Shahjalal Islami Bank

L I M I T E D

Committed to Cordial Service

3rd QUARTER UNAUDITED FINANCIAL STATEMENTS

30TH SEPTEMBER 2018

SHAHJALAL ISLAMI BANK LIMITED AND ITS SUBSIDIARY

CONSOLIDATED BALANCE SHEET

AS AT 30 SEPTEMBER 2018

	30.09.2018 Taka	31.12.2017 Taka
Property and Assets		
Cash		
Cash in hand (Including Foreign Currencies)	2,011,159,009	1,529,754,123
Balance with Bangladesh Bank & Sonali Bank Ltd (Including Foreign Currencies)	12,995,460,325	11,659,462,711
	15,006,619,333	**13,189,216,833**
Balance with other Banks and Financial Institutions		
Inside Bangladesh	1,290,100,673	592,284,487
Outside Bangladesh	515,941,605	427,070,723
	1,806,042,278	**1,019,355,210**
Placement with other Banks & Financial Institutions	**7,511,596,316**	**6,661,710,616**
Investments in Shares & Securities		
Government	8,000,000,000	7,200,000,000
Others	4,936,151,224	4,759,206,718
	12,936,151,224	**11,959,206,718**
Investments		
General Investment etc.	166,073,516,121	151,382,986,852
Bills Purchased and Discounted	11,363,590,218	10,303,967,071
	177,437,106,339	**161,686,953,924**
Fixed Assets Including Premises	**4,070,937,323**	**4,008,163,873**
Other Assets	**13,322,801,857**	**12,383,173,681**
Non Banking Assets	**88,909,355**	**88,909,355**
Total Property and Assets	**232,180,164,026**	**210,996,690,210**
Liabilities and Capital		
Liabilities		
Placement from other Banks & Financial Institutions	**27,540,067,805**	**30,176,688,291**
Deposits and Other Accounts		
Mudaraba Savings Deposits	20,100,402,534	18,280,590,909
Mudaraba Term Deposits	70,600,188,914	64,248,150,845
Other Mudaraba Deposits	50,218,120,418	41,684,900,658
Al-Wadeeah Current & Other Deposit Accounts	20,737,637,929	18,281,980,348
Bills Payable	2,849,184,593	2,493,444,313
	164,505,534,388	**144,989,067,073**
Mudaraba Subordinated Bond	**4,000,000,000**	**4,000,000,000**
Other Liabilities	**21,012,854,117**	**17,828,131,108**
Deferred Tax Liabilities	**138,821,236**	**137,999,259**
Total Liabilities	**217,197,277,546**	**197,131,885,731**
Capital/Shareholders' Equity		
Paid-up Capital	8,485,647,930	7,714,225,390
Statutory Reserve	5,288,613,794	4,819,264,987
Retained Earnings	954,997,280	1,079,870,794
Total Shareholders' Equity	**14,729,259,004**	**13,613,361,171**
Non-controlling Interest	253,627,476	251,443,308
Total Liabilities & Shareholders' Equity	**232,180,164,026**	**210,996,690,210**
Consolidated Off-balance Sheet Items		
Contingent Liabilities		
Acceptances & endorsements	29,673,714,218	28,368,741,403
Letters of guarantee	24,960,336,196	19,322,482,514
Irrevocable letters of credit	27,198,633,821	27,569,640,596
Bills for collection	17,221,321,632	13,964,695,831
Other contingent liabilities	-	-
Total	**99,054,005,868**	**89,225,560,344**
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	**99,054,005,868**	**89,225,560,344**

Md. Jafar Sadeq FCA, Chief Financial Officer | **Md. Abul Bashar**, Company Secretary | **Muhammed Shahidul Islam**, Managing Director | **Mosharraf Hossain Chowdhury**, Director | **Akkas Uddin Mollah**, Chairman

SHAHJALAL ISLAMI BANK LIMITED AND ITS SUBSIDIARY

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Jan'18 to Sept'18 Taka	Jan'17 to Sept'17 Taka	Jul'18 to Sept'18 Taka	Jul'17 to Sept'17 Taka
Operating Income				
Investment Income	12,575,869,340	9,350,383,870	4,494,436,571	3,309,749,308
Less: Profit paid on Deposits	8,495,032,805	6,102,534,393	2,913,842,745	2,194,245,057
Net Investment Income	**4,080,836,534**	**3,247,849,477**	**1,580,593,826**	**1,115,504,251**
Income from Investment in Shares/Securities	243,576,123	364,270,836	51,995,042	218,925,571
Commission, Exchange and Brokerage	1,500,960,929	1,306,815,322	529,594,398	453,222,819
Other Operating Income	415,144,775	347,683,036	129,647,029	107,757,671
	2,159,681,826	**2,018,769,195**	**711,236,470**	**779,906,061**
Total Operating Income	**6,240,518,361**	**5,266,618,672**	**2,291,830,295**	**1,895,410,312**
Operating Expenses				
Salaries and Allowances	1,889,036,705	1,594,005,891	685,199,675	635,785,654
Rent, Taxes, Insurances, Electricity etc.	321,905,436	331,526,872	99,518,524	113,005,497
Legal Expenses	1,134,898	917,352	384,655	149,582
Postage, Stamps, Telecommunication etc.	29,560,507	29,181,659	8,393,621	9,296,482
Stationery, Printings, Advertisements etc.	73,017,951	60,057,633	26,221,476	17,363,758
Chief Executive's Salary & Fees	12,194,100	11,245,500	3,986,650	3,642,500
Directors' Fees & Expenses	4,132,937	5,137,728	1,478,017	1,398,800
Shariah Supervisory Committee's Fees & Expenses	517,930	657,755	214,325	148,948
Auditors' Fees	375,000	337,500	375,000	337,500
Depreciation & Repairs of Bank's Assets	148,854,561	113,386,665	52,363,305	39,754,399
Zakat Expenses	20,000,000	-	20,000,000	-
Other Expenses	327,237,246	299,765,818	120,149,219	117,906,650
Total Operating Expenses	**2,827,967,272**	**2,446,220,373**	**1,018,284,466**	**938,789,770**
Profit / (Loss) before Provision	**3,412,551,089**	**2,820,398,299**	**1,273,545,829**	**956,620,542**
Specific provision for Classified Investment	816,850,000	278,000,000	505,650,000	103,400,000
General Provision for Unclassified Investment	67,800,000	218,600,000	(23,500,000)	88,600,000
General Provision for Off-Balance Sheet Items	-	197,500,000	(29,000,000)	70,500,000
Provision for diminution in value of Investments in Shares	137,200,000	48,000,000	4,000,000	-
Provision for Other Assets	-	690,000	-	-
Total Provision	**1,021,850,000**	**742,790,000**	**457,150,000**	**262,500,000**
Total Profit / (Loss) before taxes	**2,390,701,089**	**2,077,608,299**	**816,395,829**	**694,120,542**
Provision for taxation for the period				
Deferred tax	821,977	(8,106,541)	2,254,860	(2,071,586)
Current tax	1,271,797,111	982,277,413	475,170,547	361,705,427
	1,272,619,088	**974,170,872**	**477,425,407**	**359,633,841**
Net Profit / (Loss) after Tax	**1,118,082,001**	**1,103,437,427**	**338,970,422**	**334,486,701**
Net profit after tax attributable to:				
Equity holders of SJIBL	1,115,897,832	1,087,530,300	338,416,302	329,130,720
Non-controlling interest	2,184,168	15,907,126	554,120	5,355,981
	1,118,082,001	**1,103,437,427**	**338,970,422**	**334,486,701**
Retained earnings from previous year/period	1,079,870,794	1,253,792,811	1,548,681,438	1,769,595,904
Add: Net profit after tax (attributable to equity holders of SJIBL)	1,115,897,832	1,087,530,300	338,416,302	329,130,720
Profit available for appropriation	**2,195,768,626**	**2,341,323,111**	**1,887,097,740**	**2,098,726,624**
Appropriation:				
Statutory reserve	469,348,807	365,168,437	160,677,921	122,571,950
Dividend	771,422,540	1,102,032,193	771,422,540	1,102,032,193
Retained earnings	954,997,279	874,122,480	954,997,279	874,122,481
	2,195,768,626	**2,341,323,111**	**1,887,097,740**	**2,098,726,624**
Consolidated Earnings Per Share(EPS) [Restated]	**1.32**	**1.28**	**0.40**	**0.39**
Net Asset Value (NAV) Per Share as at 30 September [Restated]	**17.36**	**15.74**		

Md. Jafar Sadeq FCA, Chief Financial Officer | **Md. Abul Bashar**, Company Secretary | **Muhammed Shahidul Islam**, Managing Director | **Mosharraf Hossain Chowdhury**, Director | **Akkas Uddin Mollah**, Chairman

SHAHJALAL ISLAMI BANK LIMITED AND ITS SUBSIDIARY

CONSOLIDATED CASH FLOW STATEMENT

FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Jan'18 to Sept'18 Taka	Jan'17 to Sept'17 Taka
Cash flows from operating activities		
Investment income receipt in cash	12,896,168,423	9,544,214,282
Profit paid on deposits	(8,061,969,677)	(6,000,550,350)
Dividend receipts	15,107,837	161,619,359
Fees & commission receipt in cash	1,500,960,929	1,306,815,322
Recoveries on investment previously written off	4,276,658	1,800,000
Cash payments to employees	(1,901,230,805)	(1,605,251,391)
Cash payments to suppliers	(73,017,951)	(60,057,633)
Income tax paid	(773,066,649)	(702,002,472)
Receipts from other operating activities	416,154,800	349,431,563
Payment for other operating activities	(721,345,847)	(681,969,707)
(i) Operating profit before changes in operating assets & liabilities	**3,302,037,716**	**2,314,048,973**
Changes in operating assets and liabilities		
(Increase)/decrease in investment to customers	(15,750,152,415)	(23,740,228,464)
(Increase)/decrease in other assets	(86,774,616)	(147,672,194)
(Increase)/decrease of placement with other banks & financial institutions	(849,885,700)	1,200,070,950
Increase/(decrease) in deposits from other banks	68,090,000	(201,748,961)
Increase/(decrease) of placement from other banks & financial institutions	(2,636,620,487)	7,160,152,052
Increase/(decrease) in deposits received from customers	19,448,377,316	12,076,393,862
Increase/(decrease) in other liabilities on account of customers	361,205,671	70,719,046
Increase/(decrease) in other liabilities	(80,097,292)	514,366,975
(ii) Cash flows from operating assets and liabilities	**474,142,478**	**(3,067,946,734)**
Net cash flows from operating activities (A)=(i+ii)	**3,776,180,193**	**(753,897,761)**
Cash flows from investing activities		
Proceeds from sale of securities	152,790,019	1,224,495,756
Payment for purchases of securities	(1,129,734,525)	(3,352,340,950)
Proceeds from sale of fixed assets	31,877,654	1,789,393
Payment for purchases of property, plant & equipments	(227,023,772)	(628,906,036)
Purchase/sale of subsidiaries	-	-
Net cash used in investing activities (B)	**(1,172,090,624)**	**(2,754,961,837)**
Cash flows from financing activities		
Receipts from issue of debt instruments	-	-
Receipts from issuance of Mudaraba Subordinated Bond	-	4,000,000,000
Payments for redemption of debt instruments	-	-
Receipts from issue of ordinary shares	-	-
Dividend paid to ordinary shareholder	-	(734,688,133)
Net cash used in financing activities (C)	**-**	**3,265,311,867**
Net increase/(decrease) in cash & cash equivalents (A+B+C)	**2,604,089,569**	**(243,547,731)**
Add: Effect of exchange rate changes on cash & cash equivalents	-	-
Add: Cash and cash equivalents at the beginning of the period	14,208,572,043	11,999,061,899
Cash & cash equivalents at the end of the period	**16,812,661,612**	**11,755,514,168**
Net Operating Cash Flow Per Share (NOCFPS) [Restated]	**4.45**	**(0.89)**

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SHAHJALAL ISLAMI BANK LIMITED AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2018 (Amount in taka)

Particulars	Paid-up Capital	Statutory Reserve	Non-controlling Interest	Retained Earnings	Total
Balance as at 01 January 2018	7,714,225,390	4,819,264,987	-	1,079,870,794	13,613,361,171
10 % Stock Dividend issued for the year 2017	771,422,540	-	-	(771,422,540)	-
Net profit during the period	-	469,348,807	-	646,549,026	1,115,897,833
Total Shareholders' Equity as at 30 September 2018	**8,485,647,930**	**5,288,613,794**	**-**	**954,997,280**	**14,729,259,004**
Non-controlling interest	-	-	253,627,476	-	253,627,476
Add: General Provision for Unclassified Investment & Off-Balance Sheet Items					2,412,820,900
Add: Mudaraba Subordinated Bond					4,000,000,000
Total Eligible Regulatory Capital as at 30 September 2018					**21,395,707,380**

For the period ended 30 September 2017 (Amount in taka)

Particulars	Paid-up Capital	Statutory Reserve	Non-controlling Interest	Retained Earnings	Total
Balance as at 01 January 2017	7,346,881,330	4,403,561,679	-	1,253,792,811	13,004,235,820
15 % Dividend paid (10% Cash & 5% Stock) for the year 2016	367,344,060	-	-	(1,102,032,193)	(734,688,133)
Net profit during the period	-	365,168,437	-	722,361,863	1,087,530,301
Total Shareholders' Equity as at 30 September 2017	**7,714,225,390**	**4,768,730,116**	**-**	**874,122,481**	**13,357,077,987**
Non-controlling interest	-	-	255,379,473	-	255,379,473
Add: General Provision for Unclassified Investment & Off-Balance Sheet Items					2,369,220,900
Add: Mudaraba Subordinated Bond					4,000,000,000
Total Eligible Regulatory Capital as at 30 September 2017					**19,981,678,361**

Md. Jafar Sadeq FCA, Chief Financial Officer | **Md. Abul Bashar**, Company Secretary | **Muhammed Shahidul Islam**, Managing Director | **Mosharraf Hossain Chowdhury**, Director | **Akkas Uddin Mollah**, Chairman

SHAHJALAL ISLAMI BANK LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2018

	30.09.2018 Taka	31.12.2017 Taka
Property and Assets		
Cash		
Cash in hand (Including Foreign Currencies)	2,011,159,009	1,529,754,123
Balance with Bangladesh Bank & Sonali Bank Ltd (Including Foreign Currencies)	12,995,460,325	11,659,462,711
	15,006,619,333	**13,189,216,833**
Balance with other Banks and Financial Institutions		
Inside Bangladesh	1,282,848,255	572,698,313
Outside Bangladesh	515,941,605	427,070,723
	1,798,789,860	**999,769,036**
Placement with other Banks & Financial Institutions	**7,511,596,316**	**6,661,710,616**
Investments in Shares & Securities		
Government	8,000,000,000	7,200,000,000
Others	3,314,997,275	3,326,258,238
	11,314,997,275	**10,526,258,238**
Investments		
General Investment etc.	163,765,393,932	148,364,190,304
Bills Purchased and Discounted	11,363,590,218	10,303,967,071
	175,128,984,150	**158,668,157,376**
Fixed Assets Including Premises	**4,013,576,601**	**3,957,117,768**
Other Assets	**14,068,206,349**	**13,795,235,456**
Non Banking Assets	**88,909,355**	**88,909,355**
Total Property and Assets	**228,931,679,240**	**207,886,374,678**
Liabilities and Capital		
Liabilities		
Placement from other Banks & Financial Institutions	**26,890,067,805**	**29,621,688,291**
Deposits and Other Accounts		
Mudaraba Savings Deposits	20,100,402,534	18,280,590,909
Mudaraba Term Deposits	70,600,188,914	64,248,150,845
Other Mudaraba Deposits	50,472,363,299	42,078,308,773
Al-Wadeeah Current & Other Deposit Accounts	20,737,637,929	18,281,980,348
Bills Payable	2,849,184,593	2,493,444,313
	164,759,777,269	**145,382,475,188**
Mudaraba Subordinated Bond	**4,000,000,000**	**4,000,000,000**
Other Liabilities	**18,733,745,495**	**15,426,428,189**
Deferred Tax Liabilities	**138,821,236**	**137,999,259**
Total Liabilities	**214,522,411,805**	**194,568,590,927**
Capital/Shareholders' Equity		
Paid-up Capital	8,485,647,930	7,714,225,390
Statutory Reserve	5,288,613,794	4,819,264,987
Retained Earnings	635,005,711	784,293,374
Total Shareholders' Equity	**14,409,267,434**	**13,317,783,751**
Total Liabilities & Shareholders' Equity	**228,931,679,240**	**207,886,374,678**
Off-balance Sheet Items		
Contingent Liabilities		
Acceptances & endorsements	29,673,714,218	28,368,741,403
Letters of guarantee	24,960,336,196	19,322,482,514
Irrevocable letters of credit	27,198,633,821	27,569,640,596
Bills for collection	17,221,321,632	13,964,695,831
Other contingent liabilities	-	-
Total	**99,054,005,868**	**89,225,560,344**
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	**99,054,005,868**	**89,225,560,344**

Md. Jafar Sadeq FCA, Chief Financial Officer | **Md. Abul Bashar**, Company Secretary | **Muhammed Shahidul Islam**, Managing Director | **Mosharraf Hossain Chowdhury**, Director | **Akkas Uddin Mollah**, Chairman

SHAHJALAL ISLAMI BANK LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Jan'18 to Sept'18 Taka	Jan'17 to Sept'17 Taka	Jul'18 to Sept'18 Taka	Jul'17 to Sept'17 Taka
Operating income				
Investment Income	12,521,532,752	9,276,958,728	4,479,928,530	3,288,124,798
Less: Profit paid on Deposits	8,443,046,269	6,060,924,412	2,890,853,288	2,180,490,561
Net Investment Income	**4,078,486,483**	**3,216,034,316**	**1,589,075,242**	**1,107,634,237**
Income from Investment in Shares/securities	206,519,361	225,221,654	41,255,101	165,311,042
Commission, Exchange and Brokerage	1,419,212,932	1,142,829,030	493,016,950	402,980,745
Other Operating Income	409,326,881	342,036,886	129,079,052	107,308,847
	2,035,059,173	**1,710,087,571**	**663,351,103**	**675,600,634**
Total Operating Income	**6,113,545,656**	**4,926,121,887**	**2,252,426,345**	**1,783,234,871**
Operating expenses				
Salaries and Allowances	1,846,059,112	1,554,827,111	672,279,065	623,736,742
Rent, Taxes, Insurances, Electricity etc.	307,454,559	318,576,896	95,144,142	107,897,911
Legal Expenses	1,123,398	909,877	384,655	149,582
Postage, Stamps, Telecommunication etc.	27,655,414	27,260,899	7,741,009	8,645,055
Stationery, Printings, Advertisements etc.	70,893,892	58,877,861	25,948,813	17,060,309
Chief Executive's Salary & Fees	12,194,100	11,245,500	3,986,650	3,642,500
Directors' Fees & Expenses	4,132,937	5,137,728	1,478,017	1,398,800
Shariah Supervisory Committee's Fees & Expenses	517,930	657,755	214,325	148,948
Auditors' Fees	375,000	337,500	375,000	337,500
Depreciation & Repairs of Bank's Assets	142,496,978	108,194,484	50,218,179	37,844,868
Zakat Expenses	20,000,000	-	20,000,000	-
Other Expenses	312,048,302	271,464,089	114,116,886	107,012,905
Total Operating Expenses	**2,744,951,623**	**2,357,489,699**	**991,886,740**	**907,875,120**
Profit / (Loss) before Provision	**3,368,594,033**	**2,568,632,187**	**1,260,539,605**	**875,359,751**
Specific provision for Classified Investment	816,850,000	278,000,000	505,650,000	103,400,000
General Provision for Unclassified Investment	67,800,000	218,600,000	(23,500,000)	88,600,000
General Provision for Off-Balance Sheet Items	-	197,500,000	(29,000,000)	70,500,000
Provision for diminution in value of Investments in Shares	137,200,000	48,000,000	4,000,000	-
Provision for Other Assets	-	690,000	-	-
Total Provision	**1,021,850,000**	**742,790,000**	**457,150,000**	**262,500,000**
Total Profit / (Loss) before taxes	**2,346,744,033**	**1,825,842,187**	**803,389,605**	**612,859,751**
Provision for taxation				
Deferred tax	821,977	(8,106,541)	2,254,860	(2,071,586)
Current tax	1,254,438,372	924,224,251	468,912,276	345,668,414
	1,255,260,349	**916,117,710**	**471,167,136**	**343,596,828**
Net Profit after Taxation	**1,091,483,683**	**909,724,477**	**332,222,469**	**269,262,923**
Retained Earnings from previous year/period	784,293,374	1,106,132,902	1,234,883,703	1,503,997,968
Add: Net Profit after Tax	1,091,483,683	909,724,477	332,222,469	269,262,923
Profit available for appropriation	**1,875,777,058**	**2,015,857,379**	**1,567,106,172**	**1,773,260,891**
Appropriation				
Statutory Reserve	469,348,807	365,168,437	160,677,921	122,571,950
Dividend	771,422,540	1,102,032,193	771,422,540	1,102,032,193
Retained Earnings	635,005,711	548,656,748	635,005,711	548,656,748
	1,875,777,058	**2,015,857,379**	**1,567,106,172**	**1,773,260,891**
Earnings Per Share (EPS) [Restated]	**1.29**	**1.07**	**0.39**	**0.32**
Net Asset Value (NAV) Per Share as at 30 September [Restated]	**16.98**	**15.36**		

Md. Jafar Sadeq FCA, Chief Financial Officer | **Md. Abul Bashar**, Company Secretary | **Muhammed Shahidul Islam**, Managing Director | **Mosharraf Hossain Chowdhury**, Director | **Akkas Uddin Mollah**, Chairman

SHAHJALAL ISLAMI BANK LIMITED

CASH FLOW STATEMENT

FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Jan'18 to Sept'18 Taka	Jan'17 to Sept'17 Taka
Cash flows from operating activities		
Investment income receipt	12,748,157,365	9,290,323,708
Profit paid on deposits	(7,883,475,269)	(5,687,574,203)
Dividend receipts	15,107,837	161,619,359
Fees & commission receipt	1,419,212,932	1,142,829,030
Recoveries on investment previously written off	4,276,658	1,800,000
Cash payments to employees	(1,858,253,212)	(1,566,072,611)
Cash payments to suppliers	(70,893,892)	(58,877,861)
Income tax paid	(709,045,211)	(667,284,425)
Receipts from other operating activities	409,326,881	342,036,886
Payments for other operating activities	(688,970,618)	(638,382,911)
(i) Operating Profit before changes in operating assets & liabilities	**3,385,443,469**	**2,320,416,972**
Changes in operating assets and liabilities		
(Increase)/decrease in investment to customers	(16,460,826,774)	(23,713,068,483)
(Increase)/decrease of other assets	400,861,229	69,658,820
(Increase)/decrease of Placement with other Banks & Financial Institutions	(849,885,700)	1,200,070,950
Increase/(decrease) of deposits from other banks	68,090,000	(201,748,961)
Increase/(decrease) of Placement from other Banks & Financial Institutions	(2,731,620,487)	7,309,488,713
Increase/(decrease) of deposits received from customers	19,309,212,082	12,145,089,766
Increase/(decrease) of other liabilities on account of customers	361,205,671	70,719,046
Increase/(decrease) of other liabilities	105,975,605	507,578,183
(ii) Cash flows from operating assets and liabilities	**203,011,626**	**(2,612,211,966)**
Net cash flows from operating activities (A)=(i+ii)	**3,588,455,095**	**(291,794,994)**
Cash flows from investing activities		
Proceeds from sale of securities	7,968,730	403,525,926
Payment for purchases of securities	(796,707,767)	(2,877,331,907)
Proceeds from sale of fixed assets	31,877,654	1,789,393
Payment for purchases of property, plant & equipments	(215,170,387)	(613,761,059)
Purchase/sale of subsidiaries	-	-
Net cash used in investing activities (B)	**(972,031,770)**	**(3,085,777,647)**
Cash flows from financing activities		
Receipts from issue of debt instruments	-	-
Receipts from issuance of Mudaraba Subordinated Bond	-	4,000,000,000
Payments for redemption of debt instruments	-	-
Receipts from issue of ordinary shares	-	-
Dividend paid to ordinary shareholders	-	(734,688,133)
Net cash used in financing activities (C)	**-**	**3,265,311,867**
Net Increase/(decrease) in cash & cash equivalents (A+B+C)	**2,616,423,325**	**(112,260,774)**
Add: Effect of exchange rate changes on cash & cash equivalents	-	-
Cash and cash equivalents at the beginning of the period	14,188,985,869	11,993,903,158
Cash and cash equivalents at the end of the period	**16,805,409,194**	**11,881,642,384**
Net Operating Cash Flow Per Share (NOCFPS) [Restated]	**4.23**	**(0.34)**

Md. Jafar Sadeq FCA, Chief Financial Officer | **Md. Abul Bashar**, Company Secretary | **Muhammed Shahidul Islam**, Managing Director | **Mosharraf Hossain Chowdhury**, Director | **Akkas Uddin Mollah**, Chairman

SHAHJALAL ISLAMI BANK LIMITED

STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2018 (Amount in taka)

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total
Balance as at 01 January 2018	7,714,225,390	4,819,264,987	784,293,374	13,317,783,751
10 % Stock Dividend issed for the year 2017	771,422,540	-	(771,422,540)	-
Net profit for the period ended 30 September 2018	-	469,348,807	622,134,877	1,091,483,683
Total Shareholders' Equity as at 30 September 2018	**8,485,647,930**	**5,288,613,794**	**635,005,711**	**14,409,267,434**
Total Equity for the purpose of Capital Adequacy				
Equity as per above				**14,409,267,434**
Add: General Provision for Unclassified Investment & Off-Balance Sheet items				2,016,200,000
Add: Mudaraba Subordinated Bond				4,000,000,000
Total Eligible Regulatory Capital as at 30 September 2018				**20,425,467,434**

For the period ended 30 September 2017 (Amount in taka)

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total
Balance as at 01 January 2017	7,346,881,330	4,403,561,679	1,106,132,902	12,856,575,911
15 % Dividend paid (10% Cash & 5% Stock) for the year 2016	367,344,060	-	(1,102,032,193)	(734,688,133)
Net profit for the period ended 30 September 2017	-	365,168,437	544,556,040	909,724,477
Total Shareholders' Equity as at 30 September 2017	**7,714,225,390**	**4,768,730,116**	**548,656,748**	**13,031,612,255**
Total Equity for the purpose of Capital Adequacy				
Equity as per above				**13,031,612,255**
Add: General Provision for Unclassified Investment & Off-Balance Sheet items				1,945,600,000
Add: Mudaraba Subordinated Bond				4,000,000,000
Total Eligible Regulatory Capital as at 30 September 2017				**18,977,212,255**

Md. Jafar Sadeq FCA, Chief Financial Officer | **Md. Abul Bashar**, Company Secretary | **Muhammed Shahidul Islam**, Managing Director | **Mosharraf Hossain Chowdhury**, Director | **Akkas Uddin Mollah**, Chairman

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the period ended 30 September 2018

1. Status of the Bank

Legal Form of the Bank

Shahjalal Islami Bank Limited (hereinafter called 'the Bank'-'SJIBL') was established as a Public Limited Company (Banking Company) as on the 1 April 2001 under the Companies Act 1994 as interest free Islamic Shariah based commercial bank and commenced its operation on 10 May 2001 with the permission of Bangladesh Bank. Presently the Bank is operating its business through head office having 113 branches, 78 (Seventy Eight) ATM booths and 2,393 employees all over Bangladesh. The Bank has also a subsidiary company named 'Shahjalal Islami Bank Securities Limited' and an Off-shore Banking Unit. The Bank is listed with both the Stock Exchanges of the country, i.e. Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

The registered office of the Bank is located at Shahjalal Islami Bank Tower, Plot # 4, Block-CWN(C), Gulshan Avenue, Dhaka-1212.

2. Significant Accounting Policies

2.1 *Basis of preparation of the Financial Statements*

The Bank and its subsidiary are being operated in strict compliance with the rules of Islamic Shari'ah. The consolidated and separate financial statements of the Bank have been prepared under the historical cost convention consistently with those of previous year and as per provisions of the "Guidelines for Islamic Banking" issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009 with reference to the provisions of the Bank Companies Act, 1991 (as amended up to 2013), BRPD Circular No.14 dated 25.06.2003 & Bangladesh Bank's other circulars/instructions and in accordance with International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB); the Companies Act, 1994; the Securities and Exchange Rules, 1987; Dhaka and Chittagong Stock Exchanges (Listing) Regulations, 2015, Financial Reporting Act 2015 and other laws and rules applicable in Bangladesh and Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as a member of that organization.

In case any requirement of the Bank Companies Act, 1991 (as amended up to 2013) and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs & IASs as adopted, the requirements of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank will prevail.

2.2 *Consolidation*

The consolidated Financial Statements include the Financial Statements of Shahjalal Islami Bank Limited including Off-shore Banking Unit and its subsidiary named Shahjalal Islami Bank Securities Limited made up to the end of the period.

The consolidated Financial Statements have been prepared in accordance with BFRS 10.' Consolidated Financial Statements'. The consolidated Financial Statements are prepared to a common financial period ending 30 September 2018.

2.3 *Investment and Provisions*

Investments are stated in the Balance Sheet net-off unearned income. Provision on Investment (Loans & Advances) is made on the basis of period end review by the management and as per instructions contained in Bangladesh Bank BRPD Circular No. 14 dated 23 September 2012, BRPD Circular No. 19 dated 27 December 2012 and BRPD Circular No. 5 dated 29 May 2014, BRPD Circular No. 15 dated 27 September 2017 and BRPD Circular No. 01 dated 20 February 2018. Provision against Off-Balance Sheet exposures in addition to existing provisioning arrangement is made as per BRPD Circular No.10 dated 18 September 2007 and BRPD Circular No.07 dated 21 June 2018.

2.4 *Earnings Per Share (EPS)*

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the period as per IAS - 33 "Earnings Per Share". Diluted Earnings per Share is not required to be calculated for the period, as there exist no dilution possibilities during the period.

2.5 *Cash Flow Statement*

Cash flow statement is prepared principally in accordance with IAS 7 "Cash Flow Statement"; and as prescribed by BRPD Circular No. 14 dated 25 June 2003 & guideline for Islamic Banking issued by Bangladesh Bank vide BRPD Circular No.15 dated November 2009.

2.6 *Taxation*

Current Tax

Provision for current income tax has been made @ 37.50% as prescribed in the Finance Act, 2018 on the accounting profit made by the Bank after considering some of the add backs to income and disallowances of expenditure & provisions as per Income Tax Ordinance 1984 in compliance with BAS-12 " Income Taxes".

Deferred tax

The Bank has adopted deferred tax accounting policy as per Bangladesh Accounting Standard (BAS) 12. Accordingly deferred tax liability/asset is accounted for all temporary timing differences arising between the tax base of the assets and liabilities and their carrying value for financial reporting purpose. Deferred tax is computed at the prevailing tax rate as per Finance Act 2018.

2.7 *Reporting Period*

The Financial Statements cover the period from 01 January 2018 to 30 September 2018.

		30.09.2018 Taka	31.12.2017 Taka
3	**Consolidated Investments**		
	Shahjalal Islami Bank Ltd	163,765,393,932	148,364,190,304
	Shahjalal Islami Bank Securities Ltd	3,455,498,578	3,269,416,687
		167,220,892,510	151,633,606,991
	Less: Inter Company Transaction	1,147,376,389	250,620,139
		166,073,516,121	151,382,986,852
	Bills Purchased and Discounted :		
	Shahjalal Islami Bank Ltd	11,363,590,218	10,303,967,071
	Shahjalal Islami Bank Securities Ltd	-	-
		11,363,590,218	10,303,967,071
		177,437,106,339	**161,686,953,924**
3a	**Investments of the Bank**		
	Country-wise Classification of Investments:		
	Inside Bangladesh		
	Gross Murabaha, Bai-Muajjal etc	173,997,981,498	157,680,334,330
	Less: Profit receivable on Murabaha, Bai-Muajjal etc	10,232,587,566	9,316,144,025
	(Mark-up profit on unearned income)	-	-
	Net Murabaha, Bai-Muajjal etc	163,765,393,932	148,364,190,304
	Bills purchased and discounted-net	11,363,590,218	10,303,967,071
	Outside Bangladesh	-	-
		175,128,984,150	**158,668,157,376**
4	**Consolidated Deposits and Other Accounts**		
	Al-Wadiah Current Deposit & Other Accounts		
	Shahjalal Islami Bank Ltd	20,737,637,929	18,281,980,348
	Shahjalal Islami Bank Securities Ltd	-	-
		20,737,637,929	**18,281,980,348**
	Bills Payable		
	Shahjalal Islami Bank Ltd	2,849,184,593	2,493,444,313
	Shahjalal Islami Bank Securities Ltd	-	-
		2,849,184,593	**2,493,444,313**
	Mudaraba Savings Deposits		
	Shahjalal Islami Bank Ltd	20,100,402,534	18,280,590,909
	Shahjalal Islami Bank Securities Ltd	-	-
		20,100,402,534	**18,280,590,909**
	Mudaraba Term Deposits		
	Shahjalal Islami Bank Ltd	70,600,188,914	64,248,150,845
	Shahjalal Islami Bank Securities Ltd	-	-
		70,600,188,914	**64,248,150,845**
	Other Mudaraba Deposits		
	Shahjalal Islami Bank Ltd	50,472,363,299	42,078,308,773
	Shahjalal Islami Bank Securities Ltd	-	-
		50,472,363,299	42,078,308,773
	Less: Inter Company transaction	254,242,881	393,408,115
		50,218,120,418	**41,684,900,658**
	Total	**164,505,534,388**	**144,989,067,073**
4a	**Deposits and Other Accounts of the Bank**		
	Al-Wadiah Current Deposit & Other Accounts:		
	Al-Wadiah Current Deposit	8,581,954,870	7,416,177,866
	Foreign Currency Deposits	2,858,549,509	1,504,968,625
	Non-Resident Taka Account	8,258,432	42,683,935
	Sundry Deposits	9,297,558,539	9,330,781,735
		20,746,321,350	**18,294,612,162**
	Less: Off-Shore Banking Units	8,683,421	12,631,814
		20,737,637,929	**18,281,980,348**
	Bills Payable:		
	Payable inside Bangladesh		
	Payment Order Issued	2,842,586,511	2,475,250,322
	Demand Draft Payable	5,872,679	16,664,720
	Instant Cash Payable	-	20,000
	Bank Cheque Issued	-	215
	Turbo Cash Payable	70,405	64,405
	Electronic Fund Transfer	654,998	1,444,651
		2,849,184,593	**2,493,444,313**
	Payable outside Bangladesh	-	-
		2,849,184,593	**2,493,444,313**
	Mudaraba Savings Deposits:		
	General Deposits	20,090,276,540	18,180,901,845
	Deposit from Other Banks	10,125,995	99,689,065
		20,100,402,534	**18,280,590,909**
	Mudaraba Term Deposits:		
	General Deposits	70,600,188,914	64,248,150,845
		70,600,188,914	**64,248,150,845**
	Other Mudaraba Deposits:		
	Mudaraba Short Notice Deposits	8,601,029,769	4,956,740,274
	Mudaraba Scheme Deposit	41,871,333,529	37,121,568,499
		50,472,363,299	**42,078,308,773**
		164,759,777,269	**145,382,475,188**

		30.09.2018 Taka	30.09.2017 Taka
5	**Net Asset Value (NAV) Per Share:**		
	Net Assets Value (Consolidated)	14,729,259,004	13,357,077,987
	Net Assets Value (Banks')	14,409,267,434	13,031,612,255
	No. of Outstanding Share	848,564,793	848,564,793
	Net Asset Value (NAV) Per Share (Consolidated) [Restated]	17.36	15.74
	Net Asset Value (NAV) Per Share (Banks') [Restated]	16.98	15.36
6	**Earnings Per Share (EPS):**		
	Net profit after tax attributable to Equity holders of SJIBL (Consolidated)	1,115,897,832	1,087,530,300
	Net Profit after taxation (Banks')	1,091,483,683	909,724,477
	Earnings Per Share (EPS) (Consolidated) [Restated]	1.32	1.28
	Earnings Per Share (EPS) (Banks') [Restated]	1.29	1.07
7	**Net Operating Cash Flows per Share (NOCFPS):**		
	Net cash flows from operating activities (Consolidated)	3,776,180,193	(753,897,761)
	Net cash flows from operating activities (Banks')	3,588,455,095	(291,794,994)
	Net Operating Cash Flow per Share (NOCFPS) (Consolidated) [Restated]	4.45	(0.89)
	Net Operating Cash Flow per Share (NOCFPS) (Banks') [Restated]	4.23	(0.34)

8 Reconciliation Net Profit after Taxation & Operating Profit before changes in operating assets & liabilities

	Jan'18 to Sept'18 Taka	Jan'17 to Sept'17 Taka
Cash flows from operating activities		
Net Profit after Taxation	1,091,483,683	909,724,477
Provision for Tax	1,255,260,349	916,117,710
Provision for Invstment, Share & Contingent Liability	1,021,850,000	742,790,000
(Increase)/Decrease profit receivable	35,213,089	(50,237,316)
Increase/(Decrease) Increas Profit Payable on Deposits	559,571,000	373,350,209
Depreciation & Amortization of Fixed Assets	126,833,900	94,156,316
Recoveries on investment previously written off	4,276,658	1,800,000
Income tax paid	(709,045,211)	(667,284,425)
Operating Profit before changes in operating assets & liabilities	**3,385,443,469**	**2,320,416,972**