Islami Bank Bangladesh Limited and its Subsidiaries

Condensed Consolidated Balance Sheet

As at 30 September 2017

(Amount in Taka)

Particulars	As at 30 September 2017	As at 31 December 2016
Property and assets		
Cash in hand	**76,358,680,859**	**71,455,043,186**
Cash in hand (including foreign currency)	12,316,182,075	10,119,946,355
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)	64,042,498,784	61,335,096,831
Balance with other banks & financial institutions	**32,097,909,274**	**34,147,842,268**
In Bangladesh	32,067,925,718	32,726,556,251
Outside Bangladesh	29,983,556	1,421,286,017
Placement with banks & other financial institutions	**2,000,000,000**	**3,000,000,000**
Investments in shares & securities	**35,101,989,308**	**59,193,302,393**
Government	30,109,677,770	53,750,317,770
Others	4,992,311,538	5,442,984,623
Investments	**683,097,104,665**	**611,418,912,766**
General investments etc.	644,193,847,292	573,072,166,109
Bills purchased & discounted	38,903,257,373	38,346,746,657
Fixed assets including premises	**15,125,271,413**	**15,588,636,049**
Other assets	**6,615,772,131**	**3,122,823,552**
Non - banking assets	-	-
Total property and assets	**850,396,727,650**	**797,926,560,214**
Liabilities and capital		
Liabilities		
Placement from banks & other financial institutions	**22,624,000,000**	**16,920,973,000**
Deposits & other accounts	**716,556,769,869**	**681,044,531,409**
Mudaraba savings deposits	249,565,879,226	239,150,593,933
Mudaraba term deposits	220,337,045,330	201,314,652,601
Other mudaraba deposits	171,981,144,530	171,097,323,089
Al- wadeeah current and other deposit accounts	70,961,919,227	63,958,368,029
Bills payable	3,710,781,556	5,523,593,757
Mudaraba Perpetual Bond	**3,000,000,000**	**3,000,000,000**
Mudaraba Redeemable Subordinated Bond	**5,000,000,000**	-
Other liabilities	**52,343,870,879**	**47,868,380,209**
Deferred tax liabilities	**246,282,967**	**246,220,665**
Total liabilities	**799,770,923,715**	**749,080,105,283**
Capital/shareholders' equity	**50,625,803,935**	**48,846,454,931**
Paid - up capital	16,099,906,680	16,099,906,680
Statutory reserve	16,099,906,680	16,099,906,680
Other reserves	14,928,504,194	14,929,144,195
Retained earnings	3,497,239,166	1,717,280,377
Non-controlling interest	247,215	216,999
Total liabilities & shareholders' equity	**850,396,727,650**	**797,926,560,214**

Islami Bank Bangladesh Limited and its Subsidiaries

Condensed Consolidated Balance Sheet

As at 30 September 2017

(Amount in Taka)

Particulars	As at 30 September 2017	As at 31 December 2016
Off-balance Sheet Items		
Contingent liabilities		
Acceptances & endorsements	-	-
Letters of guarantee	12,139,892,419	11,756,790,629
Irrevocable letters of credit (including back to back bills)	135,436,021,002	119,051,089,946
Bills for collection	6,824,452,699	8,433,816,934
Other contingent liabilities	4,331,687	4,331,687
Total	**154,404,697,807**	**139,246,029,196**
Other commitments		
Documentary credits, short term and trade related transactions	-	-
Forward assets purchased and forward deposits placed	-	-
Undrawn note issuance, revolving and underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
Total	-	-
Total off-balance sheet items including contingent liabilities	**154,404,697,807**	**139,246,029,196**
Consolidated Net Asset Value (NAV) per share	**31.44**	**30.34**

The annexed notes form an integral part of these condensed interim financial report.

Md. Habibur Rahman Bhuiyan, FCA
Chief Financial Officer

J Q M Habibullah, FCS
Company Secretary

Md. Abdul Hamid Miah
Managing Director & CEO

Dr. Md. Zillur Rahman
Director

Arastoo Khan
Chairman

Islami Bank Bangladesh Limited and its Subsidiaries

Condensed Consolidated Profit & Loss Account

For the 3rd Quarter ended 30 September 2017

(Amount in Taka)

Particulars	01 January to 30 September 2017	01 January to 30 September 2016	01 July to 30 September 2017	01 July to 30 September 2016
Operating income				
Investment income	41,987,057,894	39,667,095,647	14,396,288,350	13,105,701,138
Profit paid on mudaraba deposits	(22,862,355,625)	(22,306,166,287)	(7,752,419,933)	(7,565,019,240)
Net investment income	**19,124,702,269**	**17,360,929,360**	**6,643,868,417**	**5,540,681,898**
Income from investments in shares & securities	1,043,527,993	781,794,293	458,539,473	513,961,749
Commission, exchange & brokerage income	4,673,147,430	4,157,653,017	1,604,800,682	1,262,048,299
Other operating income	1,526,347,850	1,178,654,992	51,106,889	47,088,283
Total operating income	**26,367,725,542**	**23,479,031,662**	**8,758,315,461**	**7,363,780,229**
Operating expenses				
Salary & allowances	8,935,788,478	7,992,403,995	3,108,109,760	3,180,889,233
Rent, taxes, insurances, electricity etc.	964,052,395	872,117,218	354,184,064	313,820,399
Legal expenses	11,673,301	27,865,472	2,946,967	6,249,344
Postage, stamps and telecommunication etc.	75,736,714	85,435,172	27,038,032	23,791,666
Stationery, printing and advertisement etc.	126,148,153	163,299,728	34,423,011	54,264,953
Chief executive's salary & fees	8,400,968	8,555,806	2,800,323	3,300,000
Directors' fees & expenses	9,264,510	5,984,360	3,762,100	1,521,909
Shari'ah supervisory committee's fees & expenses	1,756,186	1,442,718	682,542	152,429
Auditors' fees	1,943,975	1,929,003	647,989	758,001
Charges on investment losses	-	-	-	-
Depreciation and repair to bank's assets	1,016,324,586	808,156,841	342,597,164	275,130,813
Zakat expenses	389,678,360	315,984,705	129,892,787	105,328,235
Other expenses	1,632,431,284	1,604,624,730	536,436,211	472,648,838
Total operating expenses	**13,173,198,909**	**11,887,799,748**	**4,543,520,949**	**4,437,855,820**
Profit/ (loss) before provision	**13,194,526,633**	**11,591,231,914**	**4,214,794,512**	**2,925,924,409**
Provision for investments & off- balance sheet items	4,526,075,000	2,938,640,000	1,958,125,000	1,190,300,000
Provision for diminution in value of investments in shares	37,119,147	(86,407,949)	76,318,515	(119,827,860)
Other provisions	-	-	-	-
Total provision	**4,563,194,147**	**2,852,232,051**	**2,034,443,515**	**1,070,472,140**
Total profit/(loss) before taxes	**8,631,332,485**	**8,738,999,863**	**2,180,350,996**	**1,855,452,269**
Provision for taxation for the period	**5,241,352,813**	**4,534,816,964**	**1,696,692,104**	**1,117,124,050**
Current tax	5,241,290,512	4,534,705,481	1,696,692,104	1,117,041,325
Deferred tax	62,301	111,483	-	82,725
Net profit/ (loss) after tax	**3,389,979,673**	**4,204,182,899**	**483,658,893**	**738,328,219**
Net profit after tax attributable to:	**3,389,979,673**	**4,204,182,899**	**483,658,893**	**738,328,219**
Equity holders of IBBL	3,389,949,457	4,204,177,634	484,118,536	738,324,069
Non-controlling interest	30,216	5,265	5,113	4,150
Retained earnings from previous year/period	1,717,280,377	4,578,754,064	3,013,120,630	4,824,626,293
Add: Net profit after tax (attributable to equity holders of IBBL)	3,389,949,457	4,204,177,634	484,118,536	738,324,069
Profit available for appropriation	**5,107,229,834**	**8,782,931,698**	**3,497,239,166**	**5,562,950,362**
Appropriation:	**5,107,229,834**	**8,782,931,698**	**3,497,239,166**	**5,562,950,362**
Statutory reserve	-	-	-	-
General reserve	-	-	-	-
Dividend	1,609,990,668	3,219,981,336	-	-
Retained earnings	3,497,239,166	5,562,950,362	3,497,239,166	5,562,950,362
Consolidated Earnings Per share (EPS)	**2.11**	**2.61**	**0.31**	**0.46**

The annexed notes form an integral part of these condensed interim financial report.

Md. Habibur Rahman Bhuiyan, FCA
Chief Financial Officer

J Q M Habibullah, FCS
Company Secretary

Md. Abdul Hamid Miah
Managing Director & CEO

Dr. Md. Zillur Rahman
Director

Arastoo Khan
Chairman

Islami Bank Bangladesh Limited and its Subsidiaries
Condensed Consolidated Cash Flow Statement
For the 3rd Quarter ended 30 September 2017

(Amount in Taka)

Particulars	01 January to 30 September 2017	01 January to 30 September 2016
Cash flows from operating activities		
Investment income	41,155,139,674	36,892,455,997
Profit paid on mudaraba deposits	(23,055,245,831)	(20,635,813,267)
Income/ dividend receipt from investments in shares & securities	1,472,596,783	1,185,868,151
Fees & commission receipt in cash	4,673,147,430	4,157,653,017
Recovery from written off investments	44,882,702	24,181,036
Payments to employees	(8,919,266,888)	(9,480,793,158)
Cash payments to suppliers	(216,855,370)	(182,971,203)
Income tax paid	(4,672,726,886)	(5,892,780,620)
Receipts from other operating activities	1,711,821,114	1,160,742,306
Payments for other operating activities	(2,641,628,788)	(2,447,814,363)
(i) Operating profit before changes in operating assets	**9,551,863,940**	**4,780,727,896**
Changes in operating assets and liabilities		
Increase/(decrease) of statutory deposits	-	-
(Increase)/decrease of net trading securities	550,378,831	(194,597,752)
(Increase)/decrease of placement to other banks	1,000,000,000	(264,619,521)
(Increase)/decrease of investments to customers	(71,878,191,899)	(42,808,363,587)
(Increase)/decrease of other assets	(3,594,750,778)	(2,892,213,020)
Increase/(decrease) of placement from other banks	5,703,027,000	(5,214,490,139)
Increase/(decrease) of deposits from other banks	57,883,899	308,176,966
Increase/(decrease) of deposits received from customers	35,167,440,054	51,747,361,516
Increase/(decrease) of other liabilities account of customers	-	-
Increase/(decrease) of trading liabilities	-	-
Increase/(decrease) of other liabilities	4,763,009,648	(5,084,025,729)
(ii) Cash flows from operating assets and liabilities	**(28,231,203,246)**	**(4,402,771,266)**
Net cash flows from operating activities (A)=(i+ii)	**(18,679,339,306)**	**377,956,630**
Cash flows from investing activities		
Proceeds from sale of securities	-	-
Payment for purchase of securities/BGIIB	18,540,294,253	4,282,276,562
Payment for purchase of securities/membership	-	-
Purchase/sale of property, plants & equipments	(397,259,601)	(288,425,253)
Purchase/sale of subsidiaries	-	-
Net Cash flows from investing activities (B)	**18,143,034,652**	**3,993,851,309**
Cash flows from financing activities		
Receipts from issue of debt instruments	5,000,000,000	-
Payment for redemption of debt instruments	-	-
Receipts from issuing ordinary share/ rights share	-	-
Dividend paid in Cash	(1,609,990,668)	(3,219,981,336)
Net cash flows from financing activities (C)	**3,390,009,332**	**(3,219,981,336)**
Net increase/(decrease) in cash (A+B+C)	**2,853,704,679**	**1,151,826,603**
Add/(less): effects of exchange rate changes on cash & cash equivalent	-	
Add: cash & cash equivalents at beginning of the year	**105,602,885,454**	**80,900,673,115**
Cash & cash equivalents at the end of the period	**108,456,590,133**	**82,052,499,718**
Consolidated Net Operating Cash Flow Per Share (NOCFPS)	**(11.60)**	**0.23**

Md. Habibur Rahman Bhuiyan, FCA
Chief Financial Officer

Md. Abdul Hamid Miah
Managing Director & CEO

Dr. Md. Zillur Rahman
Director

J Q M Habibullah, FCS
Company Secretary

Arastoo Khan
Chairman

CMARSTOCK

Islami Bank Bangladesh Limited and its Subsidiaries

Condensed Consolidated Statement of Changes in Equity

For the 3rd Quarter ended 30 September 2017

(Amount in Taka)

Particulars	Paid-up capital	Share premium	Statutory reserve	General/ other reserves *	Assets revaluation reserve	Revaluation reserve of securities	Retained earnings (Restated)*	Non-controlling interest	01 January to 30 September 2017
1	2	3	4	5	6	7	8	9	10(2+3+4+5+6+7+8+9)
Balance as at 01 January 2017	16,099,906,680	1,989,633	16,099,906,680	4,045,937,434	10,807,177,128	74,040,000	1,717,280,377	216,999	48,846,454,931
Changes in accounting policy restated balance	-	-	-	-	-	-	-	-	-
Surplus/ (deficit) on account of revaluation of properties	-	-	-	-	-	-	-	-	-
Surplus/ (deficit) on account of revaluation of investments (shares & securities)	-	-	-	-	-	(640,000)	-	-	(640,000)
Currency translation differences	-	-	-	-	-	-	-		-
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	3,389,949,457	30,216	3,389,979,673
Transfer to reserve	-	-	-	-	-	-	-	-	-
Dividend:									
Bonus shares	-	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	-	(1,609,990,668)	-	(1,609,990,668)
Issue of Share Capital	-	-	-	-	-	-	-	-	-
Total shareholders' equity as on 30 September 2017	16,099,906,680	1,989,633	16,099,906,680	4,045,937,434	10,807,177,128	73,400,000	3,497,239,166	247,215	50,625,803,935
Total shareholders' equity as on 30 September 2016 (Restated)	16,099,906,680	1,989,633	16,099,906,680	232,377,360	10,904,468,771	80,360,000	5,153,326,450	68,212	48,572,403,786
Add: Mudaraba Perpetual Bond	-	-	-	-	-	-	-	-	3,000,000,000
Add: Subordinated Bond	-	-	-	-	-	-	-	-	5,000,000,000
Add: General provision for unclassified investments and off- balance sheet items (Note-3.2)	-	-	-	6,433,180,000	-	-	-	-	6,433,180,000
Adjustment for currency translation differences	-	-	-	(9,417,220)	-	-	-	-	(9,417,220)
Less: Assets revaluation reserve (Note-3.2)	-	-	-	-	(8,507,382,864)	-	-	-	(8,507,382,864)
Less: Revaluation reserve of securities (Note-3.2)	-	-	-	-	-	(57,100,000)	-	-	(57,100,000)
Total shareholders' equity as on 30 September 2017	16,099,906,680	1,989,633	16,099,906,680	10,469,700,214	2,299,794,264	16,300,000	3,497,239,166	247,215	56,485,083,851
Total shareholders' equity as on 30 September 2016 (Restated)	16,099,906,680	1,989,633	16,099,906,680	5,998,872,601	3,449,691,396	24,450,000	5,153,326,450	68,212	49,828,211,652

*Note : general / other reserves	01.01.2017	30.09.2016
General reserve	4,004,520,214	196,062,601
Dividend equalization	32,000,000	32,000,000
Currency translation differences (Translation reserve)	9,417,220	4,314,759
Total	**4,045,937,434**	**232,377,360**

* Retained earnings have been restated due to changes of accounting policy as per BAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors". A separate disclousure has been shown at note no 2.5.

Md. Habibur Rahman Bhuiyan, FCA
Chief Financial Officer

J Q M Habibullah, FCS
Company Secretary

Md. Abdul Hamid Miah
Managing Director & CEO

Dr. Md. Zillur Rahman
Director

Arastoo Khan
Chairman

TALKSTOCK

Islami Bank Bangladesh Limited
Condensed Balance Sheet
As at 30 September 2017

(Amount in Taka)

Particulars	As at 30 September 2017	As at 31 December 2016
Property and assets		
Cash in hand	**76,358,650,859**	**71,455,041,556**
Cash in hand (including foreign currency)	12,316,152,075	10,119,944,725
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)	64,042,498,784	61,335,096,831
Balance with other banks & financial institutions	**24,703,269,056**	**27,969,527,234**
In Bangladesh	24,673,285,500	26,548,241,217
Outside Bangladesh	29,983,556	1,421,286,017
Placement with banks & other financial institutions	**2,000,000,000**	**3,000,000,000**
Investments in shares & securities	**36,787,952,537**	**60,328,886,791**
Government	30,109,677,770	53,750,317,770
Others	6,678,274,767	6,578,569,021
Investments	**688,297,104,665**	**616,418,912,766**
General investments etc.	649,393,847,292	578,072,166,109
Bills purchased & discounted	38,903,257,373	38,346,746,657
Fixed assets including premises	**15,123,656,930**	**15,586,914,329**
Other assets	**6,445,570,633**	**2,940,373,502**
Non - banking assets	-	-
Total property and assets	**849,716,204,680**	**797,699,656,178**
Liabilities and capital		
Liabilities		
Placement from banks & other financial institutions	**22,624,000,000**	**16,920,973,000**
Deposits & other accounts	**716,929,933,045**	**681,352,249,392**
Mudaraba savings deposits	249,573,977,827	239,163,357,296
Mudaraba term deposits	220,567,045,330	201,544,652,601
Other mudaraba deposits	171,983,266,259	171,101,256,416
Al- wadeeah current and other deposit accounts	71,094,862,073	64,019,389,322
Bills payable	3,710,781,556	5,523,593,757
Mudaraba Perpetual Bond	**3,000,000,000**	**3,000,000,000**
Mudaraba Redeemable Subordinated Bond	**5,000,000,000**	-
Other liabilities	**51,805,205,246**	**47,440,682,596**
Deferred tax liabilities	**246,802,968**	**246,802,967**
Total liabilities	**799,605,941,259**	**748,960,707,955**
Capital/shareholders' equity	**50,110,263,421**	**48,738,948,223**
Paid - up capital	16,099,906,680	16,099,906,680
Statutory reserve	16,099,906,680	16,099,906,680
Other reserves	14,928,504,194	14,929,144,195
Retained earnings	2,981,945,867	1,609,990,668
Total liabilities & shareholders' equity	**849,716,204,680**	**797,699,656,178**

Islami Bank Bangladesh Limited
Condensed Balance Sheet
As at 30 September 2017

(Amount in Taka)

Particulars	As at 30 September 2017	As at 31 December 2016
Off-balance Sheet Items		
Contingent liabilities		
Acceptances & endorsements	-	-
Letters of guarantee	12,139,892,419	11,756,790,629
Irrevocable letters of credit (including back to back bills)	135,436,021,002	119,051,089,946
Bills for collection	6,824,452,699	8,433,816,934
Other contingent liabilities	4,331,687	4,331,687
Total	**154,404,697,807**	**139,246,029,196**
Other commitments		
Documentary credits, short term and trade related transactions	-	-
Forward assets purchased and forward deposits placed	-	-
Undrawn note issuance, revolving and underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
Total	-	-
Total off-balance sheet items including contingent liabilities	**154,404,697,807**	**139,246,029,196**
Net Asset Value (NAV) per share	**31.12**	**30.27**

The annexed notes form an integral part of these condensed interim financial report.

Md. Habibur Rahman Bhuiyan, FCA
Chief Financial Officer

J Q M Habibullah, FCS
Company Secretary

Md. Abdul Hamid Miah
Managing Director & CEO

Dr. Md. Zillur Rahman
Director

Arastoo Khan
Chairman

AMARSTOCK

Islami Bank Bangladesh Limited
Condensed Profit & Loss Account
For the 3rd Quarter ended 30 September 2017

(Amount in Taka)

Particulars	01 January to 30 September 2017	01 January to 30 September 2016	01 July to 30 September 2017	01 July to 30 September 2016
Operating income				
Investment income	41,995,040,484	39,667,095,647	14,404,270,940	13,105,701,138
Profit paid on mudaraba deposits	(23,112,955,677)	(22,312,434,637)	(7,997,315,582)	(7,566,762,951)
Net investment income	**18,882,084,807**	**17,354,661,010**	**6,406,955,358**	**5,538,938,187**
Income from investments in shares & securities	404,904,208	384,453,297	63,115,880	138,635,448
Commission, exchange & brokerage income	4,634,695,958	4,141,017,739	1,590,973,040	1,257,154,979
Other operating income	1,752,198,472	1,164,870,507	504,017,977	243,873,268
Total operating income	**25,673,883,445**	**23,045,002,553**	**8,565,062,255**	**7,178,601,882**
Operating expenses				
Salary & allowances	8,922,336,229	7,978,479,138	3,103,705,563	3,176,048,070
Rent, taxes, insurances, electricity etc.	960,361,769	868,925,182	352,934,180	312,747,343
Legal expenses	11,673,301	27,865,472	2,946,967	6,249,344
Postage, stamps and telecommunication etc.	75,643,552	85,249,883	27,024,042	23,736,611
Stationery, printing and advertisement etc.	125,886,585	163,003,269	34,309,019	54,168,038
Chief executive's salary & fees	8,400,968	8,555,806	2,800,323	3,300,000
Directors' fees & expenses	8,353,710	5,423,160	3,476,900	1,098,709
Shari'ah supervisory committee's fees & expenses	1,756,186	1,442,718	682,542	152,429
Auditors' fees	1,875,000	1,860,000	625,000	735,000
Charges on investment losses	-	-	-	-
Depreciation and repair to bank's assets	1,015,270,978	806,840,209	341,690,676	273,990,981
Zakat expenses	389,678,360	315,984,705	129,892,787	105,328,235
Other expenses	1,463,062,454	1,447,692,676	485,860,127	420,698,076
Total operating expenses	**12,984,299,091**	**11,711,322,218**	**4,485,948,125**	**4,378,252,836**
Profit/ (loss) before provision	**12,689,584,354**	**11,333,680,335**	**4,079,114,130**	**2,800,349,046**
Provision for investments & off- balance sheet items **(Note-7.0)**	4,526,075,000	2,938,640,000	1,958,125,000	1,178,860,328
Provision for diminution in value of investments in shares	45,888,649	-	45,888,649	-
Other provisions	-	-	(464,756)	-
Total provision	**4,571,963,649**	**2,938,640,000**	**2,003,548,893**	**1,178,860,328**
Total profit/(loss) before taxes	**8,117,620,704**	**8,395,040,335**	**2,075,565,236**	**1,621,488,718**
Provision for taxation for the period	**5,135,674,838**	**4,452,318,712**	**1,661,871,139**	**1,090,055,604**
Current tax	5,135,674,838	4,452,318,712	1,661,871,139	1,090,055,604
Deferred tax	-	-	-	-
Net profit/ (loss) after tax	**2,981,945,867**	**3,942,721,623**	**413,694,098**	**531,433,114**
Retained earnings from previous year/period	1,609,990,668	4,485,783,865	2,568,251,769	4,677,091,038
Add: Net profit after tax	2,981,945,867	3,942,721,623	413,694,098	531,433,114
Profit available for appropriation	**4,591,936,535**	**8,428,505,488**	**2,981,945,867**	**5,208,524,152**
Appropriation:	**4,591,936,535**	**8,428,505,488**	**2,981,945,867**	**5,208,524,152**
Statutory reserve	-	-	-	-
General reserve	-	-	-	-
Dividend	1,609,990,668	3,219,981,336	-	-
Retained earnings	2,981,945,867	5,208,524,152	2,981,945,867	5,208,524,152
Earnings Per Share (EPS)	**1.85**	**2.45**	**0.25**	**0.33**

The annexed notes form an integral part of these condensed interim financial report.

Md. Habibur Rahman Bhuiyan, FCA
Chief Financial Officer

J Q M Habibullah, FCS
Company Secretary

Md. Abdul Hamid Miah
Managing Director & CEO

Dr. Md. Zillur Rahman
Director

Arastoo Khan
Chairman

Islami Bank Bangladesh Limited
Condensed Cash Flow Statement
For the 3rd Quarter ended 30 September 2017

(Amount in Taka)

Particulars	01 January to 30 September 2017	01 January to 30 September 2016
Cash flows from operating activities		
Investment income	41,155,139,674	36,892,455,997
Profit paid on mudaraba deposits	(23,055,245,831)	(20,635,813,267)
Income/ dividend receipt from investments in shares & securities	833,972,998	788,527,155
Fees & commission receipt in cash	4,634,695,958	4,141,017,739
Recovery from written off investments	44,882,702	24,181,036
Payments to employees	(8,905,814,639)	(9,466,868,301)
Cash payments to suppliers	(216,593,802)	(182,674,744)
Income tax paid	(4,598,026,813)	(5,821,517,332)
Receipts from other operating activities	1,687,071,684	1,140,689,471
Payments for other operating activities	(2,463,029,339)	(2,286,874,781)
(i) Operating profit before changes in operating assets	**9,117,052,592**	**4,593,122,973**
Changes in operating assets and liabilities		
Increase/(decrease) of statutory deposits	-	-
(Increase)/decrease of net trading securities	-	-
(Increase)/decrease of placement to other banks	1,000,000,000	-
(Increase)/decrease of investments to customers	(71,878,191,899)	(42,808,363,587)
(Increase)/decrease of other assets	(3,505,197,131)	(2,693,462,929)
Increase/(decrease) of placement from other banks	5,703,027,000	(5,214,490,139)
Increase/(decrease) of deposits from other banks	57,883,899	308,176,966
Increase/(decrease) of deposits received from customers	35,519,799,754	52,066,078,843
Increase/(decrease) of other liabilities account of customers	-	-
Increase/(decrease) of trading liabilities	-	-
Increase/(decrease) of other liabilities	4,090,050,252	(287,586,491)
(ii) Cash flows from operating assets and liabilities	**(29,012,628,126)**	**1,370,352,663**
Net cash flows from operating activities (A)=(i+ii)	**(19,895,575,534)**	**5,963,475,636**
Cash flows from investing activities		
Proceeds from sale of securities	-	-
Payment for purchase of securities/BGIIB	18,540,294,253	4,282,276,562
Payment for purchase of securities/membership	-	-
Purchase/sale of property, plants & equipments	(397,376,927)	(287,375,925)
Purchase/sale of subsidiaries	-	-
Net Cash flows from investing activities (B)	**18,142,917,326**	**3,994,900,637**
Cash flows from financing activities		
Receipts from issue of debt instruments	5,000,000,000	-
Payment for redemption of debt instruments	-	-
Receipts from issuing ordinary share/ rights share	-	-
Dividend paid in Cash	(1,609,990,668)	(3,219,981,336)
Net cash flows from financing activities (C)	**3,390,009,332**	**(3,219,981,336)**
Net increase/(decrease) in cash (A+B+C)	**1,637,351,125**	**6,738,394,937**
Add/(less): effects of exchange rate changes on cash & cash equivalent	-	-
Add: cash & cash equivalents at beginning of the year	**99,424,568,790**	**75,022,398,248**
Cash & cash equivalents at the end of the period	**101,061,919,915**	**81,760,793,185**
Net Operating Cash Flow Per Share (NOCFPS)	**(12.36)**	**3.70**

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Managing Director & CEO

Dr. Md. Zillur Rahman
Director

J Q M Habibullah, FCS
Company Secretary

Arastoo Khan 22/10/17
Chairman

Islami Bank Bangladesh Limited
Condensed Statement of Changes in Equity
For the 3rd Quarter ended 30 September 2017

(Amount in Taka)

Particulars	Paid-up capital	Share premium	Statutory reserve	General/other reserves*	Assets revaluation reserve	Revaluation reserve of securities	Retained earnings (Restated)*	01 January to 30 September 2017
1	2	3	4	5	6	7	8	9 (2+3+4+5+6+7+8)
Balance as at 01 January 2017	16,099,906,680	1,989,633	16,099,906,680	4,045,937,434	10,807,177,128	74,040,000	1,609,990,668	48,738,948,223
Changes in accounting policy restated balance	-	-	-	-	-	-	-	-
Surplus/ (deficit) on account of revaluation of properties	-	-	-	-	-	-	-	-
Surplus/ (deficit) on account of revaluation of investments (shares & securities)	-	-	-	-	-	(640,000)	-	(640,000)
Currency translation differences	-	-	-	-	-	-	-	-
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-		2,981,945,867	2,981,945,867
Transfer to reserve	-	-	-	-	-	-		-
Divedend :	-	-	-	-	-		-	-
Bonus shares	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	-	(1,609,990,668)	(1,609,990,668)
Issue of Share Capital	-	-	-	-	-	-	-	-
Total shareholders' equity as on 30 Septermber 2017	16,099,906,680	1,989,633	16,099,906,680	4,045,937,434	10,807,177,128	73,400,000	2,981,945,867	50,110,263,421
Total shareholders' equity as on 30 September 2016 (Restated)*	16,099,906,680	1,989,633	16,099,906,680	232,377,360	10,904,468,771	80,360,000	4,798,900,240	48,217,909,364
Add: Mudaraba Perpetual Bond	-	-	-	-	-	-	-	3,000,000,000
Add: Subordinated Bond	-	-	-	-	-	-	-	5,000,000,000
Add: General provision for unclassified investments and off- balance sheet items (Note-3.2)	-	-	-	6,433,180,000	-	-	-	6,433,180,000
Adjustment for currency translation differences	-	-	-	(9,417,220)	-	-	-	(9,417,220)
Less: Assets revaluation reserve (Note-3.2)	-	-	-	-	(8,507,382,864)	-	-	(8,507,382,864)
Less: Revaluation reserve of securities (Note-3.2)	-	-	-	-	-	(57,100,000)	-	(57,100,000)
Total equity as on 30 September 2017	16,099,906,680	1,989,633	16,099,906,680	10,469,700,214	2,299,794,264	16,300,000	2,981,945,867	55,969,543,337
Total equity as on 30 September 2016 (Restated)*	16,099,906,680	1,989,633	16,099,906,680	5,998,872,601	3,449,691,396	24,450,000	4,798,900,240	49,473,717,229

*Note : general / other reserves	01.01.2017	30.09.2016
General reserve	4,004,520,214	196,062,601
Dividend equalization	32,000,000	32,000,000
Currency translation differences (Translation reserve)	9,417,220	4,314,759
Total	**4,045,937,434**	**232,377,360**

* Retained earnings have been restated due to changes of accounting policy as per BAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors". A separate disclousure has been shown at note no 2.5.

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Chief Financial Officer

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Company Secretary

Md. Abdul Hamid Miah
Managing Director & CEO

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Director

Arastoo Khan
Chairman

Islami Bank Bangladesh Limited and its Subsidiaries
Notes to the condensed consolidated interim financial report
As at and for the 3rd Quarter ended 30 September 2017

1.0 The Bank and its activities

1.1 Islami Bank Bangladesh Limited (hereinafter referred to as "the Bank" or "IBBL") was established as a Public Limited Banking Company in Bangladesh in 1983 as the first Shari'ah based Scheduled Commercial Bank in the South East Asia. Naturally, its modus operandi is substantially different from those of other conventional Commercial Banks. The Bank conducts its business on the Shari'ah principles of Mudaraba, Musharaka, Bai-Murabaha, Bai-Muajjal, Hire Purchase under Shirkatul Melk, Bai-Salam and Bai-as-Sarf etc. There is a Shari'ah Supervisory Committee in the Bank which ensures that the activities of the Bank are being conducted on the precepts of Islam.

The shares of the Bank are listed with both Dhaka Stock Exchange (DSE) Limited and Chittagong Stock Exchange (CSE) Limited. The Bank carries out its business activities through its Head Office in Dhaka, 16 Zonal Offices, 328 branches including 58 Authorised Dealer (AD) branches and 3 (three) Off-shore Banking Units (OBUs) in Bangladesh. The Principal place of business is the Registered Office of the Bank situated at Islami Bank Tower, 40, Dilkusha Commercial Area, Dhaka-1000, Bangladesh.

This interim financial report as at and for the 3rd Quarter ended 30 September 2017 includes the condensed consolidated and the separate financial report of the Bank. The condensed consolidated interim financial report comprises the financial statements of the Bank and its two subsidiaries - Islami Bank Securities Limited (IBSL) and Islami Bank Capital Management Limited (IBCML) - together referred to as "the Companies".

1.2 **Nature of business/principal activities of the Bank**

All kinds of commercial banking services including Islamic micro-finance under Rural Development Scheme (RDS) and Urban Poor Development Scheme (UPDS), mobile financial services under the "Islami Bank mCash" are provided by the Bank to the customers following the principles of Islamic Shari'ah, the provisions of the Bank Company Act, 1991 as amended, Bangladesh Bank's directives and directives of other regulatory authorities. The Bank also provide services to its clients through currently 3(three) offshore-banking units (OBUs) located at Head Office Complex Branch, Agrabad Branch and Uttara Branch.

2.0 Basis of preparation

2.1 **Statement of compliance**

The operations of the Bank and its subsidiaries are in strict compliance with the rules of Islamic Shari'ah. This condensed consolidated and separate interim financial report for the 3rd Quarter ended 30 September 2017 of the Bank has been prepared in accordance with *"BAS: 34 Interim Financial Reporting"* and as per Bangladesh Bank (BB) Department of Banking Inspection (DBI) Circular Letter No. 01 dated 24 February 2004, as per Rule 13 of Securities & Exchange Rules 1987 and Financial Reporting Act 2015. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Bank since the last annual consolidated and separate financial statements as at and for the year ended 31 December 2016. This condensed consolidated and separate interim financial report does not include all the information required for full annual financial statements prepared in accordance with Bangladesh Financial Reporting Standards.

2.2 **Authorization of the financial statements for issue**

The condensed consolidated and separate interim financial report of the Bank have been authorized for issue by the Board of Directors on 19 October 2017.



2.3 **Use of estimates and judgments**

Preparing the interim financial report requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated and separate interim financial report, significant judgements made by Management in applying the Companies'/Bank's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated and separate financial statements as at and for the year ended 31 December 2016.

2.4 **Reporting period**

These condensed consolidated and separate interim financial report of the Bank and its subsidiaries cover up to 3rd Quarter from 1 January 2017 to 30 September 2017.

2.5 **Prior period adjustments**

Prior period adjustments, if any, to be recognized retrospectively as per BAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". Accordingly for the year ended 2016 an adjustment was made on through retrospective application for adjustment of opening balance of 2015 of each affected components of equity. Consequently retained earnings & assets revaluation reserves as on 30.09.2016 have been restated. Another adjustment was made in the year ended 2016 for reversing the amount of tax payable on zakat expenses from retained earning to zakat payable account. Due to the above prior period adjustment retained earnings and Assets revaluation reserve as on 30.09.2016 have been adjusted by Tk.409,623,912 & Tk.594,502,549 respectively which resulted to decrease of Net Asset Value (NAV) by Tk.0.62 in solo & Consolidated basis as on 30 September 2016. Consequent to this eligible capital under BASEL-III has been changed by the same amount. However, due to the changes, there is no effect on Earning Per Share(EPS) at the Quarter ended 30 September 2016.

3.0 Significant accounting policies

Except as described below, the accounting policies applied by the Bank and its Subsidiaries in this condensed consolidated and separate interim financial report are the same as those applied by the Bank and its Subsidiaries in its consolidated and separate financial statements as at and for the year ended 31 December 2016.

3.1 **Income tax expenses**

No deferred tax has been calculated for this period.

3.2 **Regulatory capital in line with Basel-III**

As per Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for Banks in line with Basel-III), the amount of general provision for regulatory capital will be maximum 1.25% of Risk Weighted Assets against Credit Risk and assets revaluation reserve and revaluation reserve of securities will gradually be deducted in a transitional arrangement starting from January 2015 to December 2019 (20% in each year). Subsequently as per BRPD Circular No-5, dated 31 May 2016, the full amount of general provision has been made eligible while calculating eligible capital of the bank. Accordingly regulatory capital for the period has been calculated complying with all of these changes as per Revised Regulatory Capital Framework for Banks in line with Basel-III. The Bank issued Tk.5,000 million Mudaraba Redeemable Suordinated Bond under Tier-2 capital which was considered while calculating eligible capital of the bank.

4.0 Dividend payments

The honorable shareholders of the Bank approved 10% cash dividend for the year 2016 in the 34th Annual General Meeting (AGM) of the Bank held on 23 May 2017. The dividend was paid during the 2nd quarter of the year 2017.

5.0 Events after the reporting period

There were no material events subsequent to the interim reporting period that have not been reflected in the financial statements for the interim period.

ISLAMI BANK BANGLADESH LTD. DHAKA FAD. H.O.

6.0 Consolidated Fixed assets including premises, furniture and fixtures

	30 September 2017 Taka	31 December 2016 Taka
Opening balance (book/written down value)	**15,588,636,049**	**15,838,557,191**
Add: Acquisition/ addition/ purchase during the period	398,323,298	640,685,142
Less: Sale/disposal/adjustment during the period	977,788	71,451,294
Depreciation charged during the period	860,710,146	819,154,990
Closing book value/written down value at the end of the period	**15,125,271,413**	**15,588,636,049**

7.0 Provision for un-classified, classified investment and Off-balance sheet items including Off-shore Banking Units (OBU)

	30 September 2017 Taka	30 September 2016 Taka
A. Opening balance as on 1 January*	**26,787,820,000**	**23,255,000,000**
General Provision for Unclassified Investment including OBU	4,841,410,000	4,169,710,000
Provision for Classified Investment	20,553,810,000	17,751,490,000
Provision for Off-Balance Sheet items	1,392,600,000	1,333,800,000
B. Total deduction/adjustment from classified investment for the period	-	-
C. Available balance of provision (A-B)	**26,787,820,000**	**23,255,000,000**
D. Provision made during the period*	**4,526,075,000**	**2,938,640,000**
General Provision for Unclassified Investment including OBU	47,770,000	299,430,000
Provision for Classified Investment	4,326,905,000	2,671,340,000
Provision for Off-Balance Sheet items	151,400,000	(32,130,000)
E. Closing balance as on 30 September (C+D)	**31,313,895,000**	**26,193,640,000**
General Provision for Unclassified Investment including OBU	4,889,180,000	4,469,140,000
Provision for Classified Investment	24,880,715,000	20,422,830,000
Provision for Off-Balance Sheet items	1,544,000,000	1,301,670,000

8.0 Earnings per share (EPS)

	01 January to 30 September 2017	01 January to 30 September 2016
a) Attributable profit for the period	2,981,945,867	3,942,721,623
b) Weighted average number of ordinary share during the period	1,609,990,668	1,609,990,668
Basic earnings per share (EPS) (a ÷ b)	**1.85**	**2.45**

Diluted earnings per share is not applicable since there is no possibility of dilution of shares during the year/period.

9.0 Consolidated earnings per share

a) Attributable profit for distribution to shareholders of IBBL for the period	3,389,949,457	4,204,177,634
b) Weighted average number of ordinary share during the period	1,609,990,668	1,609,990,668
Consolidated basic earnings per share (EPS) (a ÷ b)	**2.11**	**2.61**

10.0 Consolidated segment reporting

The consolidated segment reporting has been shown in annnexure A.

11.0 Net Operating Cash Flow Per Share (NOCFPS)

The Net Operating Cash Flow Per Share (NOCFPS) becomes negative due to negative net cash flows from operating activities which emanates from higher disbursement of investment i.e. outflow of Tk.71,878.19 million against inflow of Tk.35,225.32 million from deposit during the period i.e. 01 January 2017 to 30 September 2017.

ISLAMI BANK BANGLADESH LTD. DHAKA FAD. H.O.

Islami Bank Bangladesh Limited
Consolidated segment reporting
For the 3rd Quarter ended 30 September 2017

A. Segmental operating profit and loss

Annexure - A

(Amount in Taka)

Particulars	Head Office Controlled Branchs	Dhaka Central Zone	Dhaka South Zone	Dhaka North Zone	Khulna Zone	Comilla Zone	Rajshahi Zone	Chittagong South Zone	Noakhali Zone	Common	Consolidated
Investment income	6,099,780,000	4,991,390,000	1,791,900,000	2,799,720,000	2,027,710,000	2,999,810,000	2,505,530,000	2,339,430,000	2,603,900,000	13,827,887,894	41,987,057,894
Profit paid on mudaraba deposits	(1,694,750,000)	(1,881,100,000)	(825,250,000)	(1,323,110,000)	(986,670,000)	(1,600,160,000)	(825,150,000)	1,429,920,000	(1,454,290,000)	(13,701,795,625)	(22,862,355,625)
Profit received/(paid) on IB Geneal Account	(5,105,310,000)	(1,440,340,000)	646,570,000	1,027,940,000	357,660,000	1,636,990,000	(511,810,000)	1,475,070,000	1,396,680,000	4,588,760,000	-
Net investment income	**(700,280,000)**	**1,669,950,000**	**1,613,220,000**	**2,504,550,000**	**1,398,700,000**	**3,036,640,000**	**1,168,570,000**	**5,244,420,000**	**2,546,290,000**	**4,714,852,269**	**19,124,702,269**
Commission, exchange & other income	1,286,430,000.00	1,286,430,000	825,030,000	156,410,000	139,300,000	99,600,000	175,990,000	91,540,000	105,960,000	3,076,333,273	7,243,023,273
Total operating income	**586,150,000**	**2,956,380,000**	**2,438,250,000**	**2,660,960,000**	**1,538,000,000**	**3,136,240,000**	**1,344,560,000**	**5,335,960,000**	**2,652,250,000**	**7,791,185,542**	**26,367,725,542**
Total operating expenses	(724,580,000)	(749,890,000)	(462,010,000)	(597,920,000)	(512,960,000)	(523,260,000)	(535,150,000)	(444,470,000)	(461,290,000)	(8,886,248,909)	(13,173,198,909)
Operating Profit for the 3rd Quarter ended 30 September 2017	**(138,430,000)**	**2,206,490,000**	**1,976,240,000**	**2,063,040,000**	**1,025,040,000**	**2,612,980,000**	**809,410,000**	**4,891,490,000**	**2,190,960,000**	**(1,095,063,367)**	**13,194,526,633**
Operating Profit for the 3rd Quarter ended 30 September 2016	**5,374,680,000**	**2,305,800,000**	**1,364,450,000**	**4,621,241,653**	**813,640,000**	**904,750,000**	**1,441,980,000**	**604,140,000**	**772,730,000**	**(6,611,889,739)**	**11,591,231,914**

There are 18 operating segments including subsidiaries for the period ended 30 September 2017. Out of which only 9 are reportable as per BFRS 8 "Operating segments" Hence other non-reportable segments have been shown as under 'Common'.

B. Segmental assets and liabilities

The necessary information regarding assets and liabilities of operating segments (except subsidiaries) are not separable and individually identifiable for this purpose. For this reason the assets and liabilities of the respective segments have not been presented.

ISLAMI BANK BANGLADESH LTD. DHAKA FAD. H.O.

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