

IDLC Finance Limited
Consolidated Balance Sheet (un-audited)
as at September 30, 2010

	<u>30-Sep-10</u> <u>Taka</u>	<u>31-Dec-09</u> <u>Taka</u>
PROPERTY AND ASSETS		
Cash		
In hand	181,000	116,000
Balance with Bangladesh Bank	714,726,298	225,155,458
	714,907,298	225,271,458
Balance with other banks and financial institutions in Bangladesh	4,215,475,063	1,546,316,124
Money at call and short notice	-	-
Investments	1,231,289,825	637,946,574
Loans, advances and leases	20,433,962,155	19,460,718,429
Fixed assets including land, building, furniture and fixtures	290,705,718	224,509,596
Other assets	601,494,748	586,525,045
Total Assets	27,487,834,807	22,681,287,226
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks and financial institutions	6,061,727,412	6,029,180,391
Deposits and other accounts		
Term deposits	12,459,101,653	9,779,933,274
Other deposits	641,672,190	579,835,183
	13,100,773,843	10,359,768,457
Other liabilities	4,950,136,473	3,899,246,528
Total liabilities	24,112,637,728	20,288,195,376
Capital / Shareholders' equity		
Paid-up capital	600,000,000	300,000,000
Share premium	3,750,000	3,750,000
Statutory reserves	401,250,000	401,250,000
General reserves	811,250,000	811,250,000
Dividend equalisation reserves	46,500,000	46,500,000
Retained earnings	1,512,444,968	830,340,665
Total equity attributable to equity holders of the company	3,375,194,968	2,393,090,665
Minority interest	2,111	1,185
Total liabilities and Shareholders' equity	27,487,834,807	22,681,287,226
OFF - BALANCE SHEET ITEMS		
Contingent liabilities		
Letters of guarantee	6,698,663	6,698,663
Irrevocable letters of credit	1,373,189	9,000,000
Indemnity Bond	8,811,279	8,899,650
	16,883,131	24,598,313
Other commitments		
Undisbursed contracted loans and leases	310,089,048	626,094,560
Total Off-Balance Sheet items	326,972,179	650,692,873
Net assets value per share	562.53	398.85

Sd/-

Selim R. F. Hussain
CEO & Managing Director

Sd/-

H. M. Ziaul Hoque Khan
Chief Financial Officer

Dated: October 21, 2010

IDLC Finance Limited
Consolidated Profit and Loss Account (un-audited)
for the period ended September 30, 2010

	<u>Jan to Sept' 10</u>	<u>Jan to Sept' 09</u>	<u>Jul to Sept' 10</u>	<u>Jul to Sept' 09</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Interest income	2,254,795,384	1,895,232,070	801,595,222	693,196,097
Interest expenses	(1,359,251,527)	(1,196,969,690)	(497,612,393)	(432,408,648)
Net interest income	895,543,857	698,262,380	303,982,829	260,787,449
Investment income	369,058,947	215,030,650	31,106,119	107,209,357
Commission and brokerage	793,885,482	395,794,804	283,799,957	130,768,679
Other operating income	79,976,225	64,414,563	20,034,948	20,900,440
Total operating income	2,138,464,511	1,373,502,397	638,923,853	519,665,925
Salaries and allowances	257,856,338	156,698,563	107,080,410	62,091,522
Rent, taxes, insurance, electricity, etc.	50,190,780	33,887,000	9,828,942	10,713,878
Legal expenses	7,247,044	3,817,799	1,241,156	1,185,240
Postage, stamp, telecommunication, etc.	11,785,406	10,090,849	3,625,883	5,083,729
Stationery, printing, advertisements, etc.	34,954,110	20,500,454	14,990,450	4,914,277
Managing Director's salary and benefits	4,248,000	1,564,600	1,416,000	-
Directors' fees	349,650	253,000	115,000	78,200
Auditors' fees	363,750	329,050	111,500	116,350
Depreciation and maintenance of Company's assets	52,258,632	46,261,426	15,316,138	14,228,780
Other expenses	183,537,001	112,311,240	70,336,943	38,212,812
Total operating expenses	602,790,711	385,713,981	224,062,422	136,624,788
Profit before provision	1,535,673,800	987,788,416	414,861,431	383,041,137
Provision for loans / investments				
General provision	10,137,504	12,229,420	(18,272,758)	(7,845,431)
Specific provision	69,431,310	208,266,704	49,477,341	128,453,045
Total provision	79,568,814	220,496,124	31,204,583	120,607,614
Total profit before taxes	1,456,104,986	767,292,292	383,656,848	262,433,523
Provision for taxation	443,999,757	313,389,234	107,517,222	112,956,948
Net profit after taxation	1,012,105,229	453,903,058	276,139,626	149,476,575
Attributable to:				
Shareholders of the Company	1,012,104,303	453,902,958	276,139,388	149,476,485
Minority interest	926	100	238	90
	<u>1,012,105,229</u>	<u>453,903,058</u>	<u>276,139,626</u>	<u>149,476,575</u>
Earnings per share (EPS)	168.68	75.65	46.02	24.91

Sd/-

Selim R. F. Hussain
CEO & Managing Director

Sd/-

H. M. Ziaul Hoque Khan
Chief Financial Officer

Dated: October 21, 2010

IDLC Finance Limited
Consolidated Cash Flow Statement (un-audited)
for the period ended September 30, 2010

Particulars	<u>30-Sep-10</u> Taka	<u>30-Sep-09</u> Taka
A) Cash flows from operating activities		
Interest received	2,254,795,384	1,895,232,070
Interest paid	(1,359,251,527)	(1,196,969,690)
Dividend received	369,058,947	215,030,650
Fees and commission received	793,885,482	395,794,804
Paid to employees and suppliers	(565,908,360)	(349,645,609)
Payment of income tax	(261,960,685)	(226,287,112)
Received from other operating activities	79,976,225	62,403,584
Cash generated from operating activities before changes in operating assets and liabilities	1,310,595,466	795,558,697
Increase / (decrease) in operating assets and liabilities		
Lease receivable	441,137,625	570,878,518
Long-term finance	(514,201,172)	(157,739,072)
Real estate finance	(668,149,362)	(757,826,901)
Car loans	(1,972,908)	(29,398,758)
Personal loan	(66,502,992)	(40,284,968)
Margin loan to portfolio investors	149,115,139	(1,348,491,761)
Short term finance	(101,365,297)	74,819,158
Other assets	(14,969,703)	(35,699,461)
Term and other deposits	2,517,096,658	1,613,918,984
Net drawdown of short term loan	(42,077,058)	129,306,155
Other liabilities	797,132,482	562,812,035
	2,495,243,412	582,293,929
Net cash from operating activities	3,805,838,879	1,377,852,626
B) Cash flows from investing activities		
Purchase of property and equipment	(103,628,189)	(65,167,868)
Disposal of property and equipment	4,638,385	5,577,334
Net proceeds of investment in securities	(593,343,251)	(756,992,991)
Net cash used in investing activities	(692,333,055)	(816,583,525)
C) Cash flows from financing activities		
Drawdown of term loans	1,108,133,103	1,038,093,684
Repayment of term loans	(1,033,509,022)	(765,295,484)
Dividend paid	(29,335,125)	(36,928,068)
Net Cash from financing activities	45,288,956	235,870,132
D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)	3,158,794,779	797,139,233
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	1,771,587,582	747,936,971
G) Cash and cash equivalents at end of the period (D+E+F)	4,930,382,361	1,545,076,204
Cash and cash equivalents at end of the period		
Cash in hand (including foreign currencies)	181,000	96,000
Balance with Bangladesh Bank and its agent bank (s)	714,726,298	170,021,518
Balance with other banks and financial institutions	4,215,475,063	1,374,958,686
	4,930,382,361	1,545,076,204
Net operating cashflow per share	634.31	229.64

Sd/-

Selim R. F. Hussain
CEO & Managing Director

Sd/-

H. M. Ziaul Hoque Khan
Chief Financial Officer

Dated: October 21, 2010

IDLC Finance Limited
Consolidated Statement of Changes in Equity
for the period ended September 30, 2010

Attributable to equity holders of the company

	<u>Share capital Taka</u>	<u>Share premium Taka</u>	<u>Statutory reserve Taka</u>	<u>General reserve Taka</u>	<u>Dividend equalisation reserve Taka</u>	<u>Retained earnings Taka</u>	<u>Total Taka</u>	<u>Minority interest Taka</u>	<u>Total equity Taka</u>
Balance at January 1, 2010	300,000,000	3,750,000	401,250,000	811,250,000	46,500,000	830,340,665	2,393,090,665	1,185	2,393,091,850
Net profit for the period ended September 30, 2010	-	-	-	-	-	1,012,104,303	1,012,104,303	926	1,012,105,229
Issue of bonus share	300,000,000	-	-	-	-	(300,000,000)	-	-	-
Payment of dividend	-	-	-	-	-	(30,000,000)	(30,000,000)	-	(30,000,000)
Balance at September 30, 2010	600,000,000	3,750,000	401,250,000	811,250,000	46,500,000	1,512,444,968	3,375,194,968	2,111	3,375,197,079
Balance at September 30, 2009	300,000,000	3,750,000	-	1,017,500,000	46,500,000	659,964,321	2,027,714,321	939	2,027,715,260

Sd/-

Selim R. F. Hussain
CEO & Managing Director

Sd/-

H. M. Ziaul Hoque Khan
Chief Financial Officer

Dated: October 21, 2010

IDLC Finance Limited
Balance Sheet (un-audited)
as at September 30, 2010

	<u>30-Sep-10</u> Taka	<u>31-Dec-09</u> Taka
PROPERTY AND ASSETS		
Cash		
In hand	91,000	66,000
Balance with Bangladesh Bank	714,726,298	225,155,458
	714,817,298	225,221,458
Balance with other banks and financial institutions in Bangladesh	3,539,353,268	912,152,616
Money at call and short notice	-	-
Investments		
Government	-	-
Others	677,533,770	532,831,979
	677,533,770	532,831,979
Loans, advances and leases	20,424,132,181	19,438,284,486
Fixed assets including land, building, furniture and fixtures	245,657,159	188,541,232
Other assets	537,742,369	318,228,163
Total Assets	26,139,236,045	21,615,259,934
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks and financial institutions	6,061,727,412	6,029,180,391
Deposits and other accounts		
Term deposits	12,459,101,653	9,779,933,274
Other deposits	641,672,190	579,835,183
	13,100,773,843	10,359,768,457
Other liabilities	4,457,066,672	3,325,596,572
Total liabilities	23,619,567,927	19,714,545,420
Capital / Shareholders' equity		
Paid-up capital	600,000,000	300,000,000
Share premium	3,750,000	3,750,000
Statutory reserves	401,250,000	401,250,000
General reserves	811,250,000	811,250,000
Dividend equalisation reserves	46,500,000	46,500,000
Retained earnings	656,918,118	337,964,514
Total equity	2,519,668,118	1,900,714,514
Total liabilities and Shareholders' equity	26,139,236,045	21,615,259,934
OFF - BALANCE SHEET ITEMS		
Contingent liabilities		
Letters of guarantee	6,698,663	6,698,663
Irrevocable of letters of credit	1,373,189	9,000,000
Indemnity Bond	8,811,279	8,899,650
	16,883,131	24,598,313
Other commitments		
Undisbursed contracted loans and leases	310,089,048	626,094,560
Total Off-Balance Sheet items	326,972,179	650,692,873
Net assets value per share	419.94	316.79

Sd/-

Selim R. F. Hussain
CEO & Managing Director

Sd/-

H. M. Ziaul Hoque Khan
Chief Financial Officer

Dated: October 21, 2010

IDLC Finance Limited
Profit and Loss Account (un-audited)
for the period ended September 30, 2010

	<u>Jan to Sept' 10</u> <u>Taka</u>	<u>Jan to Sept' 09</u> <u>Taka</u>	<u>Jul to Sept' 10</u> <u>Taka</u>	<u>Jul to Sept' 09</u> <u>Taka</u>
Interest income	2,226,438,341	1,885,848,587	792,827,914	693,067,764
Interest expenses	(1,357,411,133)	(1,195,118,550)	(497,011,173)	(431,758,789)
Net interest income	869,027,208	690,730,037	295,816,741	261,308,975
Investment income	334,690,699	205,710,583	19,673,038	134,988,718
Commission and brokerage	270,993,954	141,994,461	97,248,567	53,308,145
Other operating income	79,442,884	58,318,653	20,356,125	19,530,737
Total operating income	1,554,154,745	1,096,753,734	433,094,471	469,136,575
Salaries and allowances	218,367,296	135,357,682	95,021,375	51,283,305
Rent, taxes, insurance, electricity, etc.	34,232,964	27,389,049	1,930,354	7,938,669
Legal expenses	6,417,190	2,895,244	540,802	809,805
Postage, stamp, telecommunication, etc.	10,898,845	7,168,025	3,307,701	2,370,141
Stationery, printing, advertisements, etc.	31,030,520	18,087,804	13,676,099	4,097,461
Managing Director's salary and benefits	4,248,000	1,564,600	1,416,000	-
Directors' fees	334,650	253,000	115,000	78,200
Auditors' fees	300,000	225,000	100,000	75,000
Depreciation and maintenance of Company's assets	40,905,387	40,568,827	10,761,446	10,643,475
Other expenses	78,160,949	69,256,356	24,719,903	31,322,969
Total operating expenses	424,895,801	302,765,587	151,588,680	108,619,025
Profit before provisions	1,129,258,944	793,988,147	281,505,791	360,517,550
Provision for loans / investments				
General provision	10,137,504	12,229,420	(18,272,758)	(7,845,431)
Specific provision	55,946,767	172,938,479	43,403,008	106,544,140
Total provision	66,084,271	185,167,899	25,130,250	98,698,709
Total profit before taxes	1,063,174,673	608,820,248	256,375,541	261,818,841
Provision for taxation	414,221,069	292,490,941	99,170,035	110,764,836
Net profit after taxation	648,953,604	316,329,307	157,205,506	151,054,005
Earnings per share (EPS)	108.16	52.72	26.20	25.18

Sd/-

Selim R. F. Hussain
CEO & Managing Director

Sd/-

H. M. Ziaul Hoque Khan
Chief Financial Officer

Dated: October 21, 2010

IDLC Finance Limited
(Merchant Banking Operation)
Profit and Loss Account (un-audited)
for the period ended September 30, 2010

	<u>Jan to Sept' 10</u> Taka	<u>Jan to Sept' 09</u> Taka	<u>July to Sept' 10</u> Taka	<u>July to Sept' 09</u> Taka
Operational revenue				
Underwriting commission	689,950	404,063	614,950	329,063
Custodial fees	-	12,500	-	-
Issue management fees	11,966,104	1,380,000	8,966,104	400,000
Income from portfolio management services	886,398,552	560,571,018	313,606,493	211,873,037
	899,054,606	562,367,581	323,187,547	212,602,100
Less: Operational expenses				
Interest expenses	474,162,733	386,251,011	166,511,334	140,591,397
Administrative expenses	29,048,675	14,316,038	10,081,192	6,213,893
Depreciation on property and equipment	978,131	6,858,338	13,985	4,922,724
Provision for margin loan	(1,491,151)	11,084,918	(20,139,795)	(508,878)
Other operational expenses	42,458,002	43,398,555	6,574,100	22,159,520
	545,156,390	461,908,860	163,040,816	173,378,656
Profit from merchant banking operations	<u>353,898,216</u>	<u>100,458,721</u>	<u>160,146,731</u>	<u>39,223,444</u>

Sd/-

Selim R. F. Hussain
CEO & Managing Director

Sd/-

H. M. Ziaul Hoque Khan
Chief Financial Officer

Dated: October 21, 2010

IDLC Finance Limited
Cash Flow Statement (un-audited)
for the period ended September 30, 2010

Particulars	<u>30-Sep-10</u> <u>Taka</u>	<u>30-Sep-09</u> <u>Taka</u>
A) Cash flows from operating activities		
Interest received	2,226,438,341	1,885,848,587
Interest paid	(1,357,411,133)	(1,195,118,550)
Dividend received	334,690,699	205,710,583
Fees and commission received	270,993,954	141,994,461
Paid to employees and suppliers	(399,366,695)	(272,034,774)
Payment of income tax	(260,103,208)	(211,866,572)
Received from other operating activities	79,442,884	56,307,674
Cash generated from operating activities before changes in operating assets and liabilities	894,684,842	610,841,409
Increase / (decrease) in operating assets and liabilities		
Lease receivable	441,137,625	570,878,518
Long-term finance	(514,201,172)	(157,739,072)
Real estate finance	(668,149,362)	(757,826,901)
Car loans	(1,972,908)	(29,398,758)
Personal loan	(66,502,992)	(40,284,968)
Margin loan to portfolio investors	149,115,139	(1,348,491,761)
Short term finance	(101,365,297)	74,819,158
Other assets	(219,514,206)	5,371,600
Term and other deposits	2,517,096,658	1,613,918,984
Net drawdown of short term loan	(42,077,058)	129,306,155
Other liabilities	909,458,987	355,269,010
	2,403,025,414	415,821,965
Net cash from operating activities	3,297,710,256	1,026,663,374
B) Cash flows from investing activities		
Purchase of property and equipment	(85,366,321)	(50,594,054)
Disposal of property and equipment	3,865,392	4,281,529
Net proceeds of investment in securities	(144,701,791)	(452,288,066)
Net cash used in investing activities	(226,202,720)	(498,600,591)
C) Cash flows from financing activities		
Drawdown of term loans	1,108,133,103	1,038,093,684
Repayment of term loans	(1,033,509,022)	(765,295,484)
Dividend paid	(29,335,125)	(36,928,068)
Net Cash from financing activities	45,288,956	235,870,132
D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)	3,116,796,492	763,932,915
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	1,137,374,074	414,995,814
G) Cash and cash equivalents at end of the period (D+E+F)	4,254,170,566	1,178,928,729
Cash and cash equivalents at end of the period		
Cash in hand (including foreign currencies)	91,000	61,000
Balance with Bangladesh Bank and its agent bank (s)	714,726,298	170,021,518
Balance with other banks and financial institutions	3,539,353,268	1,008,846,211
	4,254,170,566	1,178,928,729
Net operating cashflow per share	549.62	171.11

Sd/-

Selim R. F. Hussain
CEO & Managing Director

Sd/-

H. M. Ziaul Hoque Khan
Chief Financial Officer

Dated: October 21, 2010

IDLC Finance Limited
Statement of Changes in Equity (un-audited)
for the period ended September 30, 2010

	<u>Share capital Taka</u>	<u>Share premium Taka</u>	<u>Statutory reserve Taka</u>	<u>General reserve Taka</u>	<u>Dividend equalisation reserve Taka</u>	<u>Retained earnings Taka</u>	<u>Total Taka</u>
Balance at January 1, 2010	300,000,000	3,750,000	401,250,000	811,250,000	46,500,000	337,964,514	1,900,714,514
Net profit for the period ended September 30, 2010	-	-	-	-	-	648,953,604	648,953,604
Issue of bonus share	300,000,000	-	-	-	-	(300,000,000)	-
Payment of dividend	-	-	-	-	-	(30,000,000)	(30,000,000)
Balance at September 30, 2010	600,000,000	3,750,000	401,250,000	811,250,000	46,500,000	656,918,118	2,519,668,118
Balance at September 30, 2009	300,000,000	3,750,000	-	1,017,500,000	46,500,000	330,763,497	1,698,513,497

Sd/-

Selim R. F. Hussain
CEO & Managing Director

Sd/-

H. M. Ziaul Hoque Khan
Chief Financial Officer

Dated: October 21, 2010