Delta Brac Housing Finance Corporation Ltd.

HIGHEST CREDIT RATING AAA

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Financial Statements
For the half year ended 30 June 2017

In compliance with the Regulation 17(3) of the Dhaka and Chittagong Stock Exchanges (Listing) Regulations, 2015 and BSEC Letter No. SEC/CFD/Misc/233/2004/615 dated 2 February 2010, we are pleased to present Half Yearly un-audited Financial Statements of Delta Brac Housing Finance Corporation Ltd. as at and for the half year ended 30 June 2017 approved by the Board of Directors of the Company in its 95th Meeting held on Thursday, July 13, 2017 at 4:30 PM. The following Financial Statements without the detailed notes/ disclosures have been termed as "condensed" in line with the IAS/ BAS 34.

Balance Sheet (Unaudited)
As at 30 June 2017

Particulars	30-Jun-17 Taka	31-Dec-16 Taka
PROPERTY AND ASSETS		
Cash	583,829,308	558,798,869
In hand	51,304	68,427
Balance with Bangladesh Bank and its agent bank	583,778,004	558,730,442
Balance with other banks and financial institutions	8,576,552,104	9,272,864,801
In Bangladesh	8,576,552,104	9,272,864,801
Outside Bangladesh	-	-
Money at call on short notice	-	-
Investments	483,481,451	441,258,646
Government	1,029,234	1,057,687
Others	482,452,217	440,200,959
Loans and advances	39,335,317,452	35,838,371,384
Fixed assets including land, building, furniture & equipments	165,195,282	157,513,532
Other assets	175,508,257	202,898,065
Total assets	**49,319,883,853**	**46,471,705,297**
LIABILITIES AND CAPITAL		
LIABILITIES		
Borrowings from other banks, financial institutions and agents	6,003,437,970	6,080,579,105
Deposits and other accounts: Fixed deposits	37,149,239,414	34,393,955,116
Other liabilities	2,178,531,272	2,405,758,399
Total liabilities	**45,331,208,656**	**42,880,292,620**
SHAREHOLDERS' EQUITY		
Paid-up capital	1,218,518,430	1,218,518,430
Share premium	55,000,000	55,000,000
Statutory reserve	1,151,291,206	1,035,283,149
Other reserves	1,058,040,000	1,058,040,000
Retained earnings	505,825,561	224,571,098
Total shareholders' equity	**3,988,675,197**	**3,591,412,677**
Total liabilities and shareholders' equity	**49,319,883,853**	**46,471,705,297**
OFF BALANCE SHEET ITEMS		
Contingent liabilities		
Acceptance and endorsements	-	-
Letters of guarantee	-	-
Irrevocable letters of credit	-	-
Bills for collection	-	-
Other contingent liabilities	16,739,437	16,739,437
Total contingent liabilities	16,739,437	16,739,437
Other commitments		
Documentary credits and short term trade related transaction	-	-
Forward assets purchased and forward deposit placed	-	-
Undrawn note issuance and revolving underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	768,185,850	638,770,000
Total other commitments	768,185,850	638,770,000
Total off balance sheet items including contingent liabilities	**784,925,287**	**655,509,437**

Profit and Loss Account (Unaudited)
For the half year ended 30 June 2017

Particulars	Jan to Jun '17 Taka	Jan to Jun '16 Taka	Apr to Jun '17 Taka	Apr to Jun '16 Taka
Interest income	2,202,643,472	2,105,659,921	1,085,104,991	1,013,847,858
Interest paid on deposits and borrowings, etc.	1,369,254,984	1,265,942,285	681,991,757	614,338,469
Net interest income	**833,388,488**	**839,717,636**	**403,113,234**	**399,509,389**
Income from investment	18,061,794	(4,386,900)	4,813,537	(4,756,438)
Commission, exchange & brokerage	74,693,732	70,666,484	37,692,908	35,946,857
Other operating income	10,267,365	8,019,759	3,430,385	4,270,154
Total operating income	**936,411,379**	**914,016,979**	**449,050,064**	**434,969,962**
Salary and allowances	151,768,899	140,957,287	75,431,018	71,961,418
Rent, taxes, insurance, electricity, etc.	23,949,266	20,678,463	12,296,137	10,714,238
Legal & professional expenses	1,888,487	639,798	1,812,908	328,373
Postage, stamp,telecomunication, etc.	3,981,569	3,164,492	2,059,848	2,087,738
Stationery, printing, advertisements, etc.	7,412,134	5,028,218	3,779,370	803,473
Managing director's salary and fees	5,530,000	5,530,000	3,100,000	3,100,000
Directors' fees and expenses	400,605	279,817	251,029	157,432
Auditors' fees	201,250	150,937	100,625	75,469
Depreciation, repair & maintenance	19,347,000	15,391,386	10,152,984	7,989,216
Other expenses	18,563,962	16,660,198	8,775,972	7,942,278
Total operating expenses	**233,043,173**	**208,480,596**	**117,759,892**	**105,159,635**
Profit before provisions	**703,368,207**	**705,536,383**	**331,290,172**	**329,810,327**
Provision for				
Loans and advances	(138,191,888)	(86,356,207)	(7,052,893)	19,244,360
Diminution in value of investment	(18,190,255)	(15,200,154)	(3,705,065)	(28,028,763)
Total provisions	(156,382,143)	(101,556,361)	(10,757,958)	(8,784,403)
Profit before tax	**859,750,350**	**807,092,744**	**342,048,130**	**338,594,730**
Provision for tax				
Current	276,616,822	311,391,075	131,594,118	160,334,277
Deferred	3,093,243	(2,362,547)	(529,386)	(1,177,303)
	279,710,065	309,028,528	131,064,732	159,156,974
Profit after tax	**580,040,285**	**498,064,216**	**210,983,398**	**179,437,756**
Appropriation				
Statutory reserve	116,008,057	99,612,843	42,196,680	35,887,551
Dividend on preference shares	-	-	-	-
Total appropriations	116,008,057	99,612,843	42,196,680	35,887,551
Retained surplus	**464,032,228**	**398,451,373**	**168,786,718**	**143,550,205**
Earnings Per Share (Restated)	**4.76**	**4.09**	**1.73**	**1.47**

Cash Flow Statement (Unaudited)
For the half year ended 30 June 2017

Particulars	Jan to Jun '17 Taka	Jan to Jun '16 Taka
Cash flows from operating activities		
Interest received	2,218,169,450	2,130,679,889
Interest paid	(1,399,397,149)	(1,457,225,264)
Dividend received	15,297,517	7,663,351
Fees and commission received	74,693,732	70,666,484
Paid to employees	(221,670,001)	(107,707,242)
Paid to suppliers and various operating expense	(65,733,998)	(50,226,395)
Income tax paid	(222,359,714)	(268,713,033)
Received from other operating activities	17,125,380	(1,949,520)
Cash generated/(utilized) from operating activities before changes in operating assets and liabilities	416,125,220	323,188,270
Increase/(decrease) in operating assets and liabilities		
Loans and advances to customers	(3,497,633,552)	(2,660,022,089)
Purchase/sale of trading securities	(52,251,258)	29,874,269
Other assets	2,751,468	(16,804,372)
Loans and deposits from banks and other customers	3,259,173,149	1,461,378,207
Other liabilities	(30,514,080)	(34,585,589)
Cash generated/(utilized) from operating assets and liabilities	(318,474,273)	(1,220,159,574)
Net cash from operating activities	**97,650,947**	**(896,971,304)**
Cash flows from investing activities		
Other investments	10,000,000	(92,500,000)
Net proceeds/(payments) for sale/purchase of treasury bills	28,453	19,253
Purchase of fixed assets including land, building, furniture and equipments	(17,733,402)	(20,483,467)
Proceeds from disposal of fixed assets including land, building, furniture and equipments	2,579,496	85,302
Net cash used in investing activities	**(5,125,453)**	**(112,878,912)**
Cash flows from financing activities		
Payment of preference share dividend	-	-
Cash dividend paid	(182,777,765)	(42,551,403)
Payment for finance lease	-	-
Net cash used in financing activities	**(182,777,765)**	**(42,551,403)**
Net increase/(decrease) in cash and cash equivalents	(90,252,271)	(1,052,401,619)
Cash and cash equivalents (net off overdraft) at the beginning of the period	9,150,340,071	6,922,868,455
Cash and cash equivalents (net off overdraft) at the end of the period	**9,060,087,800**	**5,870,466,836**

Comparative Statement for Information of the Shareholders

Particulars	As at and for the half-year ended 30 June 2017	As at and for the half-year ended 30 June 2016
Net Assets Value (NAV) per share (Restated)	32.73	29.62
Earnings Per Share (Restated)	4.76	4.09
Net operating cash flow per share (Restated)	0.80	(7.36)

Selected explanatory notes to the Financial Statements half year ended 30 June 2017

Reporting: The half yearly Financial Statements have been prepared based on Bangladesh Accounting Standards (BAS) 34: "Interim Financial Reporting". These Financial Statements should be read in conjunction with the published Financial Statements for the six months period ended 31 December 2016 as they provide an update to previously reported information.

Accounting policies and method of computations: Accounting policies and method of computations followed in preparing these Financial Statements are in consistent with those used in the annual Financial Statements, prepared and published for the six months period ended 31 December 2016.

Earnings Per Share (EPS): Earnings per share has been calculated based on the number of shares outstanding as of 30 June 2017 and profit for the period from January to June 2017. The number of shares outstanding as of 30 June 2017 was 121,851,843. Earnings per share for the preceding period (January to June 2016) has also been calculated based on the same number of shares.

Subsequent events: No material events occurred after the reporting date, non- disclosure of which could effect the ability of the users of these Financial Statements to make proper evaluation and decision.

Statement of changes in equity (Unaudited)
For the half year ended 30 June 2017

Amount In Taka

Particulars	Paid up capital	Share premium	Statutory reserve	General & other reserves	Retained earnings	Total
Balance as on 1 January 2017	1,218,518,430	55,000,000	1,035,283,149	1,058,040,000	224,571,098	3,591,412,677
Net profit (after tax) for the period	-	-	-	-	580,040,285	580,040,285
Transferred to reserve funds	-	-	116,008,057	-	(116,008,057)	-
Dividend	-	-	-	-	(182,777,765)	(182,777,765)
Balance as on 30 June 2017	**1,218,518,430**	**55,000,000**	**1,151,291,206**	**1,058,040,000**	**505,825,561**	**3,988,675,197**
Balance as on 30 June 2016	**1,160,493,750**	**55,000,000**	**969,121,267**	**1,008,040,000**	**416,096,377**	**3,608,751,394**

Sd/- **Chairman** | Sd/- **Director** | Sd/- **Managing Director & CEO** | Sd/- **Head of Finance** | Sd/- **Company Secretary**

The published half-yearly financial statements are available in the web-site of the company. www.deltabrac.com