

IDLC FINANCE LIMITED

Bay's Galleria (1st Floor), 57 Gulshan Avenue, Gulshan 1, Dhaka 1212, Tel: +880 (2) 883 4990, Facsimile: +880 (2) 883 4377, E-mail: mailbox@idlc.com

1st quarter un-audited financial statements as at and for the quarter ended March 31, 2011

Consolidated Balance Sheet as at March 31, 2011

	31-Mar-11 Taka	31-Dec-10 Taka
PROPERTY AND ASSETS		
Cash		
In hand	231,000	206,000
Balance with Bangladesh Bank	443,279,750	323,943,694
443,510,750		324,149,694
Balance with other banks and financial institutions in Bangladesh	3,081,685,161	3,028,738,202
Money at call and short notice	200,000,000	370,000,000
Investments	964,223,677	575,465,138
Loans, advances and leases	21,902,727,407	21,254,201,366
Fixed assets including land, building, furniture and fixtures	343,474,400	325,671,174
Other assets	1,035,414,090	1,051,764,655
Total Assets	27,971,035,485	26,929,990,229
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks and financial institutions	4,072,480,795	4,656,967,523
Deposits and other accounts		
Term deposits	13,824,803,075	12,373,161,861
Other deposits	709,677,796	628,184,694
14,534,480,871		13,001,346,555
Other liabilities	5,682,350,725	5,581,486,184
Total liabilities	24,289,312,391	23,239,800,262
Capital / Shareholders' equity		
Paid-up capital	990,000,000	600,000,000
Share premium	3,750,000	3,750,000
Statutory reserves	562,364,396	562,364,396
General reserves	811,250,000	811,250,000
Dividend equalisation reserves	46,500,000	46,500,000
Retained earnings	1,267,856,857	1,666,323,343
Total equity attributable to equity holders of the company	3,681,721,253	3,690,187,739
Non-controlling interest	1,841	2,228
Total liabilities and Shareholders' equity	27,971,035,485	26,929,990,229
OFF - BALANCE SHEET ITEMS		
Contingent liabilities		
Letters of guarantee	270,263	270,263
Irrevocable letters of credit	1,700,000	1,700,000
Indemnity Bond	8,811,279	8,811,279
10,781,542		10,781,542
Other commitments		
Undisbursed contracted loans and leases	194,356,344	823,917,425
Total Off-Balance Sheet Items	205,137,886	834,698,967
Net assets value per share	371.89	372.75

Consolidated Profit and Loss Account for the quarter ended March 31, 2011

	31-Mar-11 Taka	31-Mar-10 Taka
Interest income	804,416,237	700,398,153
Interest expenses	(484,468,250)	(421,657,842)
Net interest income	319,947,987	278,740,311
Investment income	116,962	61,195,109
Commission and brokerage	143,094,478	219,094,750
Other operating income	29,843,085	28,459,396
Total operating income	493,002,512	587,489,566
Salaries and allowances	93,315,752	74,344,645
Rent, taxes, insurance, electricity, etc.	21,040,263	17,127,729
Legal expenses	267,006	1,519,267
Postage, stamp, telecommunication, etc.	5,052,302	3,844,493
Stationery, printing, advertisements, etc.	12,052,802	8,500,755
Managing Director's salary and benefits	1,859,100	1,746,000
Directors' fees	168,000	147,200
Auditors' fees	23,000	100,000
Depreciation and repair of Company's assets	20,134,649	17,045,737
Other expenses	47,295,095	56,729,973
Total operating expenses	201,207,969	181,105,979
Profit before provision	291,794,543	406,383,767
Provision for loans / investments		
General provision	7,932,183	(4,775,204)
Specific provision	(93,531,142)	32,733,095
Provision for diminution in value of investments	46,282,098	-
Total provision	(39,316,861)	27,957,891
Total profit before taxes	331,111,404	378,425,876
Provision for taxation	129,577,877	134,026,166
Net profit after taxation	201,533,527	244,399,710
Attributable to:		
Shareholders of the Company	201,533,514	244,399,496
Non-controlling interest	13	214
	201,533,527	244,399,710
Earnings per share (EPS)	20.36	24.69

Consolidated Cash Flow Statement for the quarter ended March 31, 2011

	31-Mar-11 Taka	31-Mar-10 Taka
Particulars		
A) Cash flows from operating activities		
Interest received	804,416,237	700,398,153
Interest paid	(484,468,250)	(421,657,842)
Dividend received	6,277,708	61,195,109
Fees and commission received	143,094,478	219,094,750
Paid to employees and suppliers	(195,578,320)	(167,261,534)
Payment of income tax	(76,829,117)	(61,881,530)
Received from other operating activities	23,296,284	28,459,396
Cash generated from operating activities before changes in operating assets and liabilities	220,209,020	358,346,502
Increase / (decrease) in operating assets and liabilities		
Lease receivable	(64,008,371)	227,183,815
Long-term finance	(673,482,959)	(317,273,381)
Real estate finance	(226,349,033)	(361,167,743)
Car loans	(16,426,293)	(3,490,794)
Personal loan	(9,909,448)	(21,530,677)
Margin loan to portfolio investors	581,024,430	828,434,537
Short term finance	(153,087,522)	(10,269,339)
Net proceeds of investment in marketable securities	(443,093,539)	(97,655,777)
Other assets	(16,807,419)	(197,992,332)
Term and other deposits	1,470,256,725	740,452,210
Payable and accrued expenses	315,005,541	428,285,535
Deferred liability-employee gratuity	3,039,601	196,763
Portfolio investors' fund	(433,461,166)	(208,571,980)
Interest suspense account	18,820,517	3,798,397
351,521,064		1,010,399,234
Net cash from operating activities	571,730,084	1,368,745,736
B) Cash flows from investing activities		
Purchase of property and equipment	(38,782,668)	(16,612,903)
Disposal of property and equipment	770,532	42,305
Net proceeds of investment in non marketable securities	54,335,000	-
Net cash used in investing activities	16,322,864	(16,570,598)
C) Cash flows from financing activities		
Drawdown of term loans	38,800,000	274,608,280
Repayment of term loans	(329,469,111)	(340,105,561)
Net drawdown of short term loan	(293,817,617)	420,000,000
Payment against lease obligation	(1,236,862)	(754,104)
Dividend paid	(21,343)	(9,425)
Net Cash from financing activities	(585,744,933)	353,739,189
D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)		
	2,308,015	1,705,914,327
E) Effects of exchange rate changes on cash and cash equivalents		
F) Cash and cash equivalents at beginning of the year		
	3,722,887,896	1,771,587,582
G) Cash and cash equivalents at end of the period (D+E+F)		
	3,725,195,911	3,477,501,909
Cash and cash equivalents at end of the period		
Cash in hand (including foreign currencies)	231,000	116,000
Money at call and short notice	200,000,000	-
Balance with Bangladesh Bank and its agent bank (s)	443,279,750	501,438,056
Balance with other banks and financial institutions	3,081,685,161	2,975,947,853
	3,725,195,911	3,477,501,909
Net operating cashflow per share	57.75	138.26

Consolidated Statement of Changes in Equity for the quarter ended March 31, 2011

	Attributable to equity holders of the company								
	Share capital Taka	Share premium Taka	Statutory reserve Taka	General reserve Taka	Dividend equalisation reserve Taka	Retained earnings Taka	Total Taka	Non-controlling interest Taka	Total equity Taka
Balance at January 1, 2011	600,000,000	3,750,000	562,364,396	811,250,000	46,500,000	1,666,323,343	3,690,187,739	2,228	3,690,189,967
Dividend for 2010:									
35% cash dividend	-	-	-	-	-	(210,000,000)	(210,000,000)	-	(210,000,000)
65% stock dividend	390,000,000	-	-	-	-	(390,000,000)	-	-	-
Dividend of subsidiary	-	-	-	-	-	-	-	(400)	(400)
Net profit for the 1st quarter 2011	-	-	-	-	-	201,533,514	201,533,514	13	201,533,527
Balance at March 31, 2011	990,000,000	3,750,000	562,364,396	811,250,000	46,500,000	1,267,856,857	3,681,721,253	1,841	3,681,723,094
Balance at March 31, 2010	300,000,000	3,750,000	401,250,000	811,250,000	46,500,000	1,074,740,161	2,637,490,161	1,399	2,637,491,560

Balance Sheet as at March 31, 2011

	31-Mar-11 Taka	31-Dec-10 Taka
PROPERTY AND ASSETS		
Cash		
In hand	121,000	96,000
Balance with Bangladesh Bank	443,279,750	323,943,694
443,400,750		324,039,694
Balance with other banks and financial institutions in Bangladesh	2,187,487,237	2,106,738,063
Money at call and short notice	200,000,000	370,000,000
Investments		
Government	-	-
Others	550,330,942	457,419,364
550,330,942		457,419,364
Loans, advances and leases	21,890,712,956	21,245,794,636
Fixed assets including land, building, furniture and fixtures	259,037,736	236,733,130
Other assets	896,791,633	612,284,404
Total Assets	26,427,761,254	25,353,009,291
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks and financial institutions	4,072,480,795	4,656,967,523
Deposits and other accounts		
Term deposits	13,824,803,075	12,373,161,861
Other deposits	709,677,796	628,184,694
14,534,480,871		13,001,346,555
Other liabilities	5,009,767,558	5,068,408,618
Total liabilities	23,616,729,224	22,726,722,696
Capital / Shareholders' equity		
Paid-up capital	990,000,000	600,000,000
Share premium	3,750,000	3,750,000
Statutory reserves	562,364,396	562,364,396
General reserves	811,250,000	811,250,000
Dividend equalisation reserves	46,500,000	46,500,000
Retained earnings	397,167,634	602,422,199
Total equity	2,811,032,030	2,626,286,595
Total liabilities and Shareholders' equity	26,427,761,254	25,353,009,291
OFF - BALANCE SHEET ITEMS		
Contingent liabilities		
Letters of guarantee	270,263	270,263
Irrevocable letters of credit	1,700,000	1,700,000
Indemnity Bond	8,811,279	8,811,279
10,781,542		10,781,542
Other commitments		
Undisbursed contracted loans and leases	194,356,344	823,917,425
Total Off-Balance Sheet Items	205,137,886	834,698,967
Net assets value per share	283.94	265.28

Profit and Loss Account for the quarter ended March 31, 2011

	31-Mar-11 Taka	31-Mar-10 Taka
Interest income	789,814,364	691,673,829
Interest expenses	(483,681,612)	(421,073,542)
Net interest income	306,132,752	270,600,287
Investment income	204,507,641	51,172,742
Commission and brokerage	57,779,192	79,261,134
Other operating income	29,338,876	26,206,896
Total operating income	597,758,461	427,241,059
Salaries and allowances	72,306,982	65,674,369
Rent, taxes, insurance, electricity, etc.	13,670,794	14,281,612
Legal expenses	147,088	1,235,159
Postage, stamp, telecommunication, etc.	4,660,257	3,988,434
Stationery, printing, advertisements, etc.	9,975,252	7,084,559
Managing Director's salary and benefits	1,859,100	1,746,000
Directors' fees	138,000	147,200
Auditors' fees	23,000	100,000
Depreciation and repair of Company's assets	12,466,751	14,196,178
Other expenses	23,170,011	30,397,285
Total operating expenses	138,417,235	138,460,796
Profit before provisions	459,341,226	288,780,263
Provision for loans / investments		
General provision	7,932,183	(4,775,204)
Specific provision	(93,531,142)	25,503,111
Provision for diminution in value of investments	26,533,372	-
Total provision	(59,065,587)	20,727,907
Total profit before taxes	518,406,813	268,052,356
Provision for taxation	123,661,378	130,667,773
Net profit after taxation	394,745,435	137,384,583
Earnings per share (EPS)	39.87	13.88

(Merchant Banking Operation) Profit and Loss Account for the quarter ended March 31, 2011

	31-Mar-11 Taka	31-Mar-10 Taka
Interest income	176,351,570	181,198,981
Interest expenses	152,137,764	140,173,584
Net interest income	24,213,806	41,025,397
Custodial Fees	28,678	-
Issue Management Fee	4,480,000	-
Documentation Fees	102,500	211,500
Portfolio Management Fee	41,180,	