Delta Brac Housing Finance Corporation Ltd.

HIGHEST CREDIT RATING AAA

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Financial Statements
For the third quarter ended 30 September 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 third quarter un-audited Financial Statements of Delta Brac Housing Finance Corporation Ltd. as at and for the third quarter ended 30 September 2017 approved by the Board of Directors of the Company in its 96th Meeting held on Thursday, October 12, 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.

Condensed Balance Sheet (Unaudited)
As at 30 September 2017

Particulars	As at 30 September 2017 Taka	As at 31 December 2016 Taka
PROPERTY AND ASSETS		
Cash	589,588,922	558,798,869
In hand	103,293	68,427
Balance with Bangladesh Bank and its agent bank	589,485,629	558,730,442
Balance with other banks and financial institutions	12,049,937,610	9,272,864,801
In Bangladesh	12,049,937,610	9,272,864,801
Outside Bangladesh	-	-
Money at call on short notice	-	-
Investments	539,260,956	441,258,646
Government	1,029,234	1,057,687
Others	538,231,722	440,200,959
Loans and advances	40,645,968,182	35,838,371,384
Fixed assets including land, building, furniture & equipments	168,762,668	157,513,532
Other assets	239,917,890	202,898,065
Total assets	**54,233,436,228**	**46,471,705,297**
LIABILITIES AND CAPITAL		
LIABILITIES		
Borrowings from other banks, financial institutions and agents	5,294,244,568	6,080,579,105
Deposits and other accounts: Fixed deposits	42,388,934,531	34,393,955,116
Other liabilities	2,339,199,432	2,405,758,399
Total liabilities	**50,022,378,531**	**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	1,195,767,706	1,035,283,149
Other reserves	1,058,040,000	1,058,040,000
Retained earnings	683,731,561	224,571,098
Total shareholders' equity	**4,211,057,697**	**3,591,412,677**
Total liabilities and shareholders' equity	**54,233,436,228**	**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	690,444,764	638,770,000
Total other commitments	690,444,764	638,770,000
Total off balance sheet items including contingent liabilities	**707,184,201**	**655,509,437**

Comparative Statement for Information of the Shareholders

Particulars	As at and for the quarter ended 30 Sep 2017	As at and for the quarter ended 30 Sep 2016
Net Assets Value (NAV) per share	34.56	31.26
Earnings Per Share (EPS)	6.59	5.73
Net operating cash flow per share (NOCFPS)	28.94	25.23

Condensed Profit and Loss Account (Unaudited)
For the third quarter ended 30 September 2017

Particulars	Jan to Sep '17 Taka	Jan to Sep '16 Taka	Jul to Sep '17 Taka	Jul to Sep '16 Taka
Interest income	3,386,358,027	3,131,468,538	1,183,714,555	1,025,808,617
Interest paid on deposits and borrowings, etc.	2,154,938,243	1,911,472,025	785,683,259	645,529,740
Net interest income	**1,231,419,784**	**1,219,996,513**	**398,031,296**	**380,278,877**
Income from investment	37,633,054	9,149,953	19,571,260	13,536,853
Commission, exchange & brokerage	112,921,011	106,431,984	38,227,279	35,765,500
Other operating income	14,543,174	15,091,620	4,275,809	7,071,861
Total operating income	**1,396,517,023**	**1,350,670,070**	**460,105,644**	**436,653,091**
Salary and allowances	229,985,057	209,532,041	78,216,158	68,574,754
Rent, taxes, insurance, electricity, etc.	36,520,774	32,120,733	12,571,508	11,442,270
Legal & professional expenses	2,583,764	1,029,642	695,277	389,844
Postage, stamp,telecomunication, etc.	6,033,714	4,448,959	2,052,145	1,284,467
Stationery, printing, advertisements, etc.	10,138,545	6,538,420	2,726,411	1,510,202
Managing director's salary and fees	9,430,000	8,630,000	3,900,000	3,100,000
Directors' fees and expenses	556,435	580,555	155,830	300,738
Auditors' fees	301,875	226,406	100,625	75,469
Depreciation, repair & maintenance	27,429,904	22,211,465	8,082,904	6,820,079
Other expenses	24,970,412	23,503,741	6,406,450	6,843,543
Total operating expenses	**347,950,480**	**308,821,962**	**114,907,307**	**100,341,366**
Profit before provisions	**1,048,566,543**	**1,041,848,108**	**345,198,336**	**336,311,725**
Provision for				
Loans and advances	(159,454,783)	(93,973,226)	(21,262,895)	(7,617,019)
Diminution in value of investment	(17,617,389)	(11,266,305)	572,866	3,933,849
Total provisions	(177,072,172)	(105,239,531)	(20,690,029)	(3,683,170)
Profit before tax	**1,225,638,715**	**1,147,087,639**	**365,888,365**	**339,994,895**
Provision for tax				
Current	416,912,849	445,606,721	140,296,027	134,215,646
Deferred	6,303,081	2,785,315	3,209,838	5,147,862
	423,215,930	448,392,036	143,505,865	139,363,508
Profit after tax	**802,422,785**	**698,695,603**	**222,382,500**	**200,631,387**
Appropriation				
Statutory reserve	160,484,557	139,739,120	44,476,500	40,126,277
Dividend on preference shares	-	-	-	-
Total appropriations	160,484,557	139,739,120	44,476,500	40,126,277
Retained surplus	**641,938,228**	**558,956,483**	**177,906,000**	**160,505,110**
Earnings Per Share (Restated)	**6.59**	**5.73**	**1.83**	**1.65**

Condensed Cash Flow Statement (Unaudited)
For the third quarter ended 30 September 2017

Particulars	Jan to Sep '17 Taka	Jan to Sep '16 Taka
Cash flows from operating activities		
Interest received	3,320,044,566	3,120,190,544
Interest paid	(2,141,974,826)	(2,002,011,938)
Dividend received	28,662,558	18,006,451
Fees and commission received	112,921,011	106,431,984
Paid to employees	(288,521,994)	(164,788,235)
Paid to suppliers and various operating expense	(89,748,008)	(69,947,395)
Income tax paid	(273,687,202)	(415,860,194)
Received from other operating activities	26,821,146	5,261,980
Cash generated/(utilized) from operating activities before changes in operating assets and liabilities	694,517,251	597,283,197
Increase/(decrease) in operating assets and liabilities		
Loans and advances to customers	(4,807,269,442)	(3,639,774,179)
Purchase/sale of trading securities	(68,030,763)	19,964,617
Other assets	13,026,856	(21,285,928)
Loans and deposits from banks and other customers	7,690,107,590	6,157,453,876
Other liabilities	3,945,770	(39,013,338)
Cash generated/(utilized) from operating assets and liabilities	2,831,780,011	2,477,345,048
Net cash from operating activities	**3,526,297,262**	**3,074,628,246**
Cash flows from investing activities		
Other investments	(30,000,000)	(142,500,000)
Net proceeds/(payments) for sale/purchase of treasury bills	28,453	19,253
Purchase of fixed assets including land, building, furniture and equipments	(26,880,572)	(21,516,007)
Proceeds from disposal of fixed assets including land, building, furniture and equipments	2,658,196	86,902
Net cash used in investing activities	**(54,193,923)**	**(163,909,852)**
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	3,289,325,574	2,868,166,991
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	**12,439,665,645**	**9,791,035,446**

Selected explanatory notes to the Financial Statements for the third quarter ended 30 September 2017

Reporting: The third quarter 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 September 2017 and profit for the period from January to September 2017. The number of shares outstanding as of 30 September 2017 was 121,851,843. Earnings per share for the preceding period (January to September 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.

Condensed Statement of Changes in Equity (Unaudited)
For the third quarter ended 30 September 2017

Amount In Taka

Particulars	Paid up capital	Share premium	Statutory reserve	General & other reserves	Retained earnings	Total
Balance as on 1 Jan 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	-	-	-	-	802,422,785	802,422,785
Transferred to reserve funds	-	-	160,484,557	-	(160,484,557)	-
Dividend paid	-	-	-	-	(182,777,765)	(182,777,765)
Balance as on 30 Sept 2017	**1,218,518,430**	**55,000,000**	**1,195,767,706**	**1,058,040,000**	**683,731,561**	**4,211,057,697**
Balance as on 30 Sept 2016	**1,160,493,750**	**55,000,000**	**1,009,247,543**	**1,008,040,000**	**576,601,087**	**3,809,382,380**

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

The published Financial Statements for the third quarter ended 30 September 2017 are available in the web-site of the company. www.deltabrac.com