Mercantile Bank Limited

Un-audited
Financial Statements
For the period 01 January 2017 to 30 September 2017

Financial Administration Division, Head Office
61, Dilkusha Commercial Area, Dhaka – 1000, Bangladesh

বাংলার ব্যাংক
মার্কেন্টাইল ব্যাংক লিমিটেড
Mercantile Bank Limited
efficiency is our strength

AMARSTOCK

Mercantile Bank Limited and its Subsidiaries
Un-audited Consolidated Balance Sheet
As at 30 September 2017

	Amount in BDT	
	Sep-17	Dec-16
Property and Assets		
Cash in hand	**14,632,916,593**	**12,501,632,123**
Cash in hand (Including foreign currencies)	1,930,308,946	1,724,292,311
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)	12,702,607,647	10,777,339,812
Balance with other banks and financial institutions	**2,439,191,163**	**3,752,891,993**
In Bangladesh	2,187,939,071	3,394,173,928
Outside Bangladesh	251,252,092	358,718,065
Money at call on short notice	-	-
Investments	**32,807,453,184**	**30,200,687,896**
Government	26,655,413,215	24,271,567,529
Others	6,152,039,969	5,929,120,367
Loans and Advances	**194,747,601,272**	**154,116,150,199**
Loans, Cash Credit, Overdraft etc.	174,350,712,181	141,073,305,556
Bills purchased and discounted	20,396,889,091	13,042,844,643
Fixed assets including premises, furniture and fixtures	**3,121,283,471**	**3,199,089,093**
Other assets	**3,226,551,114**	**1,264,942,686**
Non- banking assets	-	-
Total Property and Assets	**250,974,996,797**	**205,035,393,990**
Liabilities and Capital		
Liabilities		
Borrowings from other banks, financial institutions and agents	**28,370,306,350**	**8,804,043,480**
Deposits and other Accounts	**181,554,272,356**	**155,783,565,760**
Current Accounts and other Accounts	46,528,023,591	34,703,950,386
Bills Payable	2,313,622,678	2,445,955,797
Savings Bank Deposits	19,339,541,787	16,601,527,469
Fixed Deposits	51,247,013,449	36,776,569,142
Deposits Under Schemes	62,126,070,851	65,255,562,966
Subordinated Bond	**2,400,000,000**	**3,000,000,000**
Other Liabilities	**21,512,339,847**	**20,578,455,563**
Total Liabilities	**233,836,918,552**	**188,166,064,803**
Capital/Shareholders' Equity	**17,087,524,836**	**16,818,844,936**
Paid up Capital	7,761,145,370	7,391,567,010
General Reserve	240,000,000	-
Statutory Reserve	6,112,955,355	5,449,253,039
Other Reserve	1,546,543,049	2,430,109,418
Surplus in Profit & Loss Account	1,426,881,062	1,547,915,469
Non Controlling Interest	50,553,409	50,484,252
Total Shareholders' Equity	**17,138,078,245**	**16,869,329,187**
Total Liabilities & Shareholders' Equity	**250,974,996,797**	**205,035,393,990**

Un-audited Consolidated Balance Sheet
As at 30 September 2017

	Amount in BDT	
	Sep-17	Dec-16
Off-Balance Sheet Items		
Contingent Liabilities		
Acceptances and Endorsements	33,275,618,954	26,754,596,178
Letters of Guarantee	11,347,312,778	8,300,212,805
Irrevocable Letters of Credit	46,580,265,278	33,790,013,239
Bills for Collection	7,567,468,948	10,116,331,039
Other contingent liabilities(BLW)	2,374,723,148	2,736,632,233
Total	101,145,389,107	81,697,785,494
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	-	-
Total Off-Balance Sheet Items including contingent liabilities	101,145,389,107	81,697,785,494
Net Asset Value Per Share (NAVPS)	22.08	22.82

The annexed notes form an integral part of these financial statements.

Company Secretary

Chief Financial Officer

Managing Director and CEO

Director

Chairman

Mercantile Bank Limited and its Subsidiaries
Un-audited Consolidated Profit & Loss Account
For the 3rd Quarter 30 September 2017

	Amount in BDT	
	Sep-17	Sep-16
Interest income	11,876,029,041	10,204,652,397
Less: Interest Paid on deposits, borrowings etc.	9,405,055,779	8,059,679,344
Net interest income	**2,470,973,262**	**2,144,973,053**
Investment income	2,419,876,882	2,262,171,862
Commission, exchange and brokerage	1,944,012,038	1,365,011,199
Other operating income	1,764,697,257	1,531,967,056
	6,128,586,177	**5,159,150,118**
Total operating income	**8,599,559,440**	**7,304,123,170**
Salaries and allowances	1,885,571,758	1,805,856,656
Chief Executive's salary and fees	12,748,710	8,530,645
Directors' fees	4,521,989	4,826,800
Rent, taxes, insurances, electricity etc.	518,902,121	472,328,112
Legal expenses	13,327,629	6,499,310
Postage, stamps, telecommunication etc.	50,080,945	47,227,318
Stationery, Printings, Advertisements etc.	152,595,703	146,661,470
Auditors' fees	471,970	115,000
Depreciation and repair of Bank's assets	295,655,075	286,542,347
Other expenses	1,089,743,300	1,638,816,107
Total operating expenses	**4,023,619,198**	**4,417,403,765**
Profit/(Loss) before provision	**4,575,940,241**	**2,886,719,406**
Provision for loans and advances including off Balance Sheet items	1,237,881,350	140,467,158
Provision for diminution in value of investments in shares	-	-
Other provision	-	45,000,000
Total provision	**1,237,881,350**	**185,467,158**
Total Profit/(Loss) before Taxes	**3,338,058,891**	**2,701,252,248**
Provision for Current Tax	1,076,557,906	1,395,000,000
Provision for Deferred Tax	-	5,000,000
	1,076,557,906	**1,400,000,000**
Net Profit after Taxation	**2,261,500,986**	**1,301,252,248**
Retained surplus brought forward from previous year	69,635,802	16,565,369
Profit available for appropriation	**2,331,136,787**	**1,317,817,616**
Appropriations		
Statutory Reserve	663,702,316	538,947,485
General Reserve	240,000,000	-
Non Controlling Interest in Profit	553,409	2,733,535
Retained surplus	1,426,881,062	776,136,596
	2,331,136,787	**1,317,817,616**
Consolidated Earnings Per Share (EPS)	**2.91**	**1.68**

The annexed notes form an integral part of these financial statements.

Company Secretary **Chief Financial Officer**

Managing Director and CEO

Director **Chairman**

Mercantile Bank Limited and its Subsidiaries
Un-audited Consolidated Profit & Loss Account
For the 3rd Quarter 30 September 2017

	Amount in BDT			
	Jan-Sep'17	Jan-Sep'16	July-Sep'17	July-Sep'16
Interest Income	11,876,029,041	10,204,652,397	4,250,158,578	3,455,771,908
Less: Interest Paid on Deposits, Borrowings etc.	9,405,055,779	8,059,679,344	3,317,550,732	2,664,722,526
Net Interest Income	**2,470,973,262**	**2,144,973,053**	**932,607,847**	**791,049,383**
Investment Income	2,419,876,882	2,262,171,862	972,220,384	753,149,037
Commission, Exchange and Brokerage	1,944,012,038	1,365,011,199	739,143,982	440,494,314
Other Operating Income	1,764,697,257	1,531,967,056	202,517,818	207,316,659
Total Operating Income	**6,128,586,177**	**5,159,150,118**	**1,913,882,184**	**1,400,960,009**
	8,599,559,440	**7,304,123,171**	**2,846,490,031**	**2,192,009,392**
Salaries and Allowances	1,885,571,758	1,805,856,656	681,128,787	618,134,427
Chief Executive's Salary and Fees	12,748,710	8,530,645	4,668,065	2,550,000
Directors' Fees	4,521,989	4,826,800	1,364,089	1,664,060
Rent, Taxes, Insurances, Electricity etc.	518,902,121	472,328,112	180,578,695	171,102,780
Legal Expenses	13,327,629	6,499,310	2,909,638	1,740,247
Postage, Stamps, Telecommunication etc.	50,080,945	47,227,318	16,123,031	15,464,765
Stationery, Printings, Advertisements etc.	152,595,703	146,661,470	35,123,136	33,073,667
Auditors' Fees	471,970	115,000	95,188	-
Depreciation and Repair to Bank's property	295,655,075	286,542,347	99,638,886	101,292,701
Other Expenses	1,089,743,300	1,638,816,107	337,753,447	440,175,507
Total Operating Expenses	**4,023,619,198**	**4,417,403,765**	**1,359,382,962**	**1,385,198,153**
Profit/(loss) before provision	**4,575,940,241**	**2,886,719,406**	**1,487,107,069**	**806,811,239**
Provision for loans and advances including off Balance Sheet Items	1,237,881,350	140,467,158	585,663,269	24,837,069
Provision for diminution in value of investments in shares	-	-	-	-
Other Provision	-	45,000,000	-	12,000,000
Total Provision	**1,237,881,350**	**185,467,158**	**585,663,269**	**36,837,069**
Total Profit before taxes	**3,338,058,891**	**2,701,252,248**	**901,443,800**	**769,974,170**
Provision for Current Tax	1,076,557,906	1,395,000,000	215,209,055	445,000,000
Provision for Deferred Tax	-	5,000,000	-	5,000,000
Net Profit after Taxation	**1,076,557,906**	**1,400,000,000**	**215,209,055**	**450,000,000**
Retained Surplus brought forward from previous year	**2,261,500,986**	**1,301,252,248**	**686,234,745**	**319,974,170**
Profit available for appropriation	69,635,802	16,565,369	384,636	1,205,181
Appropriation	**2,331,136,787**	**1,317,817,616**	**686,619,381**	**321,179,350**
Statutory Reserve	663,702,316	538,947,485	179,922,349	153,654,869
General Reserve	240,000,000	-	-	-
Non Controlling Interest in Profit	553,409	2,733,535	(31,963)	(324,424)
Retained Surplus	1,426,881,062	776,136,596	266,728,994	167,848,904
	2,331,136,787	**1,317,817,616**	**686,619,380**	**321,179,349**
Consolidated Earnings Per Share (EPS)	**2.91**	**1.68**	**0.89**	**0.35**

Company Secretary

Chief Financial Officer

Managing Director and CEO

Director

Chairman

Mercantile Bank Limited and its Subsidiaries
Un-audited Consolidated Cash Flow Statement
For the 3rd Quarter 30 September 2017

	Amount in BDT	
	Sep-17	Sep-16
A) Cash flows from operating activities		
	1,197,432,947	**1,002,195,626**
Interest received	10,677,019,454	9,262,150,394
Interest paid	(6,920,771,168)	(5,867,023,272)
Fees and commission received	843,709,557	695,743,165
Payment to the employees	(1,885,571,758)	(1,805,856,656)
Payment to suppliers	(196,523,156)	(146,661,470)
Income tax paid	(1,320,429,982)	(1,136,156,535)
Received from other operating activities	**5,186,997,168**	**2,201,235,091**
Exchange gain	1,100,302,481	669,268,035
Other operating income	4,086,694,686	1,531,967,056
Payment for other operating activities	**(1,753,010,588)**	**(2,236,491,613)**
Rent, taxes, insurances and electricity	(518,902,121)	(472,328,112)
Legal expenses	(13,327,629)	(6,499,310)
Postage, stamps and telecommunication	(50,080,945)	(47,227,318)
Auditors' fees	(115,000)	(115,000)
Repair and maintenance	(63,570,894)	(58,148,321)
Chief Executive's salary and fees	(12,748,710)	(8,530,645)
Directors' fees	(4,521,989)	(4,826,800)
Other expenses	(1,089,743,300)	(1,638,816,107)
Operating cash flows before changes in operating assets & liabilities	**4,631,419,527**	**966,939,104**
(Increase)/ decrease in operating assets and liabilities	**(43,015,296,759)**	**(14,606,489,232)**
Trading securities (Treasury Bills & Bonds)	(2,383,845,686)	478,455,385
Loans and advances to other banks	-	-
Loans and advances to customer	(40,631,451,073)	(15,084,944,618)
Other assets (Item-wise)	**(1,643,400,437)**	**93,734,082**
Suspense account	(406,639,635)	(87,372,524)
Demand Draft paid without advice	-	-
Advance rent	55,194,800	54,480,285
Advance deposits	(788,650)	(326,410)
Stock of stationery	(6,191,055)	10,727,912
Stamps in hand	(628,663)	155,759
Premium on bond	-	4,703,843
Clearing adjustment account	(1,376,344)	(1,791,288)
Adjusting account debit	(548,935,291)	(131,337,176)
Mercantile Exchange House (UK) Limited.	(4,088,527)	4,888,557
Mercantile Bank OBU Unit	(727,258,241)	192,627,688
Mercantile Bank general account	(2,688,831)	46,977,436
	43,081,467,907	**18,271,486,575**
Deposit from other banks	19,566,262,870	7,326,350,542
Deposit from customers	25,770,706,595	7,250,777,530
Other liabilities on account of customers	-	-
Other liabilities	(2,255,501,558)	3,694,358,504
Net cash flows from operating activities	**3,054,190,238**	**4,725,670,529**

Un-audited Consolidated Cash Flow Statement
For the 3rd Quarter 30 September 2017

	Amount in BDT	
	Sep-17	**Sep-16**
B) Cash flows from investing activities		
Brokerage House customer account	-	-
Dividend received	97,879,453	72,494,653
(Purchase)/ sale of property, plant and equipment	(150,831,387)	(143,966,347)
(Purchase)/sale of shares	(8,919,602)	11,694,291
(Purchase)/sale of bond	(964,000,000)	(1,314,000,000)
Other Investment	749,999,990	(1,061,589,973)
Net cash flows from investing activities	**(275,871,546)**	**(2,435,367,376)**
C) Cash flows from financing activities		
Receipts from issue of loan capital and debt Securities	-	-
Payments for redemption of loan capital and debt securities	(600,000,000)	
Paid for Interest on Subordinated bond	(252,000,000)	(270,000,000)
Received by issue of right share	-	-
Dividend paid	(1,108,735,052)	(886,988,041)
Net cash flows from financing activities	**(1,960,735,052)**	**(1,156,988,041)**
Net increase/(decrease) in cash & cash equivalent (A+B+C)	**817,583,640**	**1,133,315,112**
Cash and cash equivalent at beginning of the year	16,254,524,116	17,325,928,321
Cash and cash equivalent at the end of the year	**17,072,107,756**	**18,459,243,433**

The annexed notes form an integral part of these financial statements.

Company Secretary **Chief Financial Officer**

Managing Director and CEO

Director **Chairman**

Mercantile Bank Limited and its Subsidiaries
Un-audited Consolidated Statement of Changes in Equity
For the 3rd Quarter 30 September 2017

Amount in BDT

Particulars	Paid-up Capital	Statutory Reserve	General reserve	Other Reserve				Surplus	Total	Non Controlling Interest	Total
				Dividend Equalization Fund	Adjustment for Approved Securities	Revaluation Surplus for Fixed Assets	Net Balance of Other Reserve	Profit/(loss)			
	A	B	C	D	E	F	G=(D+E+F)	H	I=(A+B+C+G+H)	J	K=(I+J)
Balance as at 01 January 2017	**7,391,567,010**	**5,449,253,039**		**45,680,250**	**1,740,817,212**	**643,611,955**	**2,430,109,418**	**1,547,915,469**	**16,818,844,936**	**50,484,252**	**16,869,329,187**
Changes in accounting policy	-	-		-	-	-	-	-	-	-	-
Statutory reserve	-	663,702,316	-	-	-	-	-	(663,702,316)	-	-	-
General reserve	-	-	240,000,000	-	-	-	-	(240,000,000)	-	-	-
Market adjustment of approved securities (HTM)	-	-		-	(883,566,368)	-	(883,566,368)	-	(883,566,368)	-	(883,566,368)
Surplus/deficit on account of revaluation of properties	-	-			-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-		-	-	-	-	-	-	-	-
Currency transaction difference	-	-		-	-	-	-	(519,665)	(519,665)	-	(519,665)
Net gains and losses not recognised in Income Statement				-	-	-	-	-	-		-
Net profit for the year after taxation	-			-	-	-	-	2,261,500,986	2,261,500,986	69,157	2,261,570,143
Transfer	-			-	-	-	-	-	-	-	-
Issuance of bonus shares	369,578,360	-		-	-	-	-	(369,578,360)	-	-	-
Bonus share premium				-	-	-	-	-	-		-
Cash dividend	-	-		-	-	-	-	(1,108,735,052)	(1,108,735,052)	-	(1,108,735,052)
Dividend equalization fund	-	-		-	-	-		-	-	-	-
Non controlling share capital/profit	-	-		-	-	-	-	-	-	-	-
Issue of right share	-	-		-	-	-	-	-	-	-	-
Balance as at 30 September 2017	**7,761,145,370**	**6,112,955,355**	**240,000,000**	**45,680,250**	**857,250,844**	**643,611,955**	**1,546,543,050**	**1,426,881,063**	**17,087,524,836**	**50,553,409**	**17,138,078,245**

Balance as at 31 December 2016	**7,391,567,010**	**5,449,253,039**	**-**	**45,680,250**	**1,740,817,212**	**643,611,955**	**2,430,109,418**	**1,547,915,469**	**16,818,844,936**	**50,484,252**	**16,869,329,187**

The annexed notes form an integral part of these financial statements.

Company Secretary

Director

Managing Director and CEO

Chief Financial Officer

Chairman

Mercantile Bank Limited
Un-audited Balance Sheet
As at 30 September 2017

	Amount in BDT	
	Sep-17	Dec-16
Property and Assets		
Cash in hand	**14,630,214,902**	**12,499,971,654**
Cash in hand (including foreign currencies)	1,927,607,255	1,722,631,842
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)	12,702,607,647	10,777,339,812
Balance with other banks and financial institutions	**2,334,078,009**	**3,536,863,426**
In Bangladesh	2,087,395,808	3,190,283,274
Outside Bangladesh	246,682,201	346,580,152
Money at call on short notice	-	-
Investments	**35,527,453,293**	**32,920,687,995**
Government	26,655,413,215	24,271,567,529
Others	8,872,040,078	8,649,120,466
Loans and Advances	**191,400,116,988**	**150,912,521,562**
Loans, Cash Credit, Overdraft etc.	171,003,227,897	137,869,676,919
Bills purchased and discounted	20,396,889,091	13,042,844,643
Fixed assets including premises, furniture and fixtures	**3,097,694,599**	**3,175,029,609**
Other assets	**2,725,799,889**	**1,082,399,453**
Non- banking assets	-	-
Total Property and Assets	**249,715,357,680**	**204,127,473,699**
Liabilities and Capital		
Liabilities		
Borrowings from other banks, financial institutions and agents	**28,370,306,350**	**8,804,043,480**
Deposits and other Accounts	**181,543,141,228**	**156,085,775,549**
Current Accounts and other Accounts	46,516,892,463	35,006,160,175
Bills Payable	2,313,622,678	2,445,955,797
Savings Bank Deposits	19,339,541,787	16,601,527,469
Fixed Deposits	51,247,013,449	36,776,569,142
Deposit Under Schemes	62,126,070,851	65,255,562,966
Subordinated Bond	**2,400,000,000**	**3,000,000,000**
Other Liabilities	**20,325,709,061**	**19,428,048,424**
Total Liabilities	**232,639,156,639**	**187,317,867,452**
Capital/Shareholders' Equity		
Paid up capital	7,761,145,370	7,391,567,010
Statutory reserve	6,112,955,355	5,449,253,039
General reserve	240,000,000	-
Other reserve	1,546,543,049	2,430,109,418
Surplus in Profit & Loss Account	1,415,557,267	1,538,676,780
Total shareholders' Equity	**17,076,201,041**	**16,809,606,247**
Total Liabilities & Shareholders' Equity	**249,715,357,680**	**204,127,473,699**

Mercantile Bank Limited
Un-audited Balance Sheet
As at 30 September 2017

	Amount in BDT	
	Sep-17	Dec-16
Off-Balance Sheet Items		
Contingent Liabilities		
Acceptances and Endorsements	33,275,618,954	26,754,596,178
Letters of Guarantee	11,347,312,778	8,300,212,805
Irrevocable Letters of Credit	46,580,265,278	33,790,013,239
Bills for Collection	7,567,468,948	10,116,331,039
Other contingent liabilities(BLW)	2,374,723,148	2,736,632,233
Total	**101,145,389,107**	**81,697,785,494**
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	-	-
Total Off-Balance Sheet items including contingent liabilities	**101,145,389,107**	**81,697,785,494**
Net Asset Value Per Share (NAVPS)	22.00	22.74

The annexed notes form an integral part of these financial statements.

Company Secretary

Chief Financial Officer

Managing Director and CEO

Director

Chairman

Mercantile Bank Limited

Un-audited Profit and Loss Account

For the 3rd Quarter 30 September 2017

	Amount in BDT	
	Sep-17	**Sep-16**
Interest income	11,833,640,529	10,167,685,709
Less: Interest paid on deposits, borrowings etc.	9,405,055,779	8,059,679,344
Net interest income	**2,428,584,751**	**2,108,006,364**
Investment income	2,419,876,862	2,262,171,862
Commission, exchange and brokerage	1,832,183,147	1,301,737,297
Other operating income	1,749,800,417	1,510,570,372
	6,001,860,446	**5,074,479,532**
Total operating income	**8,430,445,197**	**7,182,485,896**
Salaries and allowances	1,860,728,748	1,782,145,736
Chief Executive's salary and fees	12,748,710	8,530,645
Directors' fees	3,498,489	3,560,400
Rent, taxes, insurances, electricity etc.	509,014,865	463,520,624
Legal expenses	12,426,580	6,102,321
Postage, stamps, telecommunication etc.	48,431,345	47,227,318
Stationery, Printings, Advertisements etc.	151,444,178	146,301,703
Auditors' fees	195,500	115,000
Depreciation and repair of Bank's assets	292,207,904	283,835,450
Other expenses	1,028,355,950	1,605,942,115
Total operating expenses	**3,919,052,269**	**4,347,281,313**
Profit/(Loss) before provision	**4,511,392,928**	**2,835,204,584**
Provision for loans and advances including off Balance Sheet items	1,192,881,350	140,467,158
Other provision	-	-
Total provision	**1,192,881,350**	**140,467,158**
Total profit/(Loss) before taxes	**3,318,511,578**	**2,694,737,425**
Provision for Current Tax	1,060,000,000	1,395,000,000
Provision for Deferred Tax	-	5,000,000
	1,060,000,000	**1,400,000,000**
Net profit after taxation	**2,258,511,578**	**1,294,737,425**
Retained surplus brought forward from previous year	60,748,004	8,790,121
Profit available for appropriation	**2,319,259,582**	**1,303,527,546**
Appropriations		
Statutory reserve	663,702,316	538,947,485
General reserve	240,000,000	-
Retained surplus	1,415,557,267	764,580,061
	2,319,259,582	**1,303,527,546**
Earnings per share (EPS)	**2.91**	**1.67**

The annexed notes form an integral part of these financial statements.

Company Secretary

Chief Financial Officer

Managing Director and CEO

Director

Chairman

Mercantile Bank Limited
Un-audited Profit & Loss Account
For the 3rd Quarter 30 September 2017

	Amount in BDT			
	Jan-Sep'17	Jan-Sep'16	July-Sep'17	July-Sep'16
Interest Income	11,833,640,529	10,167,685,709	4,237,011,660	3,444,289,778
Less: Interest Paid on Deposits, Borrowings etc.	9,405,055,779	8,059,679,344	3,317,550,732	2,664,722,526
Net Interest Income	**2,428,584,751**	**2,108,006,364**	**919,460,929**	**779,567,252**
Investment Income	2,419,676,682	2,262,171,862	972,220,384	753,149,037
Commission, Exchange and Brokerage	1,832,183,147	1,301,737,297	699,188,691	420,318,590
Other Operating Income	1,749,800,417	1,510,570,372	199,359,964	201,048,412
	6,001,660,446	**5,074,479,532**	**1,870,769,039**	**1,374,516,039**
Total Operating Income	**8,430,445,197**	**7,182,485,896**	**2,790,229,968**	**2,154,083,291**
Salaries and Allowances	1,860,728,748	1,782,145,736	672,691,041	609,908,544
Chief Executive's Salary and Fees	12,748,710	8,530,645	4,668,065	2,550,000
Directors' Fees	3,498,489	3,560,400	1,042,089	1,214,400
Rent, Taxes, Insurances, Electricity etc.	509,014,865	483,520,624	176,389,179	168,099,087
Legal Expenses	12,426,580	6,102,321	2,768,497	1,343,258
Postage, Stamps, Telecommunication etc.	48,431,345	47,227,318	15,554,707	15,464,765
Stationery, Printings, Advertisements etc.	151,444,178	146,301,703	34,686,632	32,948,972
Auditors' Fees	195,500	115,000	-	0
Depreciation and Repair to Bank's property	292,207,904	283,835,450	98,540,658	100,435,349
Other Expenses	1,028,355,950	1,605,942,115	318,814,085	429,007,400
Total Operating Expenses	**3,919,052,269**	**4,347,281,313**	**1,324,954,952**	**1,360,971,876**
Profit/(loss) before provision	**4,511,392,928**	**2,835,204,583**	**1,465,275,016**	**793,111,415**
Provision for loans and advances including off Balance Sheet item	1,192,881,350	140,467,158	565,663,269	24,837,069
Provision for diminution in value of investments in shares	-	-	-	-
Other Provision	-	-	-	-
Total Provision	**1,192,881,350**	**140,467,158**	**565,663,269**	**24,837,069**
Total Profit before taxes	**3,318,511,578**	**2,694,737,425**	**899,611,747**	**768,274,346**
Provision for Current Tax	1,060,000,000	1,395,000,000	210,000,000	445,000,000
Provision for Deferred Tax	-	5,000,000	-	5,000,000
	1,060,000,000	**1,400,000,000**	**210,000,000**	**450,000,000**
Net Profit after Taxation	**2,258,511,578**	**1,294,737,425**	**689,611,747**	**318,274,346**
Retained Surplus brought forward from previous year	60,748,004	8,790,121	384,636	500,000
Profit available for appropriation	**2,319,259,582**	**1,303,527,546**	**689,996,382**	**318,774,346**
Appropriation				
Statutory Reserve	663,702,315	538,947,485	179,922,349	153,654,869
General reserve	240,000,000	-	240,000,000	-
Retained Surplus	1,415,557,267	764,580,061	270,074,033	165,119,477
	2,319,259,582	**1,303,527,546**	**689,996,382**	**318,774,346**
Consolidated Earnings Per Share (EPS)	**2.91**	**1.67**	**0.89**	**0.35**

Company Secretary

Chief Financial Officer

Managing Director and CEO

Director

Chairman

Mercantile Bank Limited
Un-audited Cash Flow Statement
For the 3rd Quarter 30 September 2017

	Amount in BDT	
	Sep-17	Sep-16
A) Cash flows from operating activities		
	1,113,137,532	**926,025,723**
Interest received	10,634,630,943	9,225,183,707
Interest paid	(6,920,771,168)	(5,867,023,272)
Fees and commission received	731,880,666	632,469,262
Payment to the employees	(1,860,726,748)	(1,782,145,736)
Payment to suppliers	(151,444,178)	(146,301,703)
Income tax paid	(1,320,429,982)	(1,136,156,535)
Received from other operating activities	**5,172,100,328**	**2,179,838,407**
Exchange gain	1,100,302,481	669,268,035
Other operating income	4,071,797,847	1,510,570,372
Payment for other operating activities	**(1,678,242,334)**	**(2,179,688,729)**
Rent, taxes, insurances and electricity	(509,014,865)	(463,520,624)
Legal expenses	(12,426,580)	(6,102,321)
Postage, stamps and telecommunication	(48,431,345)	(47,227,318)
Auditors' fees	(195,500)	(115,000)
Repair and maintenance	(63,570,894)	(55,441,424)
Chief Executive's salary and fees	(12,748,710)	(8,530,545)
Directors' fees	(3,498,489)	(3,560,400)
Other expenses	(1,028,355,950)	(1,595,190,996)
Operating cash flows before changes in operating assets and liabilities	**4,606,995,527**	**926,175,402**
(Increase)/ decrease in operating assets and liabilities	**(42,871,441,112)**	**(11,737,248,478)**
Trading securities (Treasury bills & Bonds)	(2,383,845,686)	478,455,385
Loans and advances to other banks	-	-
Loans and advances to customers	(40,487,595,426)	(12,215,703,863)
Other assets (item-wise)	**(1,643,400,437)**	**102,403,275**
Suspense account	(406,639,635)	(87,372,524)
Demand Draft paid without advice	-	
Advance rent	55,194,800	54,480,285
Advance deposits	(788,650)	(326,410)
Stock of stationery	(6,191,055)	10,727,912
Stamps in hand	(628,663)	155,759
Premium on bond	-	4,703,843
Clearing adjustment account	(1,376,344)	(1,791,288)
Adjusting account debit	(548,935,291)	(131,337,176)
Mercantile Exchange House (UK) Ltd.	(4,088,527)	4,888,557
Mercantile Bank OBU unit	(727,258,241)	192,627,688
Mercantile Bank general account	(2,688,831)	55,646,628
	43,072,381,062	**15,436,844,995**
Deposit from other banks	19,566,262,870	7,326,350,542
Deposit from customers	25,457,365,679	7,385,210,837
Other liabilities on account of customers	-	-
Other liabilities	(1,951,247,487)	725,283,616
Net cash flows from operating activities	**3,164,535,040**	**4,728,175,193**

Un-audited Cash Flow Statement
For the 3rd Quarter 30 September 2017

	Amount in BDT	
	Sep-17	Sep-16
B) Cash flows from investing activities		
Dividend received	97,879,453	72,494,653
Purchase/sale of property, plant and equipment	(151,302,000)	(144,610,924)
Purchase/sale of shares	(8,919,602)	11,694,291
Purchase/sale of bond	(964,000,000)	(1,314,000,000)
Other investment activities	749,999,990	(1,061,589,973)
Net cash flows from investing activities	(276,342,158)	(2,436,011,954)
C) Cash flows from financing activities		
Receipts from issue of loan capital and debt securities	-	-
Payments for redemption of loan capital and debt securities	(600,000,000)	(270,000,000)
Paid for Interest on Subordinated bond	(252,000,000)	
Received by issue of right share	-	-
Dividend paid	(1,108,735,052)	(886,988,041)
Net cash flows from financing activities	(1,960,735,052)	(1,156,988,041)
Net increase/(decrease) of cash & cash equivalent (A+B+C)	927,457,830	1,135,175,198
Cash and cash equivalent at the beginning of the year	16,036,835,080	17,048,231,015
Cash and cash equivalent at the end of the year	16,964,292,910	18,183,406,213

The annexed notes form an integral part of these financial statements.

Company Secretary

Chief Financial Officer

Managing Director and CEO

Director

Chairman

Mercantile Bank Limited
Un-audited Statement of Changes in Equity
For the 3rd Quarter 30 September 2017

Amount in BDT

Particulars	Paid-up capital	Statutory reserve	General reserve	Other reserve				Surplus profit/(loss)	Total
				Dividend Equalization Fund	Adjustment for Approved Securities	Revaluation surplus for Fixed assets	Net balance of other reserve		
	A	B	C	D	E	F	G=D+E+F	H	H=A+B+C+G+H
Balance as at 01 January 2017	7,391,567,010	5,449,253,039		45,680,250	1,740,817,213	643,611,955	2,430,109,418	1,538,676,780	16,809,606,246
Changes in accounting policy	-	-		-		-	-	-	-
Transfer from income of OBU								-	-
Statutory reserve	-	663,702,316		-	-	-	-	(663,702,316)	-
General reserve	-	-	240,000,000	-	-	-		(240,000,000)	-
Market adjustment of approved securities (HTM)	-	-		-	-		-	-	-
Surplus/deficit on account of revaluation of properties	-	-		-	-		-	-	-
Surplus/deficit on account of revaluation of investments	-	-		-	(883,566,368)		(883,566,368)	-	(883,566,368)
Currency transaction difference	-	-		-	-		-		-
Net gains and losses not recognised					-		-	-	-
in the income statement	-	-		-	-		-	-	-
Net profit for the year after taxation	-	-			-		-	2,258,511,578	2,258,511,578
Transfer	-	-		-	-	-	-	384,636	384,635.62
Issuance of bonus share	369,578,360	-		-	-	-	-	(369,578,360)	-
Bonus share premium	-				-	-	-	-	-
Cash dividend	-	-		-	-	-	-	(1,108,735,052)	(1,108,735,052)
Dividend equalization fund	-	-		-	-	-	-	-	-
Issue of right share	-	-		-	-	-	-	-	-
Balance as at 30 September 2017	7,761,145,370	6,112,955,355	240,000,000	45,680,250	857,250,845	643,611,955	1,546,543,049	1,415,557,267	17,076,201,041
Balance as at 31 December 2016	7,391,567,010	5,449,253,039	-	45,680,250	1,740,817,213	643,611,955	2,430,109,418	1,538,676,780	16,809,606,246

The annexed notes form an integral part of these financial statements.

Company Secretary

Chief Financial Officer

Managing Director and CEO

Director

Chairman