

In compliance with the Bangladesh Securities and Exchange Commission (BSEC) letter No. SEC/CFD/Misc/233/2004/615, dated February 2, 2010 and Regulation 17 (1) of the Dhaka and Chittagong Stock Exchange (Listing) Regulations, 2015, we are pleased to present the 3rd quarter un-audited consolidated financial statements of IDLC Finance Limited as at and for the quarter ended September 30, 2016. The consolidated financial statements are comprised of the financials of IDLC Finance Limited and its wholly owned subsidiaries, IDLC Securities Limited, IDLC Investments Limited and IDLC Asset Management Limited and are prepared as per International Accounting Standard (IAS)/ Bangladesh Accounting Standard 34 "Interim Financial Reporting".

Consolidated Balance Sheet as at September 30, 2016		
Particulars	30-Sep-16 Taka	31-Dec-15 Taka
PROPERTY AND ASSETS		
Cash		
In hand (including foreign currencies)	376,000	366,000
Balance with Bangladesh Bank and its agent (including foreign currencies)	1,017,186,708	891,503,744
	1,017,562,708	891,869,744
Balance with other banks and financial institutions		
Inside Bangladesh	9,642,994,287	12,543,322,538
Outside Bangladesh	-	-
	9,642,994,287	12,543,322,538
Money at call and short notice	-	-
Investments		
Government	-	300,000,000
Others	3,931,363,345	3,092,468,561
	3,931,363,345	3,392,468,561
Loans and advances		
Loans, cash credit, overdraft etc.	60,630,042,437	55,211,824,250
Bills purchased and discounted	-	-
	60,630,042,437	55,211,824,250
Fixed assets including land, building, furniture and fixtures	669,279,534	537,098,683
Other assets	797,031,013	857,870,414
Non-banking assets	-	-
Total Assets	76,688,273,325	73,434,454,190
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	11,165,859,216	10,585,582,747
Deposits and other accounts		
Current accounts and other accounts etc.	-	-
Bills payable	-	-
Savings bank deposits	-	-
Term deposits	47,016,511,179	46,038,675,236
Bearer certificate of deposits	-	-
Other deposits	1,838,104,179	1,585,890,057
	48,854,615,358	47,624,565,293
Other liabilities	8,167,877,523	7,438,343,943
Total liabilities	68,188,152,097	65,648,491,983
Capital/Shareholders' equity		
Paid-up capital	2,513,671,870	2,513,671,870
Share premium	3,750,000	3,750,000
Statutory reserves	1,482,722,671	1,482,722,671
General reserves	1,000,000,000	1,000,000,000
Dividend equalisation reserves	46,500,000	46,500,000
Retained earnings	3,453,474,398	2,739,315,501
Total equity attributable to equity holders of the company	8,500,118,939	7,785,960,042
Non-controlling interest	2,289	2,165
Total liabilities and Shareholders' equity	76,688,273,325	73,434,454,190
OFF - BALANCE SHEET ITEMS		
Contingent liabilities		
Acceptances and endorsements	-	-
Letters of guarantee	173,828,414	118,488,520
Irrevocable letters of credit	-	-
Bills for collection	-	-
Indemnity bond	-	-
Corporate guarantee	500,000,000	500,000,000
	673,828,414	618,488,520
Other commitments		
Documentary credits and short term trade related transactions	-	-
Forward assets purchased and forward deposits placed	-	-
Un-drawn note issuance and revolving underwriting facilities	-	-
Un-drawn formal standby facilities, credit lines	-	-
Un-disbursed contracted loans and leases	432,338,424	607,054,854
	432,338,424	607,054,854
Total Off-Balance Sheet items including contingent liabilities	1,106,166,838	1,225,543,374
Net Assets Value (NAV) per share	33.82	30.97

Consolidated Profit and Loss Account for the period ended September 30, 2016				
Particulars	Jan to Sep '16 Taka	Jan to Sep '15 Taka	Jul to Sep '16 Taka	Jul to Sep '15 Taka
Interest income	6,275,110,433	6,097,663,510	2,086,247,281	2,104,857,880
Interest on deposits and borrowings etc.	(3,489,323,419)	(3,605,908,753)	(1,149,151,751)	(1,261,667,328)
Net interest income	2,785,787,013	2,491,754,757	937,095,530	843,190,552
Investment income	361,994,721	319,818,299	90,980,082	203,310,092
Commission, exchange and brokerage	252,165,683	253,869,969	87,036,084	108,995,990
Other operating income	378,311,823	333,471,445	131,140,183	93,629,402
Total operating income	3,778,259,241	3,398,914,470	1,246,251,879	1,249,126,037
Salaries and allowances	773,499,423	671,726,510	288,383,504	266,576,569
Rent, taxes, insurance, electricity, etc.	167,159,079	98,970,158	51,254,638	34,184,219
Legal expenses	11,990,533	8,014,767	2,044,287	2,529,553
Postage, stamp, telecommunication, etc.	26,031,908	25,959,366	8,420,460	8,994,158
Stationery, printing, advertisements, etc.	70,537,647	62,083,493	21,520,358	13,219,217
Managing Director's salary and benefits	6,960,000	9,520,000	3,840,000	3,840,000
Directors' fees	1,310,700	1,111,500	310,650	332,500
Auditors' fees	860,938	602,188	446,563	91,563
Charges on loan losses	-	-	-	-
Depreciation and repair of Company's assets	149,452,740	133,069,081	47,009,746	41,088,675
Other expenses	238,676,958	199,409,891	73,819,858	74,146,798
Total operating expenses	1,446,479,924	1,210,466,953	497,050,063	445,003,252
Profit before provision	2,331,779,317	2,188,447,517	749,201,816	804,122,785
Provision for loans/investments				
General provision	25,972,341	35,516,702	(2,869,240)	3,131,040
Specific provision	51,074,912	187,311,077	9,409,975	125,636,901
Provision for diminution in value of investments	(63,012,426)	(41,496,204)	(25,652,153)	40,310,011
Total provision	14,034,828	181,331,575	(19,111,418)	169,077,952
Total profit before taxes	2,317,744,489	2,007,115,942	768,313,234	635,044,833
Provision for taxation	975,167,501	856,295,015	307,959,488	301,919,488
Net profit after taxation	1,342,576,989	1,150,820,927	460,353,746	333,125,344
Attributable to:				
Shareholders of the Company	1,342,576,865	1,150,820,717	460,353,648	333,125,219
Non-controlling interest	124	210	98	126
	1,342,576,989	1,150,820,927	460,353,746	333,125,344
Earnings Per Share (EPS)	5.34	4.58	1.83	1.33

Consolidated Cash Flow Statement for the period ended September 30, 2016		
Particulars	30-Sep-16 Taka	30-Sep-15 Taka
A) Cash flows from operating activities		
Interest received	6,161,447,228	5,111,146,023
Interest paid	(3,535,230,657)	(3,185,071,835)
Dividend received	126,137,541	52,256,731
Fees and commission received	252,165,683	253,869,969
Paid to employees and suppliers	(1,321,903,799)	(1,102,676,457)
Payment of income tax	(1,053,977,382)	(641,449,159)
Received from other operating activities	586,879,475	589,292,281
Cash generated from operating activities before changes in operating assets and liabilities	1,215,618,090	1,077,367,554
Increase/(decrease) in operating assets and liabilities		
Lease receivable	757,769,315	(14,569,779)
Long-term finance	(5,736,325,202)	(3,512,557,489)
Real estate finance	(821,579,938)	(2,272,293,880)
Car loan	34,353,087	(639,000,735)
Personal loan	16,654,306	13,412,196
Loan against deposit	(3,116,301)	43,879,558
Margin loan to portfolio investors	399,414,228	449,715,122
Short term finance	103,054,332	(332,981,214)
Investment in marketable securities	(738,894,784)	(31,079,605)
Other assets	24,778,315	930,506,542
Term and other deposits	1,230,050,065	10,347,996,506
Net drawdown of short term loan	(230,000,000)	(1,077,860,995)
Payable and accrued expenses	706,685,177	(417,589,669)
Deferred liability-employee gratuity	31,846,666	22,081,392
Portfolio investors' fund	(2,303,621)	17,529,474
Interest suspense account	99,746,710	177,573,402
	(4,127,867,647)	3,704,760,826
Net cash from operating activities	(2,912,249,557)	4,782,128,380
B) Cash flows from investing activities		
Purchase of fixed assets	(274,650,148)	(261,369,681)
Disposal of fixed assets	26,364,977	16,990,254
Investment in non marketable securities	200,000,000	(439,365,792)
Net cash used in investing activities	(48,285,170)	(683,745,219)
C) Cash flows from financing activities		
Drawdown of term loans	5,564,479,204	2,893,341,679
Repayment of term loans	(4,754,202,734)	(1,876,976,014)
Dividend paid	(624,377,028)	(196,465,162)
Net cash from financing activities	185,899,441	819,900,503
D) Net increase/(decrease) in cash and cash equivalents (A+ B + C)	(2,774,635,286)	4,918,283,664
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	13,435,192,282	7,984,953,482
G) Cash and cash equivalents at end of the period (D+E+F)	10,660,556,995	12,903,237,146
Cash and cash equivalents at end of the period		
Cash in hand (including foreign currencies)	376,000	351,000
Money at call and short notice	-	-
Balance with Bangladesh Bank and its agent bank(s)	1,017,186,708	1,026,332,033
Balance with other banks and financial institutions	9,642,994,287	11,876,554,113
	10,660,556,995	12,903,237,146
Net Operating Cashflow Per Share (NOCFPS)	(11.59)	19.02

Consolidated Statement of Changes in Equity for the period ended September 30, 2016									
Particulars	Attributable to equity holders of the Company							Non-controlling interest	Total equity
	Paid-up capital	Share premium	Statutory reserve	General reserve	Dividend equalisation reserve	Retained earnings	Total		
Balance at January 1, 2016	2,513,671,870	3,750,000	1,482,722,671	1,000,000,000	46,500,000	2,739,315,501	7,785,960,042	2,165	7,785,962,207
Dividend for 2015:									
25% cash dividend	-	-	-	-	-	(628,417,968)	(628,417,968)	-	(628,417,968)
Changes in accounting policy									
Restated balance	2,513,671,870	3,750,000	1,482,722,671	1,000,000,000	46,500,000	2,110,897,533	7,157,542,074	2,165	7,157,544,239
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-	-	-
Net gain and losses not recognised in the profit and loss accounts	-	-	-	-	-	-	-	-	-
Non-controlling interest	-	-	-	-	-	-	-	-	-
Net profit for the period ended September 30, 2016	-	-	-	-	-	1,342,576,865	1,342,576,865	124	1,342,576,989
Appropriation to reserves	-	-	-	-	-	-	-	-	-
Balance at September 30, 2016	2,513,671,870	3,750,000	1,482,722,671	1,000,000,000	46,500,000	3,453,474,398	8,500,118,939	2,289	8,500,121,228
Balance at September 30, 2015	2,513,671,870	3,750,000	1,482,722,671	1,000,000,000	46,500,000	2,679,675,865	7,477,556,382	2,164	7,477,558,545

Other explanatory notes to the accounts

Reporting
 This third quarterly financial report has been prepared based on Bangladesh Accounting Standard (BAS) - 34: "Interim Financial Reporting". These interim financial statements should be read in conjunction with the published financial statement for the year ended December 31, 2015, as they provide an update to previously reported information.

Accounting policies and method of computations
 Accounting policies and methods of computations followed in preparing this financial statement are consistent with those used in the annual financial statements, prepared and published for the year ended December 31, 2015.

Consolidation of operations of subsidiaries
 The consolidation of the financial statements have been made after eliminating all material intra group transactions. The total profits of the Company and its subsidiaries are shown in the consolidated profit and loss account, with the proportion of profit after taxation pertaining to minority shareholders being deducted as 'non-controlling interest'.

Earnings Per Share (EPS)
 Earnings per share have been calculated based on number of shares outstanding for the period ended September 30, 2016 and profit for the same period. The number of shares outstanding for the period was 251.36 million. Earnings per shares for the preceding period of 2015 has also been calculated based on 251.36 million shares.

Subsequent events
 No material events occurred after the reporting date, non-disclosure of which could affect the ability of the users of this financial statement to make proper evaluation and decision.

Reclassifications
 To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged/restated/reclassified, whenever considered necessary, to conform to current period's presentation.

Summarised information for shareholders' convenience								
Particulars	Consolidated (IDLC & subsidiaries)				IDLC Finance Limited			
	Jan to Sep 2016	Jan to Sep 2015	Jul to Sep 2016	Jul to Sep 2015	Jan to Sep 2016	Jan to Sep 2015	Jul to Sep 2016	Jul to Sep 2015
Earnings Per Share (Taka)	5.34	4.58	1.83	1.33	4.58	3.76	1.44	0.84
Net Operating Cash Flow per share (Taka)	(11.59)	19.02	(2.84)	6.71	(12.81)	17.14	(3.13)	5.95
Particulars	Consolidated (IDLC & subsidiaries)		IDLC Finance Limited					
	As at Sep 30, 2016	As at Dec 31, 2015	As at Sep 30, 2016	As at Dec 31, 2015				
Net Assets Value per share (Taka)	33.82	30.97	28.88	26.8				

Sd/-
Chairman

Sd/-
Director

Sd/-
CEO & Managing Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary