tax

Balance at 01 January	15,080,733,191	13,935,338,386
Add: Provision made during the period	1,012,108,417	1,495,394,805
Less: Adjustment during the period	-	350,000,000
Balance at the period/year ended	16,092,841,609	15,080,733,191
Provision held by ABBL, Mumbai Branch	131,584,887	69,473,856
	16,224,426,495	**15,150,207,047**

Corporate income tax assessment of the Bank is completed up to the income year ended 31 December 2012 (Assessment Year 2013-14). Assessment of 2014-2015 corresponding to income year 2013 is in final stage. Corporate income tax return for the years 2014 & 2015 submitted under section 82BB corresponding to Assessment Years 2015-16 & 2016-17. Tax assessments for income years 1995,1996, 1997, 2007, 2009 ,2010, 2011 and 2012 were completed but these were referred to the Hon'ble High Court on the application made by the Bank for some disputed points.

	30.09.2017 Taka	31.12.2016 Taka

14.2.2 Advance corporate income tax

In Bangladesh:

Balance at 01 January 2017	12,514,607,419	11,180,990,162
Add: Paid during the period	269,937,507	1,333,617,256
Less: Transfer/Adjustment during the year/Period	-	-
Balance at September 30	12,784,544,926	12,514,607,419
Advance tax of ABBL, Mumbai Branch	145,016,218	74,010,292
	12,929,561,144	**12,588,617,711**

14.3 Provision against other assets

Provision for

Prepaid legal expenses	90,030,000	85,030,000
Protested bills	26,065,610	26,065,610
Others	136,103,359	126,103,359
	252,198,969	**237,198,969**

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

14.3.1 Calculation of Provision against other assets

	Outstanding amount	Base for Provision	Rate	Provisions Requirement	Provisions Maintained
Prepaid legal expenses	89,464,117	89,464,117	50% & 100%	44,732,058	90,030,000
Protested bills	23,499,034	23,499,034	100%	23,499,034	26,065,610
Others	87,552,571	87,552,571	100%	87,552,571	136,103,359
Required provision for other assets				**155,783,664**	**252,198,969**
Total provision requirement					155,783,664
Total provision maintained					252,198,969
Excess provision maintained at September 30, 2017					**96,415,305**

14.4 Provision for off balance sheet items

Balance at 01 January	860,000,000	860,000,000
Less. Transferred to general reserve	-	-
Add: Provision made during the period	-	-
Less: Adjustment during the year	-	-
	860,000,000	**860,000,000**

14.4.1 Particulars of required provision for Off-Balance Sheet Items

	Base for Provision	Rate (%)	30.09.2017	31.12.2016
Acceptances and endorsements	26,824,924,058	1%	268,249,241	289,666,378
Letters of guarantee	13,652,724,755	1%	136,527,248	139,203,069
Irrevocable letters of credit	17,367,541,819	1%	173,675,418	220,056,800
Bills for collection	5,187,487,737	1%	51,874,877	60,313,969
Others	45,836,980	1%	458,370	-
Total Off Balance Sheet Items & required provision	**63,078,515,349**		630,785,153	709,240,216
Total provision maintained			860,000,000	860,000,000
Excess provision at June 30, 2017			**229,214,847**	**150,759,784**

No provision has been maintained against Off Balance Sheet items of Mumbai Branch amounting Tk. 3,014,631,716 as per Reserve Bank of India (RBI) guidelines.

		30.09.2017 Taka	31.12.2016 Taka
14.5	**Provision against investments**		
	Balance at 01 January	1,550,053,000	1,875,053,000
	Add: Provision made during the period	-	25,000,000
	Less: Transferred to general provision for loans and advances	-	350,000,000
	Less: Transferred to General Reserve	-	-
	Closing Balance	**1,550,053,000**	**1,550,053,000**
	Total provision maintained for Investment	1,550,053,000	1,550,053,000
	Total provision requirement for Investment	1,508,122,115	1,547,018,037
	Excess provision	**41,930,885**	**3,034,963**
14(a)	**Consolidated Other liabilities**		
	AB Bank Limited	31,163,677,957	24,126,225,778
	AB Investment Limited	583,371,638	613,737,751
	AB International Finance Limited	49,230,658	55,835,113
	AB Securities Limited	1,093,892,434	699,671,854
	Cashlink Bangladesh Limited (CBL)	9,742,000	9,914,506
		32,899,914,687	25,505,385,002
	Less: Inter-group transaction	319,613,838	322,893,637
		32,580,300,850	**25,182,491,365**
15.	**Share Capital**	**6,738,936,140**	**6,738,936,140**
15.1	**Authorised Capital**		
	1,500,000,000 ordinary shares of Tk. 10 each	**15,000,000,000**	**15,000,000,000**
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
	658,893,614 ordinary shares of Taka 10 each issued as bonus shares	6,588,936,140	6,588,936,140
		6,738,936,140	**6,738,936,140**
16.	**Statutory reserve**		
	In Bangladesh		
	Opening balance	6,256,894,064	5,888,708,849
	Add: Addition during the period	-	368,185,215
	Add./less Adjustment for Foreign Exchange Rate Fluctuation	-	-
		6,256,894,064	6,256,894,064
	Outside Bangladesh - ABBL, Mumbai Branch		
	Opening balance	238,743,376	222,494,695
	Add: Addition during the period	25,288,138	20,527,152
	Add: Transferred from Investment fluctuation reserve	-	-
	Add/(Less): Adjustment for Foreign Exchange Rate Fluctuation	18,955,615	(4,278,471)
		279,479,849	238,743,376
		6,536,373,914	**6,495,637,440**
17.	**Other reserve**		
	General reserve	1,222,199,200	1,222,199,200
	Assets revaluation reserve	1,301,091,464	1,303,760,781
	Investment revaluation reserve	171,078,874	544,262,857
	Foreign exchange revaluation for investment in foreign operation	-	-
		2,694,369,538	**3,070,222,838**

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		30.09.2017 Taka	31.12.2016 Taka
17(a)	**Consolidated Other reserve**		
	AB Bank Limited	2,694,369,538	3,070,222,838
	AB Investment Limited	-	-
	AB International Finance Limited	80,761,434	81,237,501
	AB Securities Limited	101,939,185	101,934,926
	Cashlink Bangladesh Limited (CBL)	-	-
		2,877,070,156	**3,253,395,264**
18.	**Retained earnings**		
	Opening balance	6,809,663,765	6,830,946,921
	Add./(Less) Adjustment for investment in Amana Bank	(14,154,931)	(180,140,019)
	Add: Post-tax profit for the period	143,053,727	1,304,670,423
	Less: Transfer to statutory reserve	24,974,722	388,712,367
	Cash dividend	-	-
	Bonus shares issued	-	748,770,680
		6,913,587,839	**6,817,994,278**
	Add/(Less): Transferred from Assets Revaluation Reserve	2,669,317	1,774,401
	Add/(Less): Foreign Exchange Translation gain/(loss)	36,076,965	(10,104,914)
		6,952,334,122	**6,809,663,765**
18(a)	**Consolidated Retained earnings**		
	AB Bank Limited	6,952,334,122	6,809,663,765
	AB Investment Limited	855,710,043	635,065,186
	AB International Finance Limited	78,220,292	84,608,098
	AB Securities Limited	198,311,858	166,317,601
	Cashlink Bangladesh Limited (CBL)	(183,466,255)	(185,493,381)
		7,901,110,060	7,510,161,269
	Add./(Less): Adjustment made during the year	398,580,752	307,674,218
	Minority Interest	(18,179,829)	(18,402,628)
		8,317,870,641	**7,836,238,115**
18(b)	**Minority Interest**		
	AB Investment Limited	10,116	9,797
	AB Securities Limited	467,037	451,527
	Cashlink Bangladesh Limited	9,653,375	9,450,662
		10,130,527	**9,911,986**
19.	**Contingent liabilities**	**66,093,147,066**	**73,478,914,136**
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	124,239,440	126,303,800
Others	13,528,485,315	13,794,003,122
	13,652,724,755	**13,920,306,922**

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	Jan'17- Sept'17 Taka	Jan'16- Sept'16 Taka
20. Profit and loss account		
Income:		
Interest, discount and similar income	15,494,330,049	17,905,974,052
Dividend income	84,604,308	102,862,507
Fee, commission and brokerage	1,249,001,978	1,362,912,043
Gains less losses arising from investment securities	142,145,070	73,838,453
Gains less losses arising from dealing in foreign currencies	836,548,467	649,560,861
Other operating income	88,462,715	94,392,183
Gains less losses arising from dealing securities	462,554,214	218,542,855
Income from non-banking assets	-	-
Profit less losses on interest rate changes	-	-
	18,357,646,802	20,408,082,954
Expenses:		
Interest, fee and commission	10,694,854,977	12,090,587,313
Administrative expenses	3,212,139,063	3,103,943,827
Other operating expenses	1,001,196,757	1,083,928,270
Depreciation and amortization on banking assets	227,370,954	246,515,167
Losses on loans and advances	-	-
	15,135,561,751	16,524,974,577
	3,222,085,050	**3,883,108,376**
21. Interest income/profit on investments		
Interest on loans and advances:		
Loans and advances	12,210,251,554	14,305,782,111
Bills purchased and discounted	195,399,724	308,365,495
	12,405,651,279	14,614,147,606
*Less. Incentive for good borrowers	-	-
	12,405,651,279	**14,614,147,606**
Interest on:		
Calls and placements	215,479,915	399,554,689
Balance with foreign banks	3,825,561	700,654
Reverse Repo	542,680	11,288,661
Balance with Bangladesh Bank	2,620,535	1,676,070
	222,468,692	413,220,073
	-	-
	12,628,119,970	**15,027,367,680**
21(a). Consolidated Interest income/profit on investments		
AB Bank Limited	12,628,119,970	15,027,367,680
AB International Finance Limited	36,525,812	38,799,428
AB Investment Limited	323,507,204	306,523,006
AB Securities Limited	53,815,431	54,005,235
Cashlink Bangladesh Limited (CBL)	2,358,092	612,718
	13,044,326,509	15,427,308,066
Less: Intercompany Transactions	4,064,749	4,075,294
	13,040,261,760	**15,423,232,772**

	Jan'17- Sept'17 Taka	Jan'16- Sept'16 Taka
22. Interest/profit paid on deposits, borrowings, etc.		
Interest on deposits:		
Fixed deposits	5,354,436,319	6,436,706,198
Savings deposits	589,601,951	576,989,348
Special notice deposits	1,762,949,738	2,235,372,023
Other deposits	1,456,207,186	1,460,056,119
	9,163,195,194	10,709,123,687
Interest on borrowings:		
Local banks, financial institutions including Bangladesh Bank	1,017,262,523	859,737,602
Subordinated Bond	514,397,260	521,726,024
	10,694,854,977	**12,090,587,313**
22(a). Consolidated Interest/profit paid on deposits, borrowings, etc.		
AB Bank Limited	10,694,854,977	12,090,587,313
AB Investment Limited	15,449,307	27,872,222
AB International Finance Limited	4,316,939	4,317,476
AB Securities Limited	20,372,639	21,036,207
Cashlink Bangladesh Limited (CBL)	-	-
	10,734,993,861	12,143,813,218
Less: Intercompany Transactions	6,062,388	6,080,251
	10,728,931,473	**12,137,732,966**
23. Investment income		
Capital gain on sale of shares	142,145,070	73,838,453
Interest on treasury bills	47,005,971	317,247,559
Dividend on shares	84,604,308	102,862,507
Income from Amana Bank Limited as Associates	10,191,983	7,358,375
Interest on treasury bonds	2,804,937,087	2,546,541,733
Gain/(Loss) on treasury bills and treasury bonds	462,554,214	218,542,855
Interest on other bonds & others	4,075,038	7,458,705
	3,555,513,671	**3,273,850,188**
23(a). Consolidated Investment income		
AB Bank Limited	3,555,513,671	3,273,850,188
AB Investment Limited	19,550,285	2,513,937
AB International Finance Limited	-	-
AB Securities Limited	10,151,258	10,820,015
Cashlink Bangladesh Limited (CBL)	-	-
	3,585,215,215	**3,287,184,139**

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

24. Commission, exchange and brokerage		
Other fees, commission and service charges	694,795,648	751,747,899
Commission on letters of credit	461,004,806	493,893,891
Commission on letters of guarantee	93,201,523	117,270,253
Exchange gains less losses arising from dealings in foreign currencies	836,548,467	649,560,861
	2,085,550,445	**2,012,472,904**

	Jan'17- Sept'17 Taka	Jan'16- Sept'16 Taka
24(a). Consolidated Commission, exchange and brokerage		
AB Bank Limited	2,085,550,445	2,012,472,904
AB Investment Limited	54,049,000	27,513,829
AB International Finance Limited	41,868,849	38,975,512
AB Securities Limited	69,875,778	28,938,826
Cashlink Bangladesh Limited (CBL)	-	93,290,014
	2,251,344,071	**2,201,191,085**
Less: Intercompany Transactions	-	92,088,458
	2,251,344,071	**2,109,102,627**
25. Other income		
Locker rent, insurance claim and others	5,797,136	3,231,458
Recoveries on loans previously written off	3,182,303	7,853,237
Recoveries on telex, telephone, fax, etc.	56,864,114	63,685,662
Recoveries on courier, postage, stamp, etc.	21,955,088	19,407,728
Gain on sale of Bank property	-	-
Non-operating income (*)	664,074	214,098
	88,462,715	**94,392,183**
(*) Non-operating income includes sale of scrap items.		
25(a). Consolidated other income		
AB Bank Limited	88,462,715	94,392,183
AB Investment Limited	9,303,945	8,445,159
AB International Finance Limited	48,244,394	35,896,309
AB Securities Limited	1,200,290	1,903,403
Cashlink Bangladesh Limited (CBL)	-	-
	147,211,344	140,637,054
Less: Inter company transactions	6,135,029	6,175,881
	141,076,315	**134,461,173**
26. Salary and allowances		
Basic salary, provident fund contribution and all other allowances	2,054,599,100	1,943,615,521
Festival and incentive bonus	195,353,147	203,007,690
	2,249,952,247	**2,146,623,211**
26(a). Consolidated salary and allowances		
AB Bank Limited	2,249,952,247	2,146,623,211
AB Investment Limited	12,307,194	11,204,359
AB International Finance Limited	22,289,642	20,894,664
AB Securities Limited	18,974,153	21,371,042
Cashlink Bangladesh Limited (CBL)	199,764	173,036
AB Exchange (UK) Ltd.	-	869,220
	2,303,723,000	**2,201,135,532**

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	Jan'17- Sept'17 Taka	Jan'16- Sept'16 Taka
27. Rent, taxes, insurance, electricity, etc.		
Rent, rates and taxes	327,247,700	307,190,683
Electricity, gas, water, etc.	128,578,937	122,666,663
Insurance	69,996,360	71,420,073
	525,822,996	**501,277,419**
27(a). Consolidated Rent, taxes, insurance, electricity, etc.		
AB Bank Limited	525,822,996	501,277,419
AB Investment Limited	1,551,139	1,917,238
AB International Finance Limited	5,791,584	5,637,237
AB Securities Limited	6,258,636	6,148,087
Cashlink Bangladesh Limited (CBL)	-	-
AB Exchange (UK) Ltd.	-	2,435,728
	539,424,355	517,415,710
Less: Inter company transactions	4,137,390	4,137,390
	535,286,965	**513,278,320**
28. Legal expenses		
Legal expenses	**4,972,284**	**17,241,848**
28(a). Consolidated Legal expenses		
AB Bank Limited	4,972,284	17,241,848
AB Investment Limited	74,750	-
AB International Finance Limited	90,961	8,082
AB Securities Limited	-	5,950
Cashlink Bangladesh Limited (CBL)	-	51,750
	5,137,995	**17,307,630**
29. Postage, stamp, telecommunication, etc.		
Telex, fax, internet, wireless link, SWIFT, etc.	65,124,061	69,203,305
Telephone	6,939,152	8,080,317
Postage, stamp and shipping	27,478,901	25,557,476
	99,542,114	**102,841,098**
29(a). Consolidated Postage, stamp, telecommunication, etc.		
AB Bank Limited	99,542,114	102,841,098
AB Investment Limited	595,589	559,376
AB International Finance Limited	5,438,597	4,503,737
AB Securities Limited	1,137,222	1,189,286
Cashlink Bangladesh Limited (CBL)	-	281
AB Exchange (UK) Ltd.	-	113,162
	106,713,522	109,206,940
Less: Inter company transactions	-	(2,088,458)
	106,713,522	**107,118,482**

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	Jan'17- Sept'17 Taka	Jan'16- Sept'16 Taka
30. Stationery, printing, advertisements, etc.		
Printing and stationery	129,384,271	123,557,927
Publicity, advertisement, etc.	26,133,243	33,909,413
	155,517,513	**157,467,340**
30(a). Consolidated Stationery, printing, advertisements, etc.		
AB Bank Limited	155,517,513	157,467,340
AB Investment Limited	174,826	162,884
AB International Finance Limited	94,604	105,155
AB Securities Limited	456,954	378,479
Cashlink Bangladesh Limited (CBL)	-	-
	156,243,897	**158,113,859**
31. Directors' fees		
Directors' fees	1,389,200	1,826,200
Meeting expenses	4,997,930	3,861,000
-	**6,387,130**	**5,687,200**

Directors' fees includes fees for attending the meeting of the Board, Executive Committee, Audit Committee, Risk Management Committee and Shariah Council.

31(a). Consolidated Directors' fees		
AB Bank Limited	6,387,130	5,687,200
AB Investment Limited	133,340	320,016
AB International Finance Limited	-	-
AB Securities Limited	200,000	266,667
Cashlink Bangladesh Limited (CBL)	69,000	190,000
	6,789,470	**6,463,883**
32. Auditors' fees		
Statutory	-	267,177
Others	1,652,788	3,055,129
	1,652,788	**3,322,306**
32(a). Consolidated Auditors' fees		
AB Bank Limited	1,652,788	3,322,306
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	1,652,788	**3,322,306**

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	Jan'17- Sept'17 Taka	Jan'16- Sept'16 Taka
33. Depreciation and repairs of Bank's assets		
Depreciation :		
Electrical appliances	80,268,237	96,220,681
Furniture and fixtures	9,898,597	10,286,276
Office appliances	1,639,367	1,751,477
Building	13,889,123	14,303,047
Motor vehicles	43,266,263	42,893,198
	148,961,587	**165,454,679**
Repairs:		
Motor vehicles	33,732,532	31,001,654
Electrical appliances	55,460,204	57,651,112
Office premises and others	66,083,626	65,784,073
Furniture and fixtures	1,825,651	1,970,732
Office appliances	4,099,427	3,175,833
	161,201,441	159,583,405
	310,163,027	**325,038,085**
Amortization of Intangible Assets	78,409,367	81,060,488
	388,572,395	**406,098,573**
33(a). Consolidated Depreciation and repairs of Bank's assets		
AB Bank Limited	388,572,395	406,098,573
AB Investment Limited	13,866,913	14,394,807
AB International Finance Limited	228,641	276,051
AB Securities Limited	1,411,181	1,584,039
Cashlink Bangladesh Limited (CBL)	54,510	54,510
AB Exchange (UK) Ltd.	-	997,733
	404,133,639	**423,405,713**
34. Other expenses		
Contractual service	376,249,899	432,972,597
Petrol, oil and lubricant	56,952,881	56,278,330
Software expenses	100,528,827	107,841,581
Entertainment	43,088,770	36,833,345
Travelling	26,583,741	14,787,042
Subscription, membership and sponsorship	15,891,535	73,894,169
Training, seminar and workshop	22,849,942	19,673,931
Local conveyance	8,327,077	6,650,344
Professional charges	33,949,283	41,249,692
Books, newspapers and periodicals	1,490,484	1,281,881
Branch opening expenses	262,389	165,539
Bank Charges	44,537,914	52,656,997
Sundry expenses (*)	270,484,015	239,642,823
	1,001,196,757	**1,083,928,270**

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

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	Jan'17- Sept'17 Taka	Jan'16- Sept'16 Taka
34(a). Consolidated other expenses		
AB Bank Limited	1,001,196,757	1,083,928,270
AB Investment Limited	9,225,606	4,811,236
AB International Finance Limited	2,155,552	1,353,258
AB Securities Limited	7,325,328	6,422,942
Cashlink Bangladesh Limited (CBL)	7,690	4,970
AB Exchange (UK) Ltd.	-	590,976
	1,019,910,933	**1,097,111,652**
Less: Inter company transactions	-	90,033,534
	1,019,910,933	**1,007,078,118**
35. Provision against loans and advances		
On un-classified loans	(29,079,377)	452,900,000
On classified loans	3,392,242,346	1,518,106,800
	3,363,162,970	**1,971,006,800**
35(a). Consolidated provision against loans and advances		
AB Bank Limited	3,363,162,970	1,971,006,800
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	6,250,000	-
Cashlink Bangladesh Limited (CBL)	-	-
	3,369,412,970	**1,971,006,800**
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	-	-
AB International Finance Limited	-	-
AB Securities Limited	2,050,000	4,758,000
Cashlink Bangladesh Limited (CBL)	-	-
	2,050,000	**4,758,000**
37. Other provision		
Provision for off balance sheet items	-	-
Provision for Other assets	2,736,446	57,511,545
	2,736,446	**57,511,545**

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	2,736,446	57,511,545
AB Investment Limited	-	-
AB International Finance Limited	-	-
AB Securities Limited	-	-
Cashlink Bangladesh Limited (CBL)	-	-
	2,736,446	**57,511,545**

	Jan'17- Sept'17 Taka	Jan'16- Sept'16 Taka
38. Earnings Per Share (EPS)		
Profit after taxation	143,053,727	896,546,198
Number of ordinary shares outstanding	673,893,614	673,893,614
Earnings Per Share	**0.21**	**1.33**
38.(a) Consolidated Earnings Per Share		
Net Profit attributable to the shareholders of parent company	481,743,962	1,237,662,052
Number of ordinary shares outstanding	673,893,614	673,893,614
Earnings Per Share	**0.71**	**1.84**

Earnings Per Share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of September 30, 2017 in terms of Bangladesh Accounting Standard (BAS)-33. According to BAS-33, EPS for the period ended September , 2016 was restated for the issues of bonus share in 2016.

39. Receipts from other operating activities		
Interest on treasury bills, bonds, debenture and others	3,460,717,380	3,170,987,680
Exchange earnings	836,548,467	649,560,861
Recoveries on telex, telephone, fax, etc.	56,864,114	63,685,662
Recoveries on courier, postage, stamp, etc.	21,955,088	19,407,728
Non-operating income	664,074	214,098
Others	5,797,136	3,231,458
	4,382,546,260	**3,907,087,487**
40. Payments for other operating activities		
Rent, taxes, insurance, electricity, etc.	525,822,996	501,277,419
Postage, stamps, telecommunication, etc.	99,542,114	102,841,098
Repairs of Bank's assets	161,201,441	159,581,433
Legal expenses	4,972,284	17,241,848
Auditor's fees	1,652,788	3,322,306
Directors' fees	6,387,130	5,687,200
Other Expenses	1,001,196,757	1,083,928,270
	1,800,775,510	**1,873,879,574**

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