HALF YEARLY
FINANCIAL STATEMENTS
AS AT 30 JUNE, 2018 (UN-AUDITED)

As per regulation 21 of the Dhaka Stock Exchange (Listing) Regulations, 2015. United Finance Limited is pleased to publish its Half Yearly Financial Statements (un-audited).

UNITED FINANCE LIMITED

- **Deposit Opportunities**
- **Working Capital Solutions**
- **Asset Financing Options**

BALANCE SHEET (UN-AUDITED)

AS AT 30 JUNE, 2018

(Taka '000)

	30-Jun-18	31-Dec-17
PROPERTY AND ASSETS		
Cash including balance with Bangladesh Bank and its agent	313,831	275,644
Balance with banks and other financial institutions	3,757,823	3,813,430
Money at call and short notice	-	-
Investments	1,115,426	1,180,822
Lease, loans and advances	18,656,134	16,959,820
Fixed assets including furniture and fixtures	256,593	262,651
Other assets	1,585,573	1,451,964
Total assets	**25,685,380**	**23,944,331**
LIABILITIES AND CAPITAL		
Liabilities		
Borrowing from banks, other financial institutions and agents	2,782,384	2,474,979
Deposits and other accounts	16,910,159	15,609,568
Other liabilities	3,045,714	2,838,882
Total liabilities	**22,738,257**	**20,923,429**
Capital/Shareholders' equity		
Paid- up capital	1,871,146	1,782,044
Statutory reserve	774,000	774,000
Share premium	3,750	3,750
General reserve	191,000	255,000
Retained earnings	107,226	206,108
Total shareholders' equity	**2,947,122**	**3,020,902**
Total liabilities and shareholders' equity	**25,685,380**	**23,944,331**
Net Asset Value per share in Taka	**15.75**	**16.14**
Off Balance Sheet items		
Contingent liabilities	**46,936**	**32,500**

CASH FLOW STATEMENT (UN-AUDITED)

FOR THE HALF YEAR ENDED 30 JUNE, 2018

(Taka '000)

	30-Jun-18	30-Jun-17
CASH FROM OPERATING ACTIVITIES		
Revenue receipts	1,244,558	961,658
Dividend receipts	20,597	19,568
Interest payments	(788,015)	(497,433)
Payments to employees and suppliers	(319,557)	(338,506)
Payments for other operating activities	(49,516)	(24,872)
Income tax paid	(68,445)	(82,302)
Changes in operating assets and liabilities	(159,211)	(218,856)
	(119,590)	**(180,743)**
CASH FROM INVESTING ACTIVITIES		
Investment in Shares	19,397	(177,969)
Investment in Commercial Bond	46,000	(54,000)
Purchase of fixed assets	(10,431)	(29,223)
Proceeds from sale of fixed assets	1,911	2,905
	56,877	**(258,287)**
CASH FROM FINANCING ACTIVITIES		
Receipts of long term loan	411,800	393,826
Repayment of long term loan	(224,383)	(148,614)
Dividend paid	(142,124)	(133,218)
	45,293	**111,994**
Net increase/(decrease) in cash and cash equivalents	**(17,420)**	**(327,036)**
Opening cash and cash equivalents	4,089,074	4,399,510
Closing cash and cash equivalents	**4,071,654**	**4,072,474**
Net operating cash flow per share in Taka	**(0.64)**	**(0.97)**

PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE HALF YEAR ENDED 30 JUNE, 2018

(Taka '000)

	Jan-Jun'18	Jan-Jun'17	Apr-Jun'18	Apr-Jun'17
OPERATING INCOME				
Interest income	1,169,000	906,892	639,958	470,199
Interest paid on deposits, borrowings, etc.	(792,692)	(551,565)	(442,322)	(294,228)
Net interest income	**376,308**	**355,328**	**197,636**	**175,971**
Investment income	60,065	54,177	30,120	30,609
Commission, exchange and brokerage	-	-	-	-
Other operating income	65,307	72,510	31,613	35,541
Total operating income (A)	**501,680**	**482,015**	**259,369**	**242,122**
OPERATING EXPENSES				
Salaries and allowances	170,113	163,898	87,213	85,401
Rent, taxes, insurance, electricity, etc.	23,324	29,198	12,234	14,468
Legal expenses	6,645	7,550	4,332	3,681
Postage, stamp, telecommunication, etc.	4,711	4,117	2,329	2,630
Stationery, printing, advertisements, etc.	2,647	2,296	1,699	1,325
Managing Director's salary and benefits	5,132	4,424	2,776	2,243
Directors' fees	173	134	89	64
Auditors' fees	173	154	86	73
Charges on loan losses	-	-	-	-
Depreciation and repair of assets	24,247	20,542	12,894	9,613
Other expenses	28,753	23,873	15,223	12,585
Total operating expenses (B)	**265,917**	**256,187**	**138,876**	**132,083**
Profit before provision against lease, loans and advances (C=A-B)	**235,763**	**225,828**	**120,494**	**110,039**
Provision for lease, loans and advances	50,000	30,000	31,250	15,000
Provision for diminution in value of investments	-	-	-	-
Other provisions	-	-	-	-
Total provision (D)	**50,000**	**30,000**	**31,250**	**15,000**
Operating profit before tax E=(C-D)	**185,763**	**195,828**	**89,244**	**95,039**
Provision for taxation (F)	81,338	74,523	41,570	36,313
Net profit after taxation (E-F)	**104,425**	**121,305**	**47,673**	**58,726**
Appropriations				
Statutory reserve	-	-	-	-
General reserve	-	-	-	-
Retained surplus	**104,425**	**121,305**	**47,673**	**58,726**
Earnings Per Share in Taka	**0.56**	**0.65**	**0.25**	**0.31**

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE HALF YEAR ENDED 30 JUNE, 2018

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(Taka '00

Particulars	Share Capital	Statutory Reserve	Share Premium	General Reserve	Retained Earnings	Total
Balance as at 31 December 2017	1,782,044	774,000	3,750	255,000	206,108	3,020,902
Cash dividend paid for the year 2017	-	-	-	-	(178,204)	(178,204)
Stock dividend for the year 2017	89,102	-	-	-	(89,102)	-
Net profit the for half year ended 2018	-	-	-	-	104,425	104,425
Appropriation made during the year	-	-	-	(64,000)	64,000	-
Balance as at 30 June, 2018	**1,871,146**	**774,000**	**3,750**	**191,000**	**107,226**	**2,947,122**
Balance as at 30 June, 2017	**1,782,044**	**722,700**	**3,750**	**255,000**	**122,512**	**2,886,006**

Chief Financial Officer | Company Secretary | Managing Director

Director | Chairman

Notes to the Financial Statements (Unaudited)
For the half year ended 30 June 2018

1. Basis of preparation

The half yearly Financial Statements have been prepared in condensed form in accordance with the requirements of Bangladesh Accounting Standard (BAS)-34 "Interim Financial Reporting", Bangladesh Financial Reporting Standards (BFRSs), the provisions of the Securities & Exchange Rules 1987, the requirements of the Financial Institutions Act 1993, the rules and regulations issued by Bangladesh Bank and the Companies Act 1994.

1.1 Statement of compliance

The financial statements are complied with Bangladesh Financial Reporting Standards (BFRSs), the requirements of the Financial Institutions Act 1993, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the provisions of the Securities & Exchange Rules 1987 and the Financial Reporting Act 2015.

1.2 Comparative information

Last year's figures and account titles have been rearranged to conform current year's presentation in accordance with the Bangladesh Bank DFIM Circular no. 11 dated December 23, 2009.

1.3 Reporting currency

The figures appearing in these financial statements have been rounded off to the nearest thousand of Taka.

1.4 Off-Balance sheet items

Off-Balance Sheet items represent guarantees issued to banks for opening letter of credit for equipment and machinery.

2.0 Composition of Shareholders' Equity:

Particulars	No. of shares in '000	Face value	Taka '000
Paid-up Capital	187,115	10	1,871,146
Share Premium			3,750
Preference Share Capital			NIL
Statutory Reserve			774,000
General Reserve			191,000
Retained Earnings			107,226
Total Shareholders' Equity			**2,947,122**

Date of issue & other information:

Date	Types of paid-up capital	No. of shares in '000	Face value per share	Taka '000
27-04-1989	Sponsors Share Capital	7	100	700
23-11-1989	Sponsors Share Capital	618	100	61,800
27-03-1994	Initial Public Offering	75	100	7,500
18-04-2005	Bonus (100%)	700	100	70,000
20-04-2006	Bonus (50%)	700	100	70,000
25-03-2008	Bonus (10%)	210	100	21,000
31-03-2009	Bonus (14.29%)	330	100	33,000
25-03-2010	Bonus (100%)	2,640	100	264,000
09-06-2011	Bonus (75%)	3,960	100	396,000
	Before split	**9,240**		**924,000**
	After split	**92,400**	10	**924,000**
09-04-2012	Bonus (20%)	18,480	10	184,800
28-03-2013	Bonus (15%)	16,632	10	166,320
10-04-2014	Bonus (10%)	12,751	10	127,512
23-04-2015	Bonus (10%)	14,026	10	140,263
21-04-2016	Bonus (10%)	15,429	10	154,290
27-04-2017	Bonus (5%)	8,486	10	84,859
26-04-2018	Bonus (5%)	8,910	10	89,102
	Paid up capital	**187,115**		**1,871,146**

AMARSTOCK

3.0 Net Asset Value Per Share (NAV):	30-Jun-18	Taka '000 31-Dec-17
Total Shareholders' equity	2,947,122	3,020,902
No of shares outstanding	187,115	178,204
NAV per share	**15.75**	**16.95**
NAV per share (Restated)	**15.75**	**16.14**

4.0 Earnings Per Share (EPS):	30-Jun-18	30-Jun-17
Net profit after tax	104,425	121,305
No of shares outstanding	187,115	178,204
EPS	**0.56**	**0.68**
EPS (Restated)	**0.56**	**0.65**

5.0 Net Operating Cash Flow Per Share (NOCFPS):	30-Jun-18	30-Jun-17
Net cash from operating activities	(119,590)	(180,743)
No of shares outstanding	187,115	178,204
NOCFPS	**(0.64)**	**(1.01)**
NOCFPS (Restated)	**(0.64)**	**(0.97)**

6.0 Reconciliation of Operating Activities of Cash Flows:

Particulars	30-Jun-18	30-Jun-17
Net Profit After Tax	104,425	121,305
Depreciation	15,193	11,734
Provision for lease and loans	50,000	30,000
Provision for taxation	81,338	74,523
Profit on sale of fixed assets	(615)	(171)
Increase in short term loans	119,989	7,849
Increase in lease and loans	(1,696,314)	(1,908,941)
Income tax paid	(68,445)	(82,302)
Increase in deposit and other accounts	1,300,591	1,528,148
Increase in other liabilities	39,413	43,728
Increase in other assets	(65,164)	(6,615)
Cash flows from operating activities	**(119,590)**	**(180,742)**

7.0 Events after the Reporting Period

No other events occurred after the balance sheet date, which could materially affect the amounts or disclosures in these financial statements.

Chief Financial Officer

Company Secretary

Managing Director

AMAR STOCK