

**BRAC BANK LIMITED**  
**Consolidated Balance Sheet**  
**As on June 30, 2010 (Unaudited)**

	Note	June-10 Taka	December-09 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	<b>3.a</b>	<b>9,140,037,028</b>	<b>6,619,082,263</b>
Cash in hand (Including foreign currency)		2,472,200,976	1,637,296,747
Balance with Bangladesh Bank and its agent banks (Including foreign currency)		6,667,836,052	4,981,785,516
<b>Balance with other banks and financial institutions</b>	<b>4.a</b>	<b>8,792,224,669</b>	<b>5,649,104,142</b>
In Bangladesh		8,599,854,882	5,427,024,479
Outside Bangladesh		192,369,787	222,079,663
<b>Money at call and short notice</b>	<b>5.a</b>	<b>780,000,000</b>	<b>1,300,000,000</b>
<b>Investments</b>	<b>6.a</b>	<b>9,799,036,254</b>	<b>10,383,311,907</b>
Government		8,907,927,714	10,257,680,797
Others		891,108,540	125,631,110
<b>Loans and advances</b>	<b>7.a</b>	<b>75,345,831,906</b>	<b>64,150,835,159</b>
Loans, cash credit, overdrafts etc.		75,218,144,339	64,084,358,403
Bills purchased & discounted		127,687,567	66,476,756
<b>Fixed assets including premises, furniture and fixtures</b>	<b>8.a</b>	<b>1,775,876,585</b>	<b>1,666,593,932</b>
<b>Other assets</b>	<b>9.a</b>	<b>6,015,106,231</b>	<b>4,534,525,587</b>
<b>Non-banking assets</b>	<b>10.0</b>	-	-
<b>Goodwill</b>	<b>11.a</b>	<b>311,888,515</b>	<b>311,888,515</b>
<b>Total Property and Assets</b>		<b>111,960,001,188</b>	<b>94,615,341,505</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions &amp; agents</b>	<b>12.a</b>	<b>1,423,606,440</b>	<b>2,450,000,000</b>
<b>Borrowings from Central Bank</b>	<b>13.a</b>	<b>1,111,080,000</b>	-
<b>Money at Call and Short notice</b>	<b>13.a</b>	<b>450,000,000</b>	-
<b>Deposits and other accounts</b>	<b>15.a</b>	<b>90,988,651,510</b>	<b>74,455,677,860</b>
Current accounts & other accounts		37,927,296,695	24,549,612,758
Bills payable		879,049,726	453,829,731
Savings deposits		16,785,455,671	12,973,969,209
Fixed deposits		35,051,055,833	36,037,073,117
Other deposits		345,793,584	441,193,045
<b>Other liabilities</b>	<b>16.a</b>	<b>8,581,388,643</b>	<b>8,878,422,500</b>
<b>Total Liabilities</b>		<b>102,554,726,593</b>	<b>85,784,100,360</b>
<b>Capital and Shareholders' Equity</b>			
Paid up share capital	<b>17.2</b>	2,676,960,000	2,059,200,000
Preference Share Capital	<b>17.8</b>	500,000,000	500,000,000
Share Premium	<b>17.8.a</b>	1,553,052,103	1,553,052,103
Statutory reserve	<b>18.a</b>	1,559,078,147	1,337,479,877
Revaluation reserve	<b>19.a</b>	1,325,592,789	1,576,498,469
Exchange Equalization Reserve	<b>2.1</b>	-	45,000
Surplus in profit and loss account/Retained Earnings	<b>20.a</b>	1,236,598,517	1,331,987,555
<b>Total BRAC Bank Limited shareholders' equity</b>		<b>8,851,281,555</b>	<b>8,358,263,004</b>
<b>Minority Interest</b>	<b>21.0</b>	<b>553,993,041</b>	<b>472,978,141</b>
<b>Total equity</b>		<b>9,405,274,596</b>	<b>8,831,241,145</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>111,960,001,188</b>	<b>94,615,341,505</b>

**BRAC BANK LIMITED**  
**Consolidated Off Balance Sheet Items**  
**As on June 30, 2010 (Unaudited)**

	Note	June-10 Taka	December-09 Taka
<b>Contingent Liabilities</b>			
Acceptances and endorsements		137,728,416	137,392,734
Letter of guarantees	22.2	2,857,619,959	1,051,007,264
Irrevocable letter of credits	22.3	4,019,786,433	4,620,316,769
Bills for collection	22.4	256,548,615	36,164,384
Tax liability	22.6	249,485,368	127,787,830
Other contingent liabilities		1,026,697,412	16,514,722
<b>Total Contingent Liabilities</b>	<b>22.0</b>	<b>8,547,866,203</b>	<b>5,989,183,702</b>
<b>Other Commitments</b>			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments- lease hold assets		-	-
<b>Total Other Commitments</b>		<b>-</b>	<b>-</b>
<b>Total Off-Balance Sheet items including contingent liabilities</b>		<b>8,547,866,203</b>	<b>5,989,183,702</b>



**Chief Financial Officer**



**Managing Director & CEO**

**BRAC BANK LIMITED**  
**Balance Sheet**  
As on June 30, 2010 (Unaudited)

	Note	June-10 Taka	December-09 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3.0	<b>9,139,949,468</b>	<b>6,619,001,730</b>
Cash in hand (Including foreign currency)		2,472,113,416	1,637,216,214
Balance with Bangladesh Bank and its agent banks (Including foreign currency)		6,667,836,052	4,981,785,516
<b>Balance with other banks and financial institutions</b>	4.0	<b>8,029,734,272</b>	<b>5,593,933,873</b>
In Bangladesh		7,837,364,485	5,371,854,209
Outside Bangladesh		192,369,787	222,079,664
<b>Money at call and short notice</b>	5.0	780,000,000	1,300,000,000
<b>Investments</b>	6.0	<b>11,934,869,637</b>	<b>10,972,204,419</b>
Government		8,907,927,714	10,257,680,797
Others		3,026,941,923	714,523,622
<b>Loans and advances</b>	7.0	<b>73,518,840,211</b>	<b>64,150,835,159</b>
Loans, cash credit, overdrafts etc.		73,391,152,644	64,084,358,403
Bills purchased & discounted		127,687,567	66,476,756
<b>Fixed assets including premises, furniture and fixtures</b>	8.0	1,712,198,047	1,637,898,063
<b>Other assets</b>	9.0	5,457,258,198	4,307,431,216
<b>Non-banking assets</b>	10.0	-	-
<b>Total Property and Assets</b>		<b>110,572,849,833</b>	<b>94,581,304,460</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions &amp; agents</b>	12.0	-	2,450,000,000
<b>Borrowings from Central Bank</b>	13.0	1,111,080,000	-
<b>Money at Call and Short notice</b>	14.0	450,000,000	-
<b>Deposits and other accounts</b>	15.0	<b>90,802,802,585</b>	<b>75,219,615,155</b>
Current accounts & other accounts		37,708,813,302	24,549,608,278
Bills payable		879,049,726	453,829,731
Savings deposits		16,818,090,138	13,043,725,795
Fixed deposits		35,051,055,833	36,731,258,306
Other deposits		345,793,584	441,193,045
<b>Other liabilities</b>	16.0	9,649,315,916	8,760,734,892
<b>Total Liabilities</b>		<b>102,013,198,501</b>	<b>86,430,350,047</b>
<b>Capital and Shareholders' Equity</b>			
Paid up share capital	17.2	2,676,960,000	2,059,200,000
Preference Share Capital	17.8	500,000,000	500,000,000
Share Premium	17.7	1,406,000,000	1,406,000,000
Statutory reserve	18.0	1,559,078,147	1,337,479,877
Revaluation reserve	19.0	1,325,592,789	1,576,498,469
Exchange Equalization Reserve	2.1	-	45,000
Surplus in profit and loss account/Retained Earnings	20.0	1,092,020,397	1,271,731,067
<b>Total shareholders' equity</b>		<b>8,559,651,332</b>	<b>8,150,954,413</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>110,572,849,833</b>	<b>94,581,304,460</b>

**BRAC BANK LIMITED**  
**Off Balance Sheet Items**  
**As on June 30, 2010 (Unaudited)**

	Note	June-10 Taka	December-09 Taka
<b>Contingent Liabilities</b>			
Acceptances and endorsements		137,728,416	137,392,734
Letter of guarantees	22.2	2,857,619,959	1,051,007,264
Irrevocable letter of credits	22.3	4,019,786,433	4,620,316,769
Bills for collection	22.4	256,548,615	36,164,384
Tax liability	22.6	249,485,368	127,787,830
Other contingent liabilities		1,026,697,412	16,514,722
<b>Total Contingent Liabilities</b>	<b>22.0</b>	<b>8,547,866,203</b>	<b>5,989,183,702</b>
<b>Other Commitments</b>			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments- lease hold assets		-	-
<b>Total Other Commitments</b>		<b>-</b>	<b>-</b>
<b>Total Off-Balance Sheet items including contingent liabilities</b>		<b>8,547,866,203</b>	<b>5,989,183,702</b>



**Chief Financial Officer**



**Managing Director & CEO**

**BRAC BANK LIMITED**  
**Consolidated Profit and Loss Account**  
**For the period June 30, 2010 (Unaudited)**

Particulars	Note	Quarter end	Cumulative
		Apr to Jun 2010	Jan to Jun 2010
		Taka	Taka
Interest income	24.a	2,608,158,093	5,001,276,359
Interest paid on deposits and borrowing etc.	25.a	1,391,914,227	2,633,237,260
<b>Net interest income</b>		<b>1,216,243,866</b>	<b>2,368,039,099</b>
Investment income	26.a	518,116,994	953,673,097
Commission, exchange and brokerage	27.a	650,192,722	1,154,995,805
Other operating income	28.a	113,324,170	169,634,356
<b>Total operating income</b>		<b>2,497,877,751</b>	<b>4,646,342,356</b>
Salaries and allowances	29.0	517,731,597	971,769,451
Rent, taxes, insurance, electricity etc.	30.a	134,489,397	285,843,895
Legal expenses	31.0	5,082,555	12,878,222
Postage, stamps, telecommunication etc.	32.a	43,425,971	78,929,407
Stationery, printing, advertisement etc.	33.a	84,956,090	143,559,791
Chief Executive's salary & fees		1,706,084	3,656,084
Directors' fees & expenses	34.a	547,750	1,020,600
Auditors' fee	35.0	26,125	543,025
Depreciation on and repairs to bank's assets	36.a	133,891,884	271,229,297
Other expenses	37.a	189,337,263	355,638,067
<b>Total operating expenses</b>		<b>1,111,194,716</b>	<b>2,125,067,839</b>
<b>Profit/(loss) before provisions</b>		<b>1,386,683,035</b>	<b>2,521,274,517</b>
<b>Provision for:</b>			
Loans and advances	38.0	574,734,815	1,176,144,365
Diminution in value of Investments		-	-
Off Balance Sheet Items		7,162,755	12,593,000
Others		-	-
<b>Total provision</b>		<b>581,897,570</b>	<b>1,188,737,365</b>
<b>Profit/(loss) before taxes</b>		<b>804,785,466</b>	<b>1,332,537,153</b>
<b>Provision for Tax:</b>			
Current		441,896,986	693,209,272
Deferred		(150,000,000)	(200,000,000)
<b>Total provision for Tax</b>	39.a	<b>291,896,986</b>	<b>493,209,272</b>
<b>Total profit/(loss) after taxes</b>		<b>512,888,480</b>	<b>839,327,881</b>
<b>Appropriations:</b>			
Statutory reserve		126,176,880	221,598,270
General reserve		-	-
Dividend etc.		-	-
		126,176,880	221,598,270
<b>Retained earnings</b>		<b>386,711,600</b>	<b>617,729,611</b>
Transferred to Minority Interest		62,452,500	81,014,900
<b>Net Retained Earnings</b>		<b>324,259,100</b>	<b>536,714,711</b>
<b>Basic earnings per share</b>	40.0	<b>18.62</b>	<b>30.82</b>



Chief Financial Officer



Managing Director & CEO

**BRAC BANK LIMITED**  
**Profit and Loss Account**  
For the period ended June 30, 2010 (Unaudited)

Particulars	Note	Quarter end	Cumulative	Quarter end	Cumulative
		Apr to Jun 2010	Jan to Jun 2010	Apr to Jun 2009	Jan to Jun 2009
		Taka	Taka	Taka	Taka
Interest income	24.0	2,574,663,393	4,966,032,250	2,202,960,542	4,414,053,824
Interest paid on deposits and borrowing etc.	25.0	1,372,732,625	2,614,055,658	1,559,707,698	3,048,895,673
<b>Net interest income</b>		<b>1,201,930,768</b>	<b>2,351,976,592</b>	<b>643,252,844</b>	<b>1,365,158,152</b>
Investment income	26.0	518,116,994	953,673,097	346,501,919	645,105,712
Commission, exchange and brokerage	27.0	487,309,136	941,483,849	546,542,862	1,065,439,792
Other operating income	26.0	60,125,136	85,315,263	35,070,759	39,956,318
<b>Total operating income</b>		<b>2,267,482,034</b>	<b>4,332,448,800</b>	<b>1,571,368,384</b>	<b>3,115,659,974</b>
Salaries and allowances		501,563,670	941,498,366	383,389,255	757,156,430
Rent, taxes, insurance, electricity etc.	30.0	116,968,900	258,662,960	69,350,193	139,982,942
Legal expenses		4,762,555	12,212,772	4,864,873	6,885,938
Postage, stamps, telecommunication etc.	32.0	35,253,180	69,866,570	43,173,929	100,170,429
Stationery, printing, advertisement etc.	33.0	78,569,664	134,050,271	76,649,253	149,874,450
Chief Executive's salary & fees		1,706,084	3,656,084	2,238,800	4,038,800
Directors' fees & expenses	34.0	141,250	209,100	156,400	248,400
Auditors' fee		26,125	510,075	195,000	390,000
Depreciation on and repairs to bank's assets	36.0	131,858,889	266,824,300	105,752,631	216,625,054
Other expenses	37.0	183,849,748	348,229,587	200,093,782	403,389,574
<b>Total operating expenses</b>		<b>1,054,700,065</b>	<b>2,035,720,085</b>	<b>885,864,116</b>	<b>1,778,762,018</b>
<b>Profit/(loss) before provisions</b>		<b>1,212,781,969</b>	<b>2,296,728,715</b>	<b>685,504,268</b>	<b>1,336,897,957</b>
<b>Provision for:</b>					
Loans and advances	38.0	574,734,815	1,176,144,365	292,278,745	494,000,000
Diminution in value of Investments		-	-	-	-
Off Balance Sheet Items		7,162,755	12,593,000	(1,907,000)	10,000,000
Others		-	-	-	-
<b>Total provision</b>		<b>581,897,570</b>	<b>1,188,737,365</b>	<b>290,371,745</b>	<b>504,000,000</b>
<b>Profit/(loss) before taxes</b>		<b>630,884,399</b>	<b>1,107,991,350</b>	<b>395,132,523</b>	<b>832,897,957</b>
<b>Provision for Tax:</b>					
Current		395,450,000	634,000,000	270,000,000	490,000,000
Deferred		(150,000,000)	(200,000,000)	(38,000,000)	(70,000,000)
<b>Total provision for Tax</b>	39.1	<b>245,450,000</b>	<b>434,000,000</b>	<b>232,000,000</b>	<b>420,000,000</b>
<b>Total profit/(loss) after taxes</b>		<b>385,434,399</b>	<b>673,991,350</b>	<b>163,132,523</b>	<b>412,897,957</b>
<b>Appropriations:</b>					
Statutory reserve		126,176,880	221,598,270	79,026,505	166,579,591
General reserve		-	-	-	-
Dividend etc.		-	-	-	-
		126,176,880	221,598,270	79,026,505	166,579,591
<b>Retained earnings</b>		<b>259,257,519</b>	<b>452,393,080</b>	<b>84,106,018</b>	<b>246,318,365</b>
<b>Basic earnings per share</b>	40.0	<b>13.86</b>	<b>24.64</b>	<b>5.56</b>	<b>14.89</b>

  
Chief Financial Officer

  
Managing Director & CEO

**BRAC BANK LIMITED**  
**Consolidated Cash Flow Statement**  
For the period ended June 30, 2010 (Unaudited)

	<u>Note</u>	<u>Jan to Jun 2010</u> Taka
<b>A. Cash flows from operating activities</b>		
Interest receipts		5,887,906,897
Interest payment		(2,862,106,483)
Dividends receipts		6,590,041
Fees & commissions receipts		1,154,995,805
Cash payments to employees		(962,247,540)
Cash payments to suppliers		(275,335,343)
Income tax paid		(993,800,127)
Receipts from other operating activities	42.a	260,012,244
Payment for other operating activities	43.a	(736,200,561)
Operating profit/(loss) before changes in operating assets and liabilities (i)		<b>1,479,814,933</b>
<b>Increase/decrease in operating assets &amp; liabilities</b>		
Loans and advances		(11,194,996,747)
Other assets		(563,777,638)
Deposits from customers		16,532,973,650
Other liabilities		(1,650,145,015)
Cash utilised in operating assets & liabilities (ii)		3,124,054,250
<b>Net cash (used)/flows from operating activities (i+ii)</b>		<b>4,603,869,183</b>
<b>B. Cash flows from investing activities</b>		
Treasury bills		-
Treasury bonds		1,098,821,104
Sale/ (Investment) in shares		(265,477,430)
Investment in debenture		-
Investment in bonds		(500,000,000)
Investment in zero coupon bonds		-
Investment in prize bond		26,300
Acquisition of fixed assets		(313,585,007)
Disposal of fixed Assets		173,011
<b>Net cash used in investing activities</b>		<b>19,957,978</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issue of ordinary shares		-
Proceeds from issue of preference shares		-
Proceeds from issue of right shares		-
Share premium		-
Payment of dividend on preference share		(14,343,750)
Payment for lease finance		(94,560)
Borrowings from other banks		(1,026,393,560)
Money at call and short notice		450,000,000
Borrowings from Bangladesh Bank		1,111,080,000
<b>Net cash flows from financing activities</b>		<b>520,248,130</b>
<b>Net increase/decrease in cash</b>		<b>5,144,075,290</b>
Cash and cash equivalents at beginning of period		13,568,186,406
Cash and cash equivalents at end of period	41.a	<b>18,712,261,697</b>
<b>Cash and cash equivalents at end of the period:</b>		
Cash in hand (including foreign currency)		2,472,200,976
Balance with Bangladesh Bank and its agents bank(s) (including foreign currency)		6,667,836,052
Balance with other banks and financial institutions		8,792,224,669
Money at call and short notice		780,000,000
		<b>18,712,261,697</b>

**BRAC BANK LIMITED**  
**Cash Flow Statement**  
For the period ended June 30, 2010 (Unaudited)

	Note	Jan to Jun 2010 Taka	Jan to Jun 2009 Taka
<b>A. Cash flows from operating activities</b>			
Interest receipts		5,852,662,788	4,999,253,532
Interest payment		(2,849,447,093)	(2,820,497,041)
Dividends receipts		6,590,041	4,000,000
Fees & commissions receipts		941,483,849	1,065,439,792
Cash payments to employees		(928,148,598)	(760,762,362)
Cash payments to suppliers		(256,763,938)	(186,350,146)
Income tax paid		(959,370,951)	(410,313,726)
Receipts from other operating activities	42.0	175,693,151	39,956,318
Payment for other operating activities :	43.0	(707,423,592)	(443,089,766)
Operating profit/(loss) before changes in operating assets and liabilities (i)		<b>1,275,275,657</b>	<b>1,487,636,602</b>
<b>Increase/decrease in operating assets &amp; liabilities</b>			
Loans and advances		(9,368,005,052)	(4,288,008,081)
Other assets		(231,650,727)	(44,992,148)
Deposits from customers		15,583,187,429	9,055,303,993
Other liabilities		(429,662,160)	(43,606,175)
Cash utilised in operating assets & liabilities (ii)		5,553,869,490	4,678,697,589
<b>Net cash (used)/flows from operating activities (i+ii)</b>		<b>6,829,145,147</b>	<b>6,166,334,191</b>
<b>B. Cash flows from investing activities</b>			
Treasury bills		-	(515,087,159)
Treasury bonds		1,098,821,104	318,651,176
Sale/ (Investment) in shares		(1,812,418,301)	-
Investment in debenture		-	-
Investment in bonds		(500,000,000)	-
Investment in zero coupon bonds		-	678,030
Investment in prize bond		26,300	38,400
Acquisition of fixed assets		(275,735,374)	(207,462,810)
Disposal of Fixed Assets		173,011	1,743,500
<b>Net cash used in investing activities</b>		<b>(1,489,133,259)</b>	<b>(401,438,863)</b>
<b>C. Cash flows from financing activities</b>			
Proceeds from issue of ordinary shares		-	-
Proceeds from issue of Preference shares		-	-
Proceeds from issue of Right shares		-	-
Share Premium		-	-
Payment of dividend on preference share		(14,343,750)	(14,343,750)
Payment for lease finance		-	-
Borrowings from other banks		(2,450,000,000)	(330,000,000)
Money at call and short notice		450,000,000	-
Borrowings from Bangladesh Bank		1,111,080,000	-
<b>Net cash flows from financing activities</b>		<b>(903,263,750)</b>	<b>(344,343,750)</b>
<b>Net increase/decrease in cash</b>		<b>4,436,748,137</b>	<b>5,420,551,578</b>
Cash and cash equivalents at beginning of period		13,512,935,603	7,510,859,113
Cash and cash equivalents at end of period	41.0	<b>17,949,683,740</b>	<b>12,931,410,691</b>
<b>Cash and cash equivalents at end of the period:</b>			
Cash in hand (including foreign currency)		2,472,113,416	1,186,235,505
Balance with Bangladesh Bank and its agents bank(s) (including foreign currency)		6,667,836,052	4,045,379,015
Balance with other banks and financial institutions		8,029,734,272	7,499,796,171
Money at call and short notice		780,000,000	200,000,000
		<b>17,949,683,740</b>	<b>12,931,410,691</b>

**BRAC BANK LIMITED**

**Consolidated Statement of Changes in Equity  
For the period ended June 30, 2010 (Unaudited)**

Amount in Taka

Particulars	Paid up share capital	Redeemable preference share capital	Share Premium	Statutory Reserve	Exchange Equalization Reserve	Revaluation Reserve	Retained Earnings	Minority Interest	Total
Balance at January 01, 2010	2,059,200,000	500,000,000	1,553,052,103	1,337,479,877	45,000	1,576,498,469	1,331,987,555	472,978,141	<b>8,831,241,145</b>
Adjustment in respect of earlier years	-	-	-	-	-	-	-	-	-
Currency transaction differences	-	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	536,714,712	81,014,900	<b>617,729,611</b>
Statutory reserve	-	-	-	221,598,270	-	-	-	-	<b>221,598,270</b>
Exchange equilization reserve	-	-	-	-	(45,000)	-	-	-	<b>(45,000)</b>
Revaluation reserve of securities	-	-	-	-	-	(250,905,680)	-	-	<b>(250,905,680)</b>
Dividends (Bonus Share)	617,760,000	-	-	-	-	-	(617,760,000)	-	-
Dividend on preference share	-	-	-	-	-	-	(14,343,750)	-	<b>(14,343,750)</b>
Issue of ordinary share capital	-	-	-	-	-	-	-	-	-
Issue of preference share capital	-	-	-	-	-	-	-	-	-
Issue of right share capital	-	-	-	-	-	-	-	-	-
Capital gain	-	-	-	-	-	-	-	-	-
Share Premium	-	-	-	-	-	-	-	-	-
<b>Balance at June 30, 2010</b>	<b>2,676,960,000</b>	<b>500,000,000</b>	<b>1,553,052,103</b>	<b>1,559,078,147</b>	<b>-</b>	<b>1,325,592,789</b>	<b>1,236,598,517</b>	<b>553,993,041</b>	<b>9,405,274,596</b>

**BRAC BANK LIMITED**

**Statement of Changes in Equity  
For the period ended June 30, 2010 (Unaudited)**

Amount in Taka

Particulars	Paid up share capital	Redeemable preference share capital	Share Premium	Statutory Reserve	Exchange Equalization Reserve	Revaluation Reserve	Retained Earnings	Total
Balance at January 01, 2010	2,059,200,000	500,000,000	1,406,000,000	1,337,479,877	45,000	1,576,498,469	1,271,731,067	<b>8,150,954,413</b>
Net profit for the period	-	-	-	-	-	-	452,393,080	<b>452,393,080</b>
Statutory reserve	-	-	-	221,598,270	-	-	-	<b>221,598,270</b>
Exchange equalization reserve	-	-	-	-	(45,000)	-	-	<b>(45,000)</b>
Revaluation reserve of securities	-	-	-	-	-	(250,905,680)	-	<b>(250,905,680)</b>
Dividends (Bonus Share)	617,760,000	-	-	-	-	-	(617,760,000)	-
Dividend on preference share	-	-	-	-	-	-	(14,343,750)	<b>(14,343,750)</b>
<b>Balance at June 30, 2010</b>	<b>2,676,960,000</b>	<b>500,000,000</b>	<b>1,406,000,000</b>	<b>1,559,078,147</b>	<b>-</b>	<b>1,325,592,789</b>	<b>1,092,020,397</b>	<b>8,559,651,332</b>
Balance at January 01, 2009	1,584,000,000	500,000,000	1,406,000,000	908,762,089	45,000	118,846,147	919,872,415	<b>5,437,525,651</b>
Net profit for the year	-	-	-	-	-	-	246,318,365	<b>246,318,365</b>
Statutory reserve	-	-	-	166,579,591	-	-	-	<b>166,579,591</b>
Revaluation reserve of securities	-	-	-	-	-	997,891,691	-	<b>997,891,691</b>
Dividend on Preference share	-	-	-	-	-	-	(14,343,750)	<b>(14,343,750)</b>
<b>Balance at June 30, 2009</b>	<b>1,584,000,000</b>	<b>500,000,000</b>	<b>1,406,000,000</b>	<b>1,075,341,680</b>	<b>45,000</b>	<b>1,116,737,838</b>	<b>1,151,847,030</b>	<b>6,833,971,549</b>

**BRAC BANK LIMITED**  
**Consolidated Liquidity Statement**  
**(Assets & Liabilities Maturity Analysis)**  
**As on June 30, 2010 (Unaudited)**

	Amount in Taka					
	0 – 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	Above 5 Years	Total
<b>Assets</b>						
Cash in hand	9,140,037,028	-	-	-	-	9,140,037,028
Balance with other bank, Other Banks and financial Institutions (Including foreign currencies)	6,942,224,669	770,000,000	1,080,000,000	-	-	8,792,224,669
Money at call and on short notice	780,000,000	-	-	-	-	780,000,000
Investments	48,421,500	1,233,801,057	458,843,732	700,921,085	7,357,048,880	9,799,036,254
Loans and advances	9,130,154,669	13,306,673,759	25,947,144,545	22,865,520,133	4,096,338,800	75,345,831,906
Fixed assets including premises, furniture & fixtures	34,810,000	87,000,052	261,125,250	882,237,255	510,704,028	1,775,876,586
Other assets	1,315,932,703	1,054,440,110	2,678,400,647	954,995,021	11,337,750	6,015,106,231
Non – banking assets	-	-	-	-	-	-
Goodwill	-	-	-	311,888,515	-	311,888,515
<b>Total Assets</b>	<b>27,391,580,569</b>	<b>16,451,914,978</b>	<b>30,425,514,174</b>	<b>25,403,673,494</b>	<b>11,975,429,458</b>	<b>111,960,001,188</b>
<b>LIABILITIES</b>						
Borrowings from Bangladesh bank, other banks, financial institutions and agents	-	-	1,111,080,000	1,423,606,440	-	2,534,686,440
Money at call and on short notice	450,000,000	-	-	-	-	450,000,000
Deposits & other accounts	15,717,441,772	14,608,355,640	15,909,251,513	42,901,200,000	1,852,402,585	90,988,651,510
Minority Interest	-	-	-	-	553,993,041	553,993,041
Other liabilities	1,465,258,748	794,770,094	2,849,910,817	3,470,493,010	955,973	8,581,388,642
<b>Total Liabilities</b>	<b>17,632,700,520</b>	<b>15,403,125,734</b>	<b>19,870,242,330</b>	<b>47,795,299,450</b>	<b>2,407,351,599</b>	<b>103,108,719,632</b>
<b>Amount of net liquidity difference</b>	<b>9,758,880,049</b>	<b>1,048,789,244</b>	<b>10,555,271,844</b>	<b>(22,391,625,956)</b>	<b>9,568,077,859</b>	<b>8,851,281,555</b>

Net result of the Liquidity Statement represents the 'Shareholders' Equity' of the Bank.

**BRAC BANK LIMITED**  
**Liquidity Statement**  
**(Assets & Liabilities Maturity Analysis)**  
**As on June 30, 2010 (Unaudited)**

Amount in Taka

	0 – 1 Month	1 – 3 Months	3 – 12 Months	1 – 5 Years	Above 5 Years	Total
<b>Assets</b>						
Cash in hand	9,139,949,468	-	-	-	-	9,139,949,468
Balance with other bank, Other Banks and financial Institutions (Including foreign currencies)	6,179,734,272	770,000,000	1,080,000,000	-	-	8,029,734,272
Money at call and on short notice	780,000,000	-	-	-	-	780,000,000
Investments	48,421,500	1,036,021,260	332,012,589	2,564,502,114	7,953,912,174	11,934,869,637
Loans and advances	9,008,805,084	12,699,925,835	25,333,648,697	22,380,121,795	4,096,338,800	73,518,840,211
Fixed assets including premises, furniture & fixtures	34,810,000	87,000,052	261,125,250	848,225,000	481,037,746	1,712,198,048
Other assets	828,950,000	1,015,800,000	2,663,900,000	948,608,198	-	5,457,258,198
Non – banking assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>26,020,670,324</b>	<b>15,608,747,147</b>	<b>29,670,686,536</b>	<b>26,741,457,107</b>	<b>12,531,288,719</b>	<b>110,572,849,833</b>
<b>LIABILITIES</b>						
Borrowings from Bangladesh bank, other banks, financial institutions and agents	-	-	1,111,080,000	-	-	1,111,080,000
Money at call and on short notice	450,000,000	-	-	-	-	450,000,000
Deposits & other accounts	15,536,800,000	14,601,000,000	15,911,400,000	42,901,200,000	1,852,402,585	90,802,802,585
Other liabilities	733,425,000	783,800,000	2,794,230,458	5,337,860,458	-	9,649,315,916
<b>Total Liabilities</b>	<b>16,720,225,000</b>	<b>15,384,800,000</b>	<b>19,816,710,458</b>	<b>48,239,060,458</b>	<b>1,852,402,585</b>	<b>102,013,198,501</b>
<b>Amount of net liquidity difference</b>	<b>9,300,445,324</b>	<b>223,947,147</b>	<b>9,853,976,078</b>	<b>(21,497,603,351)</b>	<b>10,678,886,134</b>	<b>8,559,651,332</b>

Net result of the Liquidity Statement represents the 'Shareholders' Equity' of the Bank.

# BRAC BANK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS For the period ended June 30, 2010 (Unaudited)

### SECTION –ONE : CORPORATE PROFILE & SIGNIFICANT ACCOUNTING POLICIES

#### 1.0 Corporate Information

BRAC Bank Limited is a scheduled commercial bank established under the Bank Companies Act, 1991 and incorporated as a public company limited by shares on 20 May, 1999 under the Companies Act, 1994 in Bangladesh. The primary objective of the Bank is to carry on all kinds of banking businesses. The Bank could not start its operations till 3 June, 2001 since the activity of the Bank was suspended by the High Court of Bangladesh. Subsequently, the judgment of the High Court was set aside and dismissed by the Appellate Division of the Supreme Court on 4 June, 2001 and accordingly, the Bank has started its operations from 04 July, 2001. At present the Bank has 71 (seventy one) branches, 60 SME service centers, 146 zonal offices and 429 unit offices of SME.

BRAC Bank acquired 51% shares of Equity Partners Ltd. And Equity Partners Securities Ltd. As on 31 July 2009. Equity Partners Ltd. Incorporated in Bangladesh on 19 April 2000 as a private limited company under the Companies Act. 1994. Subsequently the management decided to rename the Equity Partners Limited as BRAC EPL Investments Limited and Equity Partners Securities Limited as BRAC EPL Stock Brokerage Limited.

The registered address of the Bank is situated at 1 Gulshan Avenue, Gulshan-1, Dhaka-1212, Bangladesh.

BRAC bank is listed with Dhaka Stock Exchange & Chittagong Stock Exchange as a publicly traded company from 28 January 2007 and 24 January 2007 respectively.

A fully operational Commercial Bank, BRAC Bank focuses on pursuing unexplored market niches in the Small and Medium Enterprises Business, which hitherto has remained largely untapped within the country. Significant percentage of BRAC Banks clients had no prior experience with formal banking. The Bank has 60 SME service centers and 429 regional marketing unit offices offering services in the heart of rural and urban communities and employs about 1,821 business loan officers.

The Bank operates under a "triple bottom line" agenda where profit and social responsibility shake hands as it strives towards a poverty-free, enlightened Bangladesh.

#### 1.1 Principal Activities and Nature of operations BRAC Bank Limited:

The principal activities of the Bank are banking and related activities such as accepting deposits, personal banking, trade financing, SME, Retail & Corporate credit, lease financing, project financing, issuing debit & credit cards, SMS banking, internet banking, phone banking, call center, remittance facilities, dealing in government securities etc. There have been no significant changes in the nature of the principal activities of the Bank during the financial year under review.

##### **BRAC EPL Investments Limited:**

BRAC EPL Investments Limited was established to cater to the needs of the fast growing capital markets in Bangladesh. It works as a merchant bank with a full-fledged merchant banking license from the Securities & Exchange Commission, the appropriate Government Regulatory agency. The company's services comprise of lead managing Initial Public Offerings, Domestic and International Placement, Portfolio Management and Project Development and Consultancy.

##### **BRAC EPL Stock Brokerage Limited:**

BRAC EPL Stock Brokerage Limited was established to cater to the needs of the stock brokerage business in Bangladesh. It has corporate membership of Dhaka Stock Exchange and Chittagong Stock Exchange Limited.

#### 2.0 Basis of preparation & Significant accounting policies

The consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards and in accordance with International Accounting Standard 34 *Interim Financial Reporting* and "First Schedule (sec-38) of the Bank Companies Act. 191 and amendment in 2007, other Bangladesh Bank Circulars, The Companies Act. 1994, the Securities and Exchange Ordinance 1969, the Securities and Exchange Rules 1987 and other prevailing laws and rules applicable in Bangladesh.

The consolidated financial statements have been prepared under the historical cost convention, except for the revaluation of certain properties and financial instruments. The same accounting policies, presentation and methods of computation have been followed in these consolidated financial statements as were applied in the preparation of the Group's financial statements for the year ended 31 December 2009, except for the impact of the adoption of the Standards and Interpretations described below:

- 2.1 In accordance with, BRPD Circular no. 15 dated 26th April 2010 the Bangladesh Bank has revised its earlier circular of 2003 on maintaining "Exchange Equilization Fund" and no such fund is required and existing fund can be taken into other income as "Extra Ordinary Gain. The Bank has changed its policy and no such fund is maintained.

## Section –Two : Notes to the Balance Sheet

Particulars	June-10 Taka	December-09 Taka
<b>3.0 Cash</b>		
<b>A. Cash in hand:</b>		
Local currency	2,454,142,105	1,597,757,522
Foreign currency	17,971,311	39,458,692
	<b>2,472,113,416</b>	<b>1,637,216,214</b>
<b>B. Balance with Bangladesh Bank and Agents:</b>		
Local currency :		
Statutory deposit	5,273,810,524	4,122,216,713
Foreign currency	919,058,392	556,151,549
	<b>6,192,868,916</b>	<b>4,678,368,262</b>
Sonali Bank as agent of Bangladesh Bank (local currency)	474,967,136	303,417,254
	<b>6,667,836,052</b>	<b>4,981,785,516</b>
	<b>9,139,949,468</b>	<b>6,619,001,730</b>
<b>3.1 Cash Reserve Requirement (CRR) and Statutory Liquidity Requirement (SLR) have been calculated and maintained in accordance with section 33 of Bank Companies Act, 1991 and BRPD circular no. 11 and 12, dated August 25, 2005 and MPD circular no. 1 and 2. dated Mav 4. 2010.</b>		
The statutory Cash Reserve Requirement on the Bank's time and demand liabilities at the rate 5.5% has been calculated and maintained with Bangladesh Bank in current account and 18.5% Statutory Liquidity Requirement, including CRR, on the same liabilities has also been maintained in the form of treasury bills, bonds and debentures including FC balance with Bangladesh Bank. Both the reserves are maintained by the Bank. as shown below:		
<b>3.1.1 Cash Reserve Requirement (CRR) :</b>		
5.5% of required Average Demand and Time Liabilities :		
Required reserve	4,437,584,320	3,717,848,600
Actual reserve held	5,417,991,346	4,743,653,057
Surplus/ (deficit)	<b>980,407,026</b>	<b>1,025,804,457</b>
<b>3.1.2 Statutory Liquidity Requirement (SLR) :</b>		
13% of required Average Demand and Time Liabilities :		
Required reserve	10,488,835,650	9,666,406,360
Actual reserve held	11,380,041,129	11,894,897,011
Surplus/ (Deficit)	<b>891,205,479</b>	<b>2,228,490,651</b>
<b>Total Surplus/(deficit) (3.1.1+3.1.2)</b>	<b>1,871,612,505</b>	<b>3,254,295,108</b>
<b>3.1.3 Held for Statutory Liquidity Ratio</b>		
Cash in hand (Note: 3 )	2,472,113,416	1,637,216,214
Balance with Bangladesh Bank and its agent bank(s) as per statement	5,417,991,346	4,743,653,057
TT in Transit	-	-
Government securities	-	-
Government bonds (Note: 6.1 )	8,907,927,714	10,257,680,797
	<b>16,798,032,475</b>	<b>16,638,550,068</b>
<b>3.a Consolidated Cash</b>		
<b>A. Cash in hand:</b>		
BRAC Bank Limited	2,472,113,416	1,637,216,214
BRAC EPL Investments Ltd.	85,023	65,010
BRAC EPL Stock Brokerage Ltd.	2,537	15,523
	<b>2,472,200,976</b>	<b>1,637,296,747</b>
<b>B. Balance with Bangladesh Bank and Agents:</b>		
BRAC Bank Limited	6,667,836,052	4,981,785,516
BRAC EPL Investments Ltd.	-	-
BRAC EPL Stock Brokerage Ltd.	-	-
	<b>6,667,836,052</b>	<b>4,981,785,516</b>
	<b>9,140,037,028</b>	<b>6,619,082,263</b>

Particulars	June-10 Taka	December-09 Taka
<b>4.0 Balance with Other Bank and Financial Institutions</b>		
A. In Bangladesh (Note: 4.1)	7,837,364,485	5,371,854,209
B. Outside Bangladesh (Note: 4.2)	192,369,787	222,079,664
	<b>8,029,734,272</b>	<b>5,593,933,873</b>
<b>4.1 Balance with Other Bank and Financial Institutions ( In Bangladesh )</b>		
On Demand Deposit Accounts		
Standard Chartered Bank – Current Account	201,613,422	36,822,408
	<b>201,613,422</b>	<b>36,822,408</b>
On Short Term Deposit (STD) Accounts		
Southeast Bank Ltd.	118,618	50,943
Prime Bank Limited	1,000	1,000
Pubali Bank Limited	1,806,939,707	758,656,492
Janata Bank Limited	530,706,563	594,305,728
Bangladesh Krishi Bank Limited	262,525,741	220,536,919
The City Bank Limited	19,425,771	15,233,550
Agrani Bank Limited	476,811,224	392,219,182
Islami Bank (BD) Ltd.	228,558,237	11,197,577
United Commercial Bank Limited	387,472,108	15,062,401
National Bank Limited	30,017,147	25,150,513
Sonali Bank Limited	218,826,514	44,113,278
ICB Islamic Bank Limited	1,282,481	897,395
Rupali Bank Limited	117,174,661	132,344,942
First Security Bank Ltd.	1,814,906	1,218,165
EXIM Bank Limited	3,054,847	3,041,915
BASIC Bank Ltd.	1,021,537	1,001,800
	<b>4,085,751,063</b>	<b>2,215,031,801</b>
On Fixed Deposit with Banks		
Dhaka Bank Limited	300,000,000	-
BASIC Bank Limited	300,000,000	-
Pubali Bank Limited	100,000,000	50,000,000
AB Bank Limited	300,000,000	-
EXIM Bank Limited	100,000,000	-
Janata Bank Limited	200,000,000	-
Sonali Bank Limited	-	500,000,000
First Security Bank Limited	200,000,000	-
Mutual Trust Bank Limited	150,000,000	100,000,000
	<b>1,650,000,000</b>	<b>650,000,000</b>
On Fixed Deposit with Financial Institutions		
Industrial & Infrastructure Development Finance Co. Ltd.	-	140,000,000
International Leasing & Financial Services Ltd.	400,000,000	300,000,000
Uttara Finance & Investment Limited	50,000,000	400,000,000
Far East Finance & Investment Limited	150,000,000	80,000,000
Union Capital Limited	-	30,000,000
National Housing Finance Company Ltd.	150,000,000	100,000,000
Prime Finance & Investment Co. Ltd.	200,000,000	50,000,000
Premier Leasing & Financial Services Limited	200,000,000	190,000,000
Phoenix Finance & Investments Limited	300,000,000	300,000,000
Bangladesh Finance & Investment Co. Ltd.	-	150,000,000
Bangladesh Industrial Finance Company Ltd.	200,000,000	130,000,000
United Leasing Company Ltd.	-	200,000,000
Investment Corporation Of Bangladesh	-	150,000,000
Lanka Bangla Finance Co. Ltd.	250,000,000	250,000,000
	<b>1,900,000,000</b>	<b>2,470,000,000</b>
	<b>7,837,364,485</b>	<b>5,371,854,209</b>

Particulars	June-10 Taka	December-09 Taka
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#### 4.2 Balance with other banks and financial institutions ( Outside Bangladesh on Demand Deposit Accounts )

##### On Demand Deposit Accounts ( Non interest bearing) with:

Standard Chartered Bank-NY (USD)	13,852,884	15,999,481
Mashreq Bank PSCNY (USD)	774,901	803,007
The Bank of Nova Scotia- Canada (CAD)	2,805,459	3,749,107
CITI Bank NA (USD)	34,828,784	16,799,631
AB Bank Mumbai (ACU Dollar)	15,716,209	19,137,416
ICICI Mumbai (ACU Dollar)	35,409	436,353
Standard Chartered Bank-UK (GBP)	198,855	457,965
Hypo Vereins Bank Germany (EURO)	9,868,840	20,076,879
HSBC - NewYork (USD)	71,074,819	96,840,642
HSBC - United Kindom (GBP)	12,915,639	16,822,387
HSBC - Australia (AUD)	29,627	192,647
HSBC Pakistan (ACU Dollar)	62,984	37,348
HSBC - India (ACU Dollar)	49,151	458,293
Zuercher Kantonal Bank, Zurich (CHF)	1,337,810	541,838
ING Belgium NV/SA (EURO)	596,600	127,959
Unicredito Italiano SPA (EURO)	10,099,974	13,443,910
Commerz Bank AG Germany (EURO)	4,599,719	185,729
Standard Chartered Bank - UK (EURO)	892,143	-
Union DE Banques Arabes ET Francaises (JPY)	3,306,930	3,875,888
Westpack Banking Corporation, (AUD)	1,027,143	2,930,712
JP Morgan Chase Bank (USD)	8,295,907	9,162,472
	<b>192,369,787</b>	<b>222,079,663</b>

##### Details are shown in Annex-B

#### 4.3 Maturity grouping of balance with other banks and financial institutions

Up to 1 months	6,179,734,272	2,723,933,873
More than 1 months to 3 months	770,000,000	1,570,000,000
More than 3 months to 1 Year	1,080,000,000	1,300,000,000
More than 1 year to 5 years	-	-
More than 5 years	-	-
	<b>8,029,734,272</b>	<b>5,593,933,873</b>

#### 4.a Consolidated Balance with Other Banks and Financial Institutions

##### A. In Bangladesh

BRAC Bank Limited	7,837,364,485	5,371,854,209
BRAC EPL Investments Ltd.	118,678,058	775,033,206
BRAC EPL Stock Brokerage Ltd.	457,963,413	44,074,358
	<b>8,414,005,956</b>	<b>6,190,961,774</b>
Less: Inter Company Transaction with:		
BRAC EPL Investments Ltd.	(196,690,931)	763,935,760
BRAC EPL Stock Brokerage Ltd.	10,842,005	1,535
	<b>8,599,854,882</b>	<b>5,427,024,479</b>

##### B. Outside Bangladesh

BRAC Bank Limited	192,369,787	222,079,663
BRAC EPL Investments Ltd.	-	-
BRAC EPL Stock Brokerage Ltd.	-	-
	<b>192,369,787</b>	<b>222,079,663</b>
	<b>8,792,224,669</b>	<b>5,649,104,142</b>

#### 5.0 Money at Call and Short Notice

##### Banking Company:

Uttara Bank Limited	-	300,000,000
Southeast Bank Limited	250,000,000	-
Eastern Bank Limited	-	250,000,000
Dutch Bangla Bank Limited	-	200,000,000
One Bank Ltd.	-	70,000,000
AB Bank Limited	-	100,000,000
Standard Chartered Bank Bangladesh	-	300,000,000
	<b>250,000,000</b>	<b>1,220,000,000</b>

Particulars	June-10 Taka	December-09 Taka
<b>Non-banking financial institutions:</b>		
Delta Brac Housing Finance Corporation Ltd.	110,000,000	-
Prime Finance Limited	50,000,000	-
Bangladesh Finance & Investment Co. Ltd.	80,000,000	-
United Leasing Company Ltd.	40,000,000	-
Bay Leasing & Investment Ltd.	100,000,000	-
Lanka Bangla Finance Co. Ltd.	100,000,000	30,000,000
Union Capital Limited	50,000,000	50,000,000
	<b>530,000,000</b>	<b>80,000,000</b>
	<b>780,000,000</b>	<b>1,300,000,000</b>
<b>5.a Consolidated Money at Call and Short Notice</b>		
BRAC Bank Limited	780,000,000	1,300,000,000
BRAC EPL Investments Ltd.	-	-
BRAC EPL Stock Brokerage Ltd.	-	-
	<b>780,000,000</b>	<b>1,300,000,000</b>
<b>6.0 Investment</b>		
Government Securities	(Note: 6.1 ) 8,907,927,714	10,257,680,797
Other Investments	(Note: 6.2 ) 3,026,941,923	714,523,622
	<b>11,934,869,637</b>	<b>10,972,204,420</b>
	#REF!	
Investment in securities are classified as follows:		
Held for trading (HFT)	7,000,924,206	7,671,907,364
Held for maturity (HTM)	1,905,759,508	2,584,503,133
Other Investments	3,028,185,923	715,793,922
	<b>11,934,869,637</b>	<b>10,972,204,420</b>
<b>6.1 Government Securities</b>		
Treasury Bills	-	-
Treasury Bonds	(Note: 6.1.1) 8,906,683,714	10,256,410,497
Prize Bond	1,244,000	1,270,300
	<b>8,907,927,714</b>	<b>10,257,680,797</b>
<b>6.1.1 Treasury Bonds</b>		
Treasury Bonds (3 years TNT)	-	-
Treasury Bonds (5 years BGTB)	-	100,466,050
Treasury Bonds (10 years BGTB)	4,131,505,809	4,346,820,985
Treasury Bonds (15 years BGTB)	1,340,192,828	1,672,539,878
Treasury Bonds (20 years BGTB)	3,434,985,076	4,136,583,585
1 days Reverse REPO	-	-
6 months Reverse REPO	-	-
	<b>8,906,683,714</b>	<b>10,256,410,497</b>
<b>6.2 Other Investments</b>		
<b>Ordinary Shares ( Details are shown in Annexure - C)</b>		
Industrial and Infrastructure Development Finance Co. Ltd. (100,000 ordinary shares of Tk. 100 each )	10,000,000	10,000,000
Bank Asia Limited (2,300 ordinary shares of Tk. 100 each fully paid)	-	230,000
Mercantile Bank Limited (2,700 ordinary shares of Tk. 100 each fully paid)	-	270,000
BRAC EPL Investments Ltd.	494,340,794	494,340,794
BRAC EPSL Stock Brokerage Ltd.	102,522,500	102,522,500
Dun & Bradstreet Rating Agency og Bangladesh Limited	12,497,600	12,497,600
Central Depository Bangladesh Ltd. (40,000 ordinary shares of Tk. 100 each fully paid)	4,000,000	4,000,000
	<b>623,360,894</b>	<b>623,860,894</b>

Particulars	June-10 Taka	December-09 Taka
<b>Preference Shares ( Details are shown in Annexure – C)</b>		
STS Holdings Limited		
(4,000,000 preference shares of Tk. 10 each redeemable after 5 years )	40,000,000	50,000,000
	<b>40,000,000</b>	<b>50,000,000</b>
<b>Bonds</b>		
Orascom	500,000,000	-
	-	-
	<b>500,000,000</b>	<b>-</b>
Balance with BRAC EPSL Stock Brokerage Ltd.	1,863,581,029	40,662,728
	<b>3,026,941,923</b>	<b>714,523,622</b>
<b>6.3 Maturity Wise Grouping</b>		
Up to 1 month	48,421,500	41,933,028
More than 1 month to 3 month	1,036,021,260	-
More than 3 month to 1 Year	332,012,589	-
More than 1 year to 5 years	2,564,502,114	150,466,050
More than 5 years	7,953,912,174	10,779,805,341
	<b>11,934,869,637</b>	<b>10,972,204,420</b>
<b>6.a Consolidated Investments</b>		
BRAC Bank Limited:		
Government Securities	8,907,927,714	10,257,680,797
Other Investments	3,026,941,923	714,523,622
	11,934,869,637	10,972,204,420
Less: Investment in subsidiary	2,460,444,323	637,526,022
	9,474,425,314	10,334,678,397
BRAC EPL Investments Ltd.	292,426,076	18,633,510
BRAC EPL Stock Brokerage Ltd.	32,184,864	30,000,000
	<b>9,799,036,254</b>	<b>10,383,311,907</b>
<b>7.0 Loans and Advances</b>		
Overdrafts	1,433,666,671	1,760,739,705
Demand loans	14,011,414,959	8,918,280,577
Term loans	19,981,852,328	14,481,214,369
Lease receivables (Note – 7.3)	1,464,117,900	602,927,821
Small & medium enterprises	34,213,095,099	35,972,074,382
Credit Cards	1,706,878,770	1,901,852,351
Staff loans (Note – 7.7)	580,126,917	447,269,198
	<b>73,391,152,644</b>	<b>64,084,358,403</b>
Bills purchased & discounted (Note – 7.10)	127,687,567	66,476,756
	<b>73,518,840,211</b>	<b>64,150,835,159</b>
<b>7.1 Net Loans and Advances</b>		
Gross loans and advances	73,518,840,211	64,150,835,159
Less:		
Interest suspense	634,889,889	556,464,712
Provision for loans & advances	3,995,067,062	3,452,591,719
	<b>4,629,956,951</b>	<b>4,009,056,431</b>
	<b>68,888,883,259</b>	<b>60,141,778,728</b>
<b>7.2 Maturity Wise Grouping</b>		
Repayable on demand	20,015,440,211	5,074,740,450
More than 1 months to 3 months	5,845,300,000	11,128,368,170
More than 3 months to 1 Year	23,497,400,000	26,496,022,255
More than 1 year to 5 years	20,464,800,000	18,380,264,358
More than 5 years	3,695,900,000	3,071,439,927
	<b>73,518,840,211</b>	<b>64,150,835,159</b>

Particulars	June-10 Taka	December-09 Taka
<b>7.3 Lease receivables</b>		
Lease finance on demand	-	-
Lease finance receivables More than 1 months to 3 months	121,241,874	73,744,348
Lease finance receivables More than 3 months to 1 Year	391,342,690	208,734,393
Lease finance receivables More than 1 year to 5 years	886,875,016	320,449,080
Lease finance receivables More than 5 years	64,658,321	-
<b>Total Lease finance receivable</b>	<b>1,464,117,900</b>	<b>602,927,821</b>
<b>7.4 Loans and Advances under the following broad categories</b>		
<b>Inside Bangladesh:</b>		
Loans	72,085,173,540	62,390,095,454
Cash Credits	-	-
Overdrafts	1,433,666,671	1,760,739,705
	<b>73,518,840,211</b>	<b>64,150,835,159</b>
<b>Outside Bangladesh:</b>		
Loans	-	-
Cash credits	-	-
Overdrafts	-	-
	<b>73,518,840,211</b>	<b>64,150,835,159</b>
<b>7.5 Geographical Location Wise Portfolio Grouping</b>		
<b>Inside Bangladesh:</b>		
Dhaka Division	46,414,721,678	38,894,955,332
Chittagong Division	14,389,281,902	12,463,827,115
Khulna Division	3,920,780,106	3,845,348,758
Sylhet Division	1,679,418,293	1,693,715,244
Barisal Division	2,246,972,205	2,401,570,252
Rajshahi Division	4,867,666,027	4,851,418,458
	<b>73,518,840,211</b>	<b>64,150,835,159</b>
<b>Outside Bangladesh:</b>		
	<b>73,518,840,211</b>	<b>64,150,835,159</b>
<b>7.6 Significant Concentration wise Grouping</b>		
Directors & others	-	-
Staff:		
Managing Director & CEO	8,366,047	-
Senior Executives	64,637,858	83,544,172
Others	507,123,011	363,725,026
	<b>580,126,917</b>	<b>447,269,198</b>
Industries:		
Agricultural	1,802,874,103	726,990,953
Large & Medium	7,595,483,025	11,027,217,468
Small & Cottage	2,917,820,859	740,719,670
	<b>12,316,177,986</b>	<b>12,494,928,091</b>
Consumers	14,480,087,575	11,319,789,093
Trade & Commercial	46,142,447,732	39,888,848,777
	<b>73,518,840,211</b>	<b>64,150,835,159</b>
<b>7.7 Staff Loan</b>		
Personal Loan	125,688,597	112,913,703
Car and motorcycle Loan	234,153,388	113,606,859
House building Loan	220,284,932	220,748,636
	<b>580,126,917</b>	<b>447,269,198</b>
<b>7.8 Detail of Large Loan</b>		

Number of clients with amount outstanding and classification status to whom loans and advances sanctioned exceeds 10% of the total capital of the Bank. Total capital of the Bank was Taka 9,470.17 million as at 30 June 2010 (**Taka 7,509.36 million as at 31 December 2009**). (Details are shown in Annex – E)

Particulars	June-10 Taka	December-09 Taka
<b>7.9 Grouping as per Classification Rules</b>		
<b>Unclassified</b>		
Standard including staff loan	66,360,035,189	57,728,435,549
Special Mention Account (SMA)	2,549,910,354	2,544,742,867
	<b>68,909,945,543</b>	<b>60,273,178,416</b>
<b>Classified</b>		
Sub standard	2,089,783,726	1,504,126,278
Doubtful	1,022,777,043	990,855,828
Bad / Loss	1,496,333,899	1,382,674,637
	<b>4,608,894,668</b>	<b>3,877,656,743</b>
	<b>73,518,840,211</b>	<b>64,150,835,159</b>
<b>7.10 Loan type wise classified loan</b>		
Overdraft	74,832,444	41,715,110
Demand Loan	187,766,390	170,630,533
Term Loan	4,241,580,271	3,294,576,401
Lease Finance	15,824,021	15,554,500
Credit Cards	88,891,541	355,180,198
	<b>4,608,894,668</b>	<b>3,877,656,743</b>
<b>7.11 Sector-wise Allocation of Loans and Advances</b>		
<b>Government</b>	-	-
<b>Private:</b>		
Agriculture, fishing, forestry and dairy firm	1,802,874,103	726,990,953
Industry (jute, textile, garments, chemicals, cements etc.)	7,595,483,025	11,027,217,468
Working capital financing	5,637,571,704	869,344,044
Export credit	564,647,315	18,355,628
Commercial credit	39,940,228,713	38,595,278,844
Small and cottage industries	2,917,820,859	740,719,670
Miscellaneous	15,060,214,492	12,172,928,552
	<b>73,518,840,211</b>	<b>64,150,835,159</b>
	<b>73,518,840,211</b>	<b>64,150,835,159</b>
<b>7.12 Securities against loans/advances including bills purchased and discounted</b>		
Collateral of moveable/immoveable assets	24,811,948,763	17,392,025,798
Local banks & financial institutions guarantee	-	-
Government guarantee	-	-
Foreign banks guarantee	-	-
Export documents	-	-
Fixed deposit receipts (FDR)	5,077,359,474	4,763,325,136
FDR of other banks	-	-
Government bonds	-	-
Personal guarantee	43,629,531,974	41,495,083,820
Other securities	-	500,400,405
	<b>73,518,840,211</b>	<b>64,150,835,159</b>

### 7.13 Particulars of required provisions for loans and advances

Status	Outstanding Loans & advances June 2010	Base for provision	Percentage (%) of required provision	Required provision June 2010	Required provision December 2009
<b>Unclassified</b>					
All unclassified loans (Other than small enterprises, housing finance, loans for professional, consumer financing and special mention account)	28,340,149,433	28,340,149,433	1%	283,401,494	202,605,320
Small enterprise financing	29,631,834,844	29,631,834,844	1%	296,318,348	310,947,620
Housing & loan for professional	4,437,896,949	4,437,896,949	2%	88,757,939	62,104,084
Consumer finance	3,370,027,861	3,370,027,861	5%	168,501,393	161,086,577
Special Mentioned Account (SMA)	2,549,910,354	2,462,834,139	5%	123,141,707	124,053,227
				<b>960,120,882</b>	<b>860,796,828</b>
<b>Classified – Specific provision</b>					
Sub-standard	2,089,783,726	1,911,748,852	20%	382,349,770	269,097,488
Doubtful	1,022,777,043	903,942,603	50%	451,971,301	424,045,142
Bad/Loss	1,496,333,899	1,198,665,848	100%	1,198,665,848	1,149,633,208
				<b>2,032,986,920</b>	<b>1,842,775,838</b>
Required provision for loans and advances				<b>2,993,107,802</b>	<b>2,703,572,666</b>
Total provision maintained (Note 16.1)				<b>3,995,067,062</b>	<b>3,452,591,719</b>
<b>Excess/(Short) provision at 30 June 2010</b>				<b>1,001,959,260</b>	<b>749,019,053</b>
<b>Particulars</b>				<b>June-10 Taka</b>	<b>December-09 Taka</b>

### 7.14 Particulars of required provisions for off balance sheet items – General Provision

Name of Exposure	Outstanding	Percentage (%) of required provision	Required provision June - 10	Required provision December-09
Acceptances and endorsements	137,728,416	1%	1,377,284	1,373,927
Letter of guarantees	2,857,619,959	1%	28,576,200	10,510,073
Irrevocable letter of credits	4,019,786,433	1%	40,197,864	46,203,168
Bills for collection	256,548,615	1%	2,565,486	361,644
Total required provision			72,716,834	58,448,812
Total provision maintained (note 16.2)			74,000,000	61,407,000
<b>Excess/(Short) provision at 30 June 2010</b>			<b>1,283,166</b>	<b>2,958,188</b>

### 7.15 Particulars of Loans and Advances

i) Debts considered good in respect of which Bank is fully secured	29,889,308,237	22,155,350,934
ii) Debts considered good for which Bank holds no other security than the debtor's personal security	1,832,567,367	2,014,766,054
iii) Debts considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtors .	41,796,964,607	39,980,718,172
iv) Debts considered doubtful or bad, not provided for	-	-
	<b>73,518,840,211</b>	<b>64,150,835,159</b>

Particulars	June-10 Taka	December-09 Taka
v) Debts due by directors or officers of the banking company or any of these either separately or jointly with any other persons;	580,126,917	447,269,198
vi) Debts due by companies or firms in which the directors or officers of the bank are interested as directors, partners or managing agents or in case of private companies as members;	157,286,805	192,287,384
vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking companies or any of them either separately or jointly with any other person;	580,126,917	447,269,198
viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or in case of private companies, as members;	157,286,805	192,287,384
ix) Due from banking companies	-	-
x) Amount of Classified loans on which interest has not been charged should be mentioned as follows:	-	-
a) Increase/decrease of provision (specific) amount of debts written off amount realized against loan previously written off.	442,958,059 804,056,444 23,021,245	948,811,821 1,002,621,753 55,497,494
b) Amount of provision kept against loan classified as "bad/loss" on the date	1,496,333,899	1,382,674,637
c) Interest creditable to the Interest Suspense a/c.	634,889,889	556,464,712
xi) Cumulative amount of the written off loan and the amount written off during the current year should be shown separately. The amount of written off loan for which lawsuit has been filed should also be mentioned.		
<b>7.16</b> The directors of the Bank have not taken any loan from the Bank during the year or there is no outstanding loan balances with any director of the Bank.		
<b>7.17 Bill Purchased &amp; Discounted under the following broad categories</b>		
Inside Bangladesh	127,687,567	66,476,756
Outside Bangladesh	-	-
	<b>127,687,567</b>	<b>66,476,756</b>
<b>7.18 Maturity Wise Grouping of Bill Purchased &amp; Discounted</b>		
Up to 1 months	36,300,000	20,984,082
More than 1 months to 3 months	59,500,000	37,689,106
More than 3 months to 1 Year	31,887,567	7,803,568
More than 1 year to 5 years	-	-
More than 5 years	-	-
	<b>127,687,567</b>	<b>66,476,756</b>
<b>7.19 Write off of Loans &amp; advances</b>		
Balance at the beginning of the year	1,100,951,429	153,827,170
Add: Write off during the year	804,056,444	1,002,621,753
	1,905,007,873	1,156,448,923
Less: Recovery of Write off loans	73,684,963	55,497,494
<b>Balance at the end of the year</b>	<b>1,831,322,910</b>	<b>1,100,951,429</b>
<b>7.a Consolidated Loans &amp; Advances</b>		
BRAC Bank Limited	73,518,840,211	64,150,835,159
BRAC EPL Investments Ltd.	2,426,991,695	-
BRAC EPL Stock Brokerage Ltd.	-	-
Less: Inter-company transaction	600,000,000	-
	<b>75,345,831,906</b>	<b>64,150,835,159</b>

Particulars	June-10 Taka	December-09 Taka
<b>8.0 Fixed assets including premises, furniture and fixtures</b>		
<b>Cost</b>		
Land	87,940,465	87,940,465
Furniture & fixture	801,352,397	688,825,347
Office equipments	587,145,761	487,264,633
IT equipments	1,102,100,752	1,072,926,548
Motor vehicles	86,383,656	59,183,414
Lease assets	-	-
	<b>2,664,923,031</b>	<b>2,396,140,407</b>
Less: Accumulated depreciation	952,724,983	758,242,344
<b>Net Book value at the end of the year</b>	<b>1,712,198,047</b>	<b>1,637,898,063</b>
(Details are shown in Annex – D)		
<b>8.a Consolidated Fixed Assets including Premises, Furniture &amp; Fixtures</b>		
BRAC Bank Limited	1,712,198,047	1,637,898,063
BRAC EPL Investments Ltd.	28,777,029	17,664,413
BRAC EPL Stock Brokerage Ltd.	34,901,509	11,031,456
	<b>1,775,876,585</b>	<b>1,666,593,932</b>
<b>9.0 Other Assets</b>		
<b>9.1 Income Generating Other Assets</b>		
Interest receivables (Note – 9.1.1)	807,079,889	840,705,255
Prepaid Interest Expenses on Interest First Fixed Deposit (IFFD)	69,026,454	86,630,485
Receivables against sanchayapatra	59,105,102	24,753,742
Receivables from Omnibus	44,436,182	41,099,603
Receivables against travelers cheque	775,627	502,536
	<b>980,423,254</b>	<b>993,691,621</b>
<b>9.2 Non Income Generating Other Assets</b>		
Stock of stamps	3,116,640	5,703,808
Other receivables (Note – 9.2.1)	175,060,421	134,647,208
Stock of security stationery	13,363,485	24,566,366
Stock of printing stationery	22,497,927	22,811,132
Advance to staff & supplier	21,657,275	20,130,521
Advance for ELDORADO	57,413,875	63,696,306
Deferred revenue expenditure	45,222,344	32,177,692
Advance payment of income tax	3,104,859,016	2,153,057,394
Advance to staff for motor cycle purchase	87,801,054	92,099,404
Advance to SME unit offices	1,326,550	1,415,000
Advance against fixed assets	148,399,445	96,801,797
Advance against office rent	533,881,088	543,599,120
Advance security deposit	30,807,666	10,279,466
Advance for Data Center Project	99,101,616	67,672,476
Advance for software migration	101,550,630	40,923,784
Advance for ANIK tower project	26,617,795	-
* Lease assets	4,034,334	4,034,334
Interbranch Account (Note-9.2.2)	123,785	123,785
	<b>4,476,834,944</b>	<b>3,313,739,595</b>
	<b>5,457,258,198</b>	<b>4,307,431,215</b>

The bank has taken lease an office premises under operating lease for a period of 99 years started from 2002 with an option to renew the lease after that date. Lease rentals paid Tk. 4,389,000 at the time of lease (2002) are amortised over the term of the lease.

#### 9.1.1 Interest Receivables

Interest Receivables consists of interest receivable on loans, investments etc.

Receivable against Govt. securities	226,106,969	234,296,011
Receivable against other securities	276,205	3,699,996
Receivable against balance with other bank	88,793,807	201,645,809
Receivable against loans and advances	491,902,908	401,063,439
	<b>807,079,889</b>	<b>840,705,255</b>

Particulars	June-10 Taka	December-09 Taka
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#### 9.2.1 Other Receivables

Remittance in transit	-	-
Receivable against remittance	13,178,512	18,792,091
Receivable against bills pay	-	-
Receivable against DD	23,604,000	7,500,000
Receivable against Cheques	-	-
Receivable against Cards	409,207	288,154
Account receivable-FCY(Unclaimed)	6,944	6,926
Receivable from Merchant	13,823,119	77,841,078
Receivable from Partners	11,526,140	1,830,499
Receivable in Cash Shortage	291,000	-
Receivable from Member Bank – Omnibus	-	-
Receivable from Member Bank – ELDORADO	101,156,568	28,388,461
Sundry debtors	11,064,932	-
Misc Suspense Account	-	-
	<b>175,060,421</b>	<b>134,647,208</b>

#### 9.2.2 Interbranch Account

Inter Branch Account – BDT	-	-
Inter Branch Account – FCY	-	-
Cost Center Account	123,785	123,785
	<b>123,785</b>	<b>123,785</b>

#### 9.a Consolidated Other Assets

BRAC Bank Limited	5,457,258,198	4,307,431,215
BRAC EPL Investments Ltd.	316,530,831	54,085,776
BRAC EPL Stock Brokerage Ltd.	242,642,156	173,008,596
	<b>6,016,431,185</b>	<b>4,534,525,587</b>

#### 10.0 Non Banking assets

No non-banking assets is under the possession of the bank which acquired as claims. BRAC Bank limited was not acquired any such assets as on 30th June 2010.

#### 11.a Consolidated Goodwill

BRAC Bank Limited	-	-
BRAC EPL Investments Ltd.	257,500,382	257,500,382
BRAC EPL Stock Brokerage Ltd.	54,388,133	54,388,133
Less: Impairment of Goodwill	-	-
	<b>311,888,515</b>	<b>311,888,515</b>

#### 11.a.1 Calculation of Goodwill

	BRACEPL	BRAC EPSL	Total
Cost of investment	494,340,794	102,522,500	596,863,294
Less: Face value of	153,000,000	25,500,000	178,500,000
Share of Share Premium	75,729,133	-	75,729,133
Share of Pre-acquisition profit	8,111,279	22,634,367	30,745,646
	<b>236,840,412</b>	<b>48,134,367</b>	<b>284,974,779</b>
	<b>257,500,382</b>	<b>54,388,133</b>	<b>311,888,515</b>

#### 12.0 Borrowing from other Banks, Financial Institutions and Agents: In Bangladesh, secured and repayable on demand

##### Term Borrowing:

##### Banking company:

Trust Bank Limited	-	100,000,000
Eastern Bank Ltd.	-	350,000,000
Dhaka Bank Limited	-	100,000,000
Pubali Bank Limited	-	-
BASIC Bank Limited	-	400,000,000
Bangladesh Krishi Bank Limited	-	500,000,000
ICB Islamic Bank Ltd.	-	500,000,000
Commercial Bank of Ceylon	-	50,000,000
National Bank Limited	-	200,000,000
Mutual Trust Bank Limited	-	100,000,000
Standard Chartered Bank	-	150,000,000
Premier Bank Limited	-	-

##### Tenor

-	100,000,000
-	350,000,000
-	100,000,000
-	-
-	400,000,000
-	500,000,000
-	500,000,000
-	50,000,000
-	200,000,000
-	100,000,000
-	150,000,000
-	-
-	<b>2,450,000,000</b>

Particulars	June-10 Taka	December-09 Taka
<b>Non-bank financial institutions:</b>	-	-
	-	<b>2,450,000,000</b>
<b>Outside Bangladesh</b>	-	-
	-	<b>2,450,000,000</b>
<b>12.1 Maturity Wise Grouping</b>		
Up to 1 months	-	950,000,000
More than 1 months to 3 months	-	1,500,000,000
More than 3 months to 1 Year	-	-
More than 1 year to 5 years	-	-
More than 5 years	-	-
	-	<b>2,450,000,000</b>
<b>12.a Consolidated Borrowing from other Banks, Financial Institutions and Agents</b>		
BRAC Bank Limited	-	2,450,000,000
BRAC EPL Investments Ltd.	1,423,606,440	-
BRAC EPL Stock Brokerage Ltd.	-	-
	<b>1,423,606,440</b>	<b>2,450,000,000</b>
<b>13.0 Borrowings from Central Bank</b>		
Off Shore Banking	<b>1,111,080,000</b>	-
	<b>1,111,080,000</b>	-
<b>13.1 Maturity Wise Grouping</b>		
Up to 1 months	-	950,000,000
More than 1 months to 3 months	-	1,500,000,000
More than 3 months to 1 Year	1,111,080,000	-
More than 1 year to 5 years	-	-
More than 5 years	-	-
	<b>1,111,080,000</b>	<b>2,450,000,000</b>
<b>13.a Consolidated Borrowings from Central Bank</b>		
BRAC Bank Limited	1,111,080,000	2,450,000,000
BRAC EPL Investments Ltd.	-	-
BRAC EPL Stock Brokerage Ltd.	-	-
	<b>1,111,080,000</b>	<b>2,450,000,000</b>
<b>14.0 Money at call and short notice</b>		
<b>Banking Company:</b>		
Agrani Bank	400,000,000	-
Trust Bank	50,000,000	-
	<b>450,000,000</b>	-
<b>14.a Consolidated Money at Call and Short Notice</b>		
BRAC Bank Limited	450,000,000	-
BRAC EPL Investments Ltd.	-	-
BRAC EPL Stock Brokerage Ltd.	-	-
	<b>450,000,000</b>	-
<b>15.0 Deposit and Other Accounts</b>		
<b>Local Currency:</b>		
Current & other accounts	37,547,383,299	24,434,036,657
Bills payable (Note-15.3)	879,049,726	453,829,731
Saving deposits	16,818,090,138	13,043,725,795
Fixed deposits	34,610,713,308	36,245,544,754
Other deposits (Note-15.4.1)	239,952,428	283,437,916
	<b>90,095,188,899</b>	<b>74,460,574,853</b>
<b>Foreign Currency:</b>		
Current & other accounts	161,430,004	115,571,621
Bills payable	-	-
Saving deposits	-	-
Fixed deposits	440,342,525	485,713,552
Other deposits (Note-15.4)	105,841,157	157,755,129
	<b>707,613,686</b>	<b>759,040,302</b>
<b>Total Deposit and other accounts</b>	<b>90,802,802,584</b>	<b>75,219,615,155</b>

Particulars	June-10 Taka	December-09 Taka
<b>15.1 Deposit details concentrating liquidity nature</b>		
<i>i) Demand deposit</i>	<b>19,830,416,749</b>	<b>12,605,425,109</b>
Current deposit	16,837,995,513	10,570,881,833
Saving deposit (10%)	1,681,809,014	1,304,372,579
Foreign currency deposit	267,271,160	273,326,750
Sundry deposit	164,291,336	3,014,215
Bills payable	879,049,726	453,829,731
<i>ii) Time deposit</i>	<b>70,972,385,835</b>	<b>62,614,190,046</b>
Saving deposit (90%)	15,136,281,124	11,739,353,215
Foreign currency deposit	440,342,525	485,713,552
Fixed deposit	32,213,171,121	34,127,288,805
Short term deposit	20,709,387,786	13,863,154,824
Deposit pension scheme	2,397,542,187	2,118,255,948
Security deposit	43,425,861	47,068,716
Other Deposit	32,235,231	233,354,985
	<b>90,802,802,584</b>	<b>75,219,615,155</b>
<b>15.2 Maturity Wise Grouping</b>		
Payable on demand	19,830,416,748	4,077,716,736
Payable within 1 month	13,363,600,000	8,650,777,181
Over 1 month but within 6 months	20,280,800,000	19,501,376,557
Over 6 month but within 1 year	8,925,100,000	9,828,797,532
Over 1 year but within 5 years	26,613,000,000	30,961,934,791
Over 5 years but within 10 years	1,260,000,000	1,531,411,639
Over 10 years	529,885,836	667,600,720
	<b>90,802,802,584</b>	<b>75,219,615,155</b>
<b>15.3 Bills payable</b>		
Local Drafts Issued and Payable	90,964,329	-
Stamp Charges payable for Loan Clients	5,825,148	4,162,543
Insurance Premium payable for SME Loan Clients	92,327,067	53,244,905
Payment Order Issued	655,854,894	379,502,162
Sundry Creditors	1,132,728	130,994
Payment Order To Be Issued	6,304,972	6,338,877
Cards Settlement account	26,640,589	10,450,250
	<b>879,049,726</b>	<b>453,829,731</b>
<b>15.4 Other Deposits</b>		
Foreign currency	105,841,157	157,755,129
Local Currency:	-	-
Sundry deposit (Note-15.4.1)	239,952,428	283,437,916
	<b>345,793,584</b>	<b>441,193,045</b>
<b>15.4.1 Sundry deposit</b>		
Security Deposits	43,425,861	47,068,716
Security Deposit from SME Loan client	10,617,236	211,594,423
Security Deposit from Retail Loan client	21,617,995	21,760,562
Lease Deposit	3,014,215	3,014,215
Payable against Clients loan A/c	161,277,121	-
	<b>239,952,428</b>	<b>283,437,916</b>
<b>15.a Consolidated Deposit and Other Accounts</b>		
BRAC Bank Limited	90,802,802,584	75,219,615,155
BRAC EPL Investments Ltd.	-	-
BRAC EPL Stock Brokerage Ltd.	-	-
	<b>90,802,802,584</b>	<b>75,219,615,155</b>
<b>Less: Inter Company Transaction</b>		
BRAC EPL Investments Ltd.	(196,690,931)	763,935,760
BRAC EPL Stock Brokerage Ltd.	10,842,005	1,535
	<b>90,988,651,510</b>	<b>74,455,677,860</b>

Particulars		June-10 Taka	December-09 Taka
<b>16.0 Other Liabilities</b>			
Provisions for loans & advances	(Note - 16.1)	3,995,067,062	3,452,591,719
Provisions for Off Balance Sheet Items	(Note - 16.2)	74,000,000	61,407,000
Provisions for Others		61,777	61,777
Interest suspense	(Note - 16.3)	634,889,889	556,464,712
Withholding tax payable	(Note - 16.4)	56,307,592	112,381,836
Provision for taxation (Including deferred tax)	(Note - 16.6)	2,976,960,159	2,550,529,488
Interest payable		785,751,990	1,021,143,425
Accrued expenses		572,462,178	623,560,863
Excise duty Payable		121,103,297	98,129,045
VAT payable		76,453,831	70,053,268
Share subscription - IPO (refund warrant)	(Note - 16.5)	188,221	190,554
Right Share subscription		1,080,941	1,092,941
Cheque clearing account		16,368,446	13,621,045
Margin on L/C		195,773,461	124,544,759
Margin on L/G		70,723,281	54,000,802
Others		72,123,791	20,961,659
		<b>9,649,315,916</b>	<b>8,760,734,892</b>

#### 16.1 Provision for Loans and Advances :

Provision for loans and advances is created for covering the bank for possible loan losses in the future. General provision is made on outstanding loan and advance without considering the quality of loans and advances according to the prescribed rate of Bangladesh Bank. Classified loans and advances of the banks are categorised as sub-standard, doubtful and bad/loss as per guidelines of the Bangladesh Bank. Specific provision is required to be made on the shortfall in security value over the amount outstanding (net of unearned interest and interest suspense) for accounts which are classified as sub-standard, doubtful or bad/loss.

##### A. General

Balance at the beginning of the year	866,067,510	769,667,510
<b>Add:</b> Provision made during the year	99,517,285	96,400,000
<b>Balance at the end of the year</b>	<b>965,584,795</b>	<b>866,067,510</b>

##### B. Specific

Balance at the beginning of the year	2,586,524,209	1,637,712,388
<b>Add:</b> Provision made during the year	1,076,627,080	1,440,600,000
	<b>3,663,151,289</b>	<b>3,078,312,388</b>

**Less:** Interest waiver during the year

	-	-
<b>Less:</b> Write off during the year	633,669,021	491,788,179
<b>Balance at the end of the year</b>	<b>3,029,482,267</b>	<b>2,586,524,209</b>

<b>Net actual provision at the end of year (A+B)</b>	<b>3,995,067,062</b>	<b>3,452,591,719</b>
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#### 16.2 Provisions for Off Balance Sheet Items

Provision for off balance sheet items is made as per BRPD circular No. 8 of 7th August 2007 and 10 of September 18, 2007 for covering the bank for possible losses on off balance sheet items in the future. Details movement of Provision for Off Balance

Balance at the beginning of the year	61,407,000	24,407,000
<b>Add:</b> Provision made during the year	12,593,000	37,000,000
<b>Balance at the end of the year</b>	<b>74,000,000</b>	<b>61,407,000</b>

#### 16.3 Interest suspense

Classified loans and advances of the banks are categorised as sub-standard, doubtful and bad/loss as per guidelines of the Bangladesh Bank. Interest accrued on SMA, sub-standard, doubtful and bad/loss loans is recorded as 'interest suspense' and not taken to income. This interest is recognized as income as and when it is realized in cash by the bank.

Balance at the beginning of the year	556,464,712	453,484,281
<b>Add:</b> Provision made during the year	940,411,140	1,466,314,638
	<b>1,496,875,853</b>	<b>1,919,798,919</b>
<b>Less:</b> Amount of interest suspense recovered	691,598,540	1,095,902,148
<b>Less:</b> Write off during the year	170,387,423	267,432,059
<b>Less:</b> Interest waiver during the year	-	-
<b>Balance at the end of the year</b>	<b>634,889,889</b>	<b>556,464,712</b>

Particulars	June-10 Taka	December-09 Taka
<b>16.4 Withholding Tax Payable</b>		
Payable On Interest	50,038,869	99,326,036
Payable (Suppliers)	682,627	5,920,112
Payable (Contractors & Consultants)	456,708	831,251
Payable (Staff Salaries & Allowance)	3,704,632	2,580,291
Payable (Rent)	1,314,349	1,503,807
Payable (Export)	44,357	106,367
Payable on Commission Paid	45,105	2,062,665
Withholding Tax Payable – Others	20,945	51,308
	<b>56,307,592</b>	<b>112,381,836</b>
<b>16.5 VAT Payable</b>		
Payable On L/C Commission	652,156	868,985
Payable on Commission for Remittances	411,390	712,717
Payable on Loan Processing Fees	16,902,830	10,232,730
Payable – Credit Cards	5,823,968	3,357,639
Payable – Supplier	1,557,680	6,035,511
Payable – Rent	9,295,714	16,988,322
Payable – DESA & DESCO	28,248,885	24,519,188
Payable – BPDB	5,577,404	2,086,295
Payable – DPDC	4,134,699	2,921,607
Payable – Others	3,849,105	2,330,273
	<b>76,453,831</b>	<b>70,053,268</b>
<b>16.6 Provision for taxation</b>		
Current tax	(Note – 16.6.1)	3,722,877,945
Deferred tax		3,096,447,274
		(745,917,786)
		<b>2,976,960,159</b>
		<b>2,550,529,488</b>
<b>16.6.1 Provision for current taxation</b>	#REF!	
Balance at the beginning of the year		3,096,447,274
<b>Add:</b> Provision made during the year		1,956,447,274
		634,000,000
		1,140,000,000
		3,730,447,274
<b>Less:</b> Adjustment of tax provision for previous years		3,096,447,274
		7,569,329
Balance at the end of the year		-
		<b>3,722,877,945</b>
		<b>3,096,447,274</b>
Assessment up to the income year ended 31 December 2006 corresponding to the assessment year 2007–2008 has been completed.		
Assessment for the year 2001 (assessment year 2002–2003) is under appeal with the High Court preferred by the bank against tax department's demand for additional tax of Tk. 3,367,206 which has been shown as contingent liability.		
Assessment for the year 2007 (assessment year 2008–2009) is under appeal with the Appeal Division preferred by the bank against tax department's demand for additional tax of Tk. 124,420,624.		
Assessment for the year 2008 (assessment year 2009–2010) is under appeal with the Commissioner of taxes (Appeals) preferred by the bank against tax department's demand for additional tax of Tk. 121,697,538.		
<b>16.a Consolidated Other Liabilities</b>		
BRAC Bank Limited	9,649,315,916	8,760,734,892
BRAC EPL Investments Ltd.	237,166,156	24,142,686
BRAC EPL Stock Brokerage Ltd.	558,487,599	134,207,650
	<b>10,444,969,672</b>	<b>8,919,085,229</b>
Less: Inter Company Transaction	1,863,581,029	40,662,728
	<b>8,581,388,643</b>	<b>8,878,422,500</b>

Particulars	June-10 Taka	December-09 Taka
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## 17.0 Share Capital

### 17.1 Authorized Capital

Authorized Capital is the maximum amount of share capital that the bank is authorised by its Memorandum & article of association to issue to shareholders.

480,000,000 ordinary shares of Tk. 100 each 4,800,000,000 4,800,000,000

### 17.2 Issued, Subscribed and Paid up Capital

The issued share capital of the bank is the total nominal value of the shares of the bank which have been issued to shareholders and which remain outstanding.

10,000,000 ordinary Share of Tk. 100/- each issued for cash	1,000,000,000	1,000,000,000
14,129,600 ordinary Share of Tk. 100/- each issued as bonus share	1,412,960,000	795,200,000
2,640,000 Right Share of Tk. 100/- each issued as right share	264,000,000	264,000,000
	<u>2,676,960,000</u>	<u>2,059,200,000</u>

#### 17.2.1 Issued, Subscribed and Paid up Capital

Balance at the beginning of the year	2,059,200,000	1,584,000,000
<b>Add:</b> Bonus share issued	617,760,000	475,200,000
<b>Closing at the end of the year</b>	<u>2,676,960,000</u>	<u>2,059,200,000</u>

### 17.3 Initial Public Offering (IPO)

According to IPO rules 2006 "Initial public offering (IPO)" means first offering of security by an issuer to the general public. Out of the total issued, subscribed, and fully paid up capital of the bank 5,000,000 ordinary shares of Tk. 100.00 each amounting to Taka 500,000,000 was raised through Initial public offering of shares held in 2006.

### 17.4 Bonus Issue

On 25th March 2009 a bonus share at the ratio of 3:10 (three bonus shares for every ten shares held) amounting to Taka 617,760,000 was approved by the shareholders in Annual General Meeting and the shares was issued accordingly.

### 17.5 Ordinary Shares

Sponsor	No. of Shares.	% of shareholding		
BRAC	11,717,732	43.77%	1,171,773,200	765,526,500
ShoreCap International Ltd. **	231,184	0.86%	23,118,400	120,054,700
International Finance Corporation	1,434,273	5.36%	143,427,300	143,894,900
Others	2,030	0.01%	203,000	153,400
<b>Non Sponsor</b>				
Non Resident Bangladeshis	98,500	0.37%	9,850,000	9,343,300
Mutual Funds	102,000	0.38%	10,200,000	83,741,900
Institutions & General Public	13,183,881	49.25%	1,318,388,100	936,485,300
	<u>26,769,600</u>	<u>100%</u>	<u>2,676,960,000</u>	<u>2,059,200,000</u>

\*\* Shares of ShoreCap International Limited was transferred to BRAC during the period.

### 17.6 Classification of Shareholding

Range of Holding of Shares	No. of Shareholders	No. of Shares	of Shares
Less than 500	24,114	2,393,009	8.94%
500 to 5,000	1,912	2,420,584	9.04%
5,001 to 10,000	98	687,430	2.57%
10,001 to 20,000	48	659,917	2.47%
20,001 to 30,000	18	436,104	1.63%
30,001 to 40,000	6	210,147	0.79%
40,001 to 50,000	5	226,139	0.84%
50,001 to 100,000	18	1,363,942	5.10%
100,001 to 1,000,000	19	5,220,323	19.50%
Over 1,000,000	2	13,152,005	49.13%
<b>Total</b>	<u>26,240</u>	<u>26,769,600</u>	<u>100.000%</u>

Particulars	June-10 Taka	December-09 Taka
<b>17.7 Share Premium</b>		
5,000,000 ordinary shares @ Tk. 70 per share	350,000,000	350,000,000
2,640,000 ordinary shares @ Tk. 400 per share	1,056,000,000	1,056,000,000
	<b>1,406,000,000</b>	<b>1,406,000,000</b>

#### 17.8 Particulars of Share Premium

	No. of Shares.		
<b>Sponsor:</b>			
BRAC	11,717,732	335,163,840	335,163,840
ShoreCap International Ltd.	231,184	92,473,920	92,473,920
International Finance Corporation (IFC)	1,434,273	100,298,880	100,298,880
Others	2,030	63,360	63,360
<b>Non Sponsor:</b>			
Non Resident Bangladeshis	98,500	87,800,000	87,800,000
Mutual Funds	102,000	87,800,000	87,800,000
General Public	13,183,881	702,400,000	702,400,000
	<b>26,769,600</b>	<b>1,406,000,000</b>	<b>1,406,000,000</b>

#### 17.8.a Consolidated Share Premium

BRAC Bank Limited	1,553,052,103	1,406,000,000
BRAC EPL Investments Ltd.	-	147,052,103
BRAC EPL Stock Brokerage Ltd.	-	-
	<b>1,553,052,103</b>	<b>1,553,052,103</b>

#### 17.8 Preference Shares

Preference Shares are those share which give their holders an entitlement to a fixed dividend but which do not usually carry 5,000,000 preference shares (9%, 5 years cumulative redeemable) of Tk. 100 each.

Breakup of Shareholders are given below:

IDLC Finance Ltd.	500,000	50,000,000	50,000,000
United Leasing Company Ltd.	500,000	50,000,000	50,000,000
Green Delta Insurance Co. Ltd.	500,000	50,000,000	50,000,000
Trust Bank Limited	1,000,000	100,000,000	100,000,000
Prime Bank Limited	1,000,000	100,000,000	100,000,000
Bank Al-Falah Ltd.	1,000,000	100,000,000	100,000,000
Bangladesh Shilpa Bank	500,000	50,000,000	50,000,000
	<b>5,000,000</b>	<b>500,000,000</b>	<b>500,000,000</b>

#### 17.9 Capital Adequacy Ratio – As per BASEL-II

(Calculated as per BRPD Circular No. 09 of 31st December 2008 issued by Bangladesh Bank.)

##### Tier – I (Core Capital)

Fully paid up capital/ Capital deposited with BB	2,676,960,000	2,059,200,000
Statutory reserve	1,559,078,147	1,337,479,877
Non-repayable share premium account	1,553,052,103	1,406,000,000
General reserve	-	-
Retained Earnings	1,236,598,517	1,271,731,067
Minority interest in subsidiaries	553,993,041	-
Non-cumulative irredeemable preference shares	-	-
Dividend equalization accounts	-	-
<b>Sub-total</b>	<b>7,579,681,807</b>	<b>6,074,410,944</b>
<b>Deductible from Tier – I (Core Capital)</b>		
Book value of Goodwill	311,888,515	-
Shortfall in provision required against classified assets irrespective of any relaxation allowed	-	-
Deficit on account of revaluation of investment in AFS category	-	-
Any increase in equity capital resulting from a securitization transaction	-	-
Any investment in TFCs of other banks exceeding the prescribed limit	-	-
Other if any	-	-
<b>Sub-total</b>	<b>311,888,515</b>	<b>-</b>
<b>Total eligible Tier – I Capital</b>	<b>7,267,793,292</b>	<b>6,074,410,944</b>

Particulars	June-10 Taka	December-09 Taka
<b>Tier – II (Supplementary Capital)</b>		
General Provision	1,039,584,795	927,474,510
Asset revaluation reserve	662,796,394	788,249,234
Preference Share	500,000,000	500,000,000
Perpetual Subordinated debt	-	-
Exchange Equalization Fund	-	45,000
<b>Sub-total</b>	<b>2,202,381,189</b>	<b>2,215,768,744</b>
Deduction (if any)	-	-
<b>Total eligible Tier – 2 Capital (a)</b>	<b>2,202,381,189</b>	<b>2,215,768,744</b>
<b>Tier-3 (eligible for market risk only)</b>		
Short term sub-ordinated debt (b)	-	-
<b>Total Supplementary Capital</b>	<b>2,202,381,189</b>	<b>2,215,768,744</b>
<b>Total Capital</b>	<b>9,470,174,481</b>	<b>8,290,179,688</b>
Total Risk Weighted Assets	<b>84,915,135,680</b>	<b>66,584,441,167</b>
Required capital based on Risk Weighted Assets (10.00%)	<b>8,491,513,568</b>	<b>6,658,444,117</b>
Surplus/ (Deficiency)	<b>978,660,913</b>	<b>1,631,735,571</b>
<b>Capital Adequacy Ratio:</b>		
On core capital (against standard of minimum 5%)	8.56%	9.12%
On actual capital (against standard of minimum 10.00%)	11.15%	12.45%
<b>17.9.a Market Discipline Disclosures</b>		
<b>A. Banking Book Assets</b>		
Cash in hand and Balance with BB (excluding FC)	8,203,007,325	6,023,391,489
Money at Call	780,000,000	1,300,000,000
<b>Investment (HTM)</b>	<b>13,681,236,718</b>	<b>8,027,463,283</b>
Government	5,010,618,524	2,584,503,133
Qualifying (Banks etc)	-	7,105,940
Others including balance with other banks	8,670,618,194	5,435,854,209
<b>Loans and Advances</b>	<b>75,345,831,906</b>	<b>64,150,835,159</b>
Classified (SMA, SS, DF & BL to be shown separately)	4,608,894,668	3,877,656,743
SMA	2,549,910,354	2,544,742,867
SS	2,089,783,726	1,504,126,278
DF	1,022,777,043	990,855,828
BL	1,496,333,899	1,382,674,637
Unclassified	68,187,026,884	57,728,435,549
Risk Weighted Assets(Credit and Off-Balancesheet)	<b>67,398,701,247</b>	<b>58,350,323,466</b>
Below 100% RW	35,007,191,245	31,796,678,307
100% RW	6,121,372,753	5,111,694,913
Above 100% RW	26,270,137,250	21,441,950,246
Rated Status(Credit and Off-Balancesheet)		
Rated Assets	3,467,622,435	4,101,495,580
Unrated Assets	99,212,145,639	54,248,827,886
<b>Other Assets ( including Fixed Asset )</b>	<b>4,686,889,093</b>	<b>3,223,919,022</b>
<b>Total Banking Book Assets</b>	<b>102,696,965,042</b>	<b>82,725,608,953</b>
FC Held in hand	17,971,311	39,458,692
FC held in BB & Nostrro Account	1,111,428,179	778,231,213
Investment (Trading)	-	-
Govt.( part of Govt. HTM if Held above the required SLR amount)	-	-
HFT	7,000,924,206	7,671,907,364
AFS ( if any)	-	-
<b>Total Trading Book Assets</b>	<b>8,130,323,695</b>	<b>8,489,597,268</b>
<b>Total Assets</b>	<b>110,827,288,737</b>	<b>91,215,206,221</b>

Particulars	June-10 Taka	December-09 Taka
<b>B) Total Exposures of Credit Risk</b>		
<b>1. Funded</b>	<b>105,766,238,824</b>	<b>77,560,924,431</b>
a) Domestic	105,766,238,824	77,560,924,431
b) Overseas	-	-
<b>2. Non-Funded</b>	<b>1,600,418,343</b>	<b>1,301,652,293</b>
a) Domestic	1,600,418,343	1,301,652,293
b) Overseas	-	-
<b>3. Distribution of risk exposure by claims</b>		
• A. Claims on sovereigns and central banks	17,764,800,349	6,609,200,799
• B. Claims on other official entities	-	-
• C. Claims on banks and securities firms	-	5,661,498,510
• D. Claims on corporate	15,951,334,671	13,109,840,860
• E. Claims included in the retail portfolio & small enterprises (consumer loan to be shown separately)	<b>37,873,690,794</b>	<b>37,779,620,766</b>
Retail and SME portfolio	37,844,438,869	37,739,313,463
Consumer Loan	29,251,925	40,307,303
• F. Claims secured by residential property	2,651,052,684	1,609,436,119
• G. Claims secured by commercial real estate	-	-
• H. Other Categories:		
- Past due loans/NPL	4,608,894,668	3,877,656,743
- Off-balance sheet items	-	-
<b>4. Credit Risk Mitigation</b>		
• Claims secured by financial collateral	-	3,986,737,793
• Net exposure after the application of haircuts.	-	903,284,538
• Claims secured by eligible Guarantee	-	-
<b>c) Market risk on Trading Book</b>		
<b>Quantitative Disclosure</b>		
The capital requirements for:		
• interest rate risk;	50,860,000	-
• equity position risk;	302,576,000	1,420,000
• foreign exchange risk; and	154,291,161	13,528,752
• Commodity risk	-	-
<b>d) Operational risk</b>		
<b>Quantitative Disclosure</b>		
The capital requirements for:		
• Operational Risk	840,976,691	708,337,336
<b>e) Maintenance of Specific Provision</b>		
<b>Quantitative Disclosure</b>		
<b>i) Gross Non Performing Assets ( NPAs)</b>	4,608,894,668	3,877,656,743
Non Performing Assets ( NPAs) to Outstanding Loans and advances	6.12%	6.04%
<b>ii) Movement of Non Performing Assets ( NPAs)</b>		
1. Opening balance	3,877,656,743	2,473,011,790
2. Additions	2,183,990,943	1,803,964,083
3. Reductions	1,452,753,018	399,319,131
4. Closing balance	<b>4,608,894,668</b>	<b>3,877,656,743</b>
<b>iii) Movement of specific provisions for NPAs</b>		
1. Opening balance	2,586,524,209	2,586,524,209
2. Provisions made during the period	1,076,627,080	1,440,600,000
3. Write-off	633,669,021	491,788,179
4. Write-back of excess provisions	-	-
5. Closing balance	<b>3,029,482,267</b>	<b>3,535,336,029</b>

Particulars	June-10 Taka	December-09 Taka
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**f) Maintenance of Regulatory Capital**

**Quantitative Disclosure**

**i) Amount of Tier-1 Capital**

Fully paid-up Capital/Capital Deposited with BB	2,676,960,000	2,059,200,000
Statutory Reserve	1,559,078,147	1,337,479,877
Non-repayable Share premium account	1,553,052,103	1,406,000,000
General Reserve	-	-
Retained Earning	1,236,598,517	1,271,731,067
Minority interest in Subsidiaries	553,993,041	-
Non-Cumulative irredeemable Preferences shares	-	-
Dividend Equalization Account	-	-

**ii) Amount deducted from Tier-1 Capital**

• Good will	311,888,515	-
• Shortfall	-	-
• Others	-	-

**iii) Total amount of Tier 2 capital (net of deductions from Tier 2 capital).**

General Provision (Unclassified loans+off Balance Sheet exposure) Limited to 1.25% of RWA	1,039,584,795	927,474,510
Assets Revaluation Reserve up to 50%	662,796,394	788,249,234
All other preference shares	500,000,000	500,000,000
Perpetual Subordinated debt up to max .50% of row 1.17	-	-
Balance of Exchange Equalization A/C	-	45,000
Sub- Total(2.1 to 2.5)	-	-
Deductions if any	-	-

**iv) Total eligible capital (i-ii+iii)**

**9,470,174,481                      8,290,179,688**

**g) Capital Adequacy**

**Quantitative Disclosure**

**A) Amount of Regulatory Capital to meet unforeseen loss**

o Amount to meet Credit Risk	5,583,369,048	5,802,518,674
o Amount to meet Market Risk	368,865,116	14,948,752
o Amount to meet Operational Risk	840,976,691	708,337,336

**B) Some additional capital over MCR maintained by the banks**

2,676,963,626                      1,764,374,927

**18.0 Statutory Reserve**

Balance at the beginning of the year	1,337,479,877	908,762,089
Add: Transferred from profit during the year	221,598,270	428,717,788
	<b>1,559,078,147</b>	<b>1,337,479,877</b>

**18.a Consolidated Statutory Reserve**

BRAC Bank Limited	1,559,078,147	1,337,479,877
BRAC EPL Investments Ltd.	-	-
BRAC EPL Stock Brokerage Ltd.	-	-
	<b>1,559,078,147</b>	<b>1,337,479,877</b>

**19.0 Revaluation Reserve**

	HTM	HFT	Total	
Balance at the beginning of the year	14,699,184	1,561,799,284	1,576,498,468	118,846,147
Add: Addition during the year	-	-	-	1,360,414,565
Less: Realisation during the period	-	(250,905,680)	(250,905,680)	-
	14,699,184	1,310,893,604	1,325,592,788	1,479,260,712
Add Deferred Tax Liability	-	-	-	97,237,757
	<b>14,699,184</b>	<b>1,310,893,604</b>	<b>1,325,592,788</b>	<b>1,576,498,469</b>

Revaluation reserve is made according to DOS Circular no.-05, dated 26th May 2008. Since the reserve is required from this year, so last year figure is zero.

Particulars	June-10 Taka	December-09 Taka	
<b>19.a Consolidated Revaluation Reserve</b>			
BRAC Bank Limited	1,325,592,788	1,576,498,469	
BRAC EPL Investments Ltd.	-	-	
BRAC EPL Stock Brokerage Ltd.	-	-	
	<b>1,325,592,788</b>	<b>1,576,498,469</b>	
<b>20.0 Surplus in Profit and Loss Account/ Retained Earnings</b>	-		
Balance at the beginning of the year	1,271,731,067	919,872,415	
Less: Issue of Bonus Share	617,760,000	475,200,000	
Less: Dividend on Preference Share	14,343,750	47,812,500	
Add: Retained Surplus for the year	452,393,080	874,871,152	
	<b>1,092,020,397</b>	<b>1,271,731,067</b>	
<b>20.a Consolidated Surplus in Profit and Loss Account/ Retained Earnings</b>			
BRAC Bank Limited	1,092,020,397	1,271,731,067	
Add: Retained Surplus from BRACEPL Investments Ltd. (Opening)	45,190,492	-	
Add: Retained Surplus from BRACEPL Investments Ltd. (During the period)	39,461,573	6,553,872	
Add: Share of Capital gain		47,940,000	
Less: Tax on capital gain		7,191,000	
Less: Pre Acquisition profit from BRACEPL Investments Ltd.		2,112,381	
Add: Retained Surplus from BRACEPL Stock Brokerage Ltd. (Opening)	15,065,998		
Add: Retained Surplus from BRACEPL Stock Brokerage Ltd. (During the period)	44,860,057	29,031,854	
Less: Pre Acquisition profit from BRACEPL Stock Brokerage Ltd.		13,965,856	
	<b>1,236,598,517</b>	<b>1,331,987,557</b>	
<b>21.0 Minority Interest</b>			
BRAC Bank Limited	-	-	
BRAC EPL Investments Ltd.	450,170,282	412,256,222	
BRAC EPL Stock Brokerage Ltd.	103,822,758	60,721,919	
	<b>553,993,040</b>	<b>472,978,141</b>	
<b>21.1 Calculation of Minority Interest</b>			
	<b>BRACEPL</b>	<b>BRAC EPL Stock</b>	<b>Total</b>
	<b>Investments Ltd.</b>	<b>Stock Brokerage</b>	
		<b>Ltd.</b>	
Share Capital	300,000,000	50,000,000	350,000,000
Share Premium	436,825,951	-	436,825,951
Proposed Dividend	90,000,000	50,000,000	140,000,000
Retained Earnings	31,535,785	44,782,224	76,318,009
	<b>858,361,736</b>	<b>144,782,224</b>	<b>1,003,143,960</b>
<b>Total net assets at 30 June 2010</b>			
<b>Minority Interest 49% of Net Assets</b>	<b>420,597,250</b>	<b>70,943,290</b>	<b>491,540,540</b>
<b>22.0 Contingent Liabilities</b>			
Acceptances and endorsements		137,728,416	137,392,734
Import Letters Of Credit – Sight		3,158,386,944	2,688,871,977
Import Letters Of Credit – Usance		654,284,292	1,796,546,114
Import Letters Of Credit – Back to Back		207,115,198	134,898,678
Guarantees Issued		2,857,619,959	1,051,007,264
Tax Liability		249,485,368	127,787,830
Bills for collection		256,548,615	36,164,384
Contingent Assets – FX deals		4,172,903	-
Stock of Travelers Cheques (TC)		3,673,508	3,663,722
Stock of Govt. Sanchaya Patra		1,018,851,000	12,851,000
		<b>8,547,866,203</b>	<b>5,989,183,702</b>
<b>22.1 Significant concentration wise grouping</b>			
i) Documentary credits and short term trade related transactions:		7,271,683,424	5,844,881,150
ii) Forward asset purchased and forward deposits placed		-	-
iii) Undrawn formal standby facilities, credit lines and commitments to lend			
Under one year		-	-
One year and over		-	-
iv) Other exchange contracts		1,026,697,411	16,514,722
iv) Others		249,485,368	127,787,830
		<b>8,547,866,203</b>	<b>5,989,183,702</b>

Particulars	June-10 Taka	December-09 Taka
<b>22.2 Letter of Guarantee</b>		
Letter of Guarantee (Local)	2,409,228,304	722,776,524
Letter of Guarantee (Foreign)	448,391,655	328,230,741
Foreign counter Guarantee	-	-
	<u>2,857,619,959</u>	<u>1,051,007,264</u>
Less margin	70,723,281	54,000,802
	<u>2,786,896,678</u>	<u>997,006,462</u>
Balance for which the Bank is contingently liable in respect of guarantee issued favoring:		
Directors	-	-
Government	462,378,625	12,550,628
Bank and other financial institution	51,448,955	51,221,929
Others	2,343,792,379	987,234,707
	<u>2,857,619,959</u>	<u>1,051,007,264</u>
Less : Margin	70,723,281	54,000,802
	<u>2,786,896,678</u>	<u>997,006,462</u>
<b>22.3 Irrevocable Letter of Credit</b>		
Letter of Credit (Inland)	654,284,291	41,838,395
Letter of Credit (General)	3,158,386,945	4,443,579,696
Back to Back L/C	207,115,198	134,898,678
	<u>4,019,786,433</u>	<u>4,620,316,769</u>
Less: Margin	195,773,461	124,544,759
	<u>3,824,012,972</u>	<u>4,495,772,010</u>
<b>22.4 Bills for collection</b>		
Outward local bills for collection	256,548,615	36,164,384
Outward foreign bills for collection	-	-
Inward local bills for collection	-	-
Inward foreign bills for collection	-	-
	<u>256,548,615</u>	<u>36,164,384</u>
<b>22.5 Suit filed by the Bank</b>		
No law suit filed by the bank against contingent liabilities.		
<b>22.6 Contingent Liabilities (Taxation)</b>		

Pre-operating expenses were shown as allowable expenses in the return for the Income year 2001 (assessment year 2002-2003). After filing of the return, the Tax Authority disallowed these expenses. BRAC Bank Ltd. Filed an appeal against order of the Tax Authority to the Additional Commissioner of Taxes (Appeal) who allowed these expenses. In response, the Tax Authority filed a further appeal against the order of the Additional Commissioner of Taxes (Appeal) to the Taxes Appellate Tribunal who again disallowed these expenses. BRAC Bank Ltd. filled an appeal to The Supreme Court of Bangladesh, High Court Division for revision in this matter and it is under process.

**Section –Three: Notes to Profit & loss Account**

Particulars	Quarter end Apr to Jun – 10 Taka	Cumulative Jan to Jun –10 Taka	Quarter end to Jun – 09 Taka	Apr Cumulative to Jun –09 Taka	Jan Cumulative to Jun –09 Taka
<b>23.0 Income statement</b>					
<b>Income:</b>					
Interest, discount and similar income (Note–23.1)	3,091,207,887	5,916,539,096	2,546,962,462		5,055,159,537
Dividend income (Note–26)	1,572,500	3,166,250	2,500,000		4,000,000
Fees, commission and brokerage (Note–23.2)	463,522,471	831,402,554	444,204,448		875,497,955
Gains less losses arising from dealing securities	-	-	-		-
Gains less losses arising from investment securities	-	-	-		-
Gains less losses arising from dealing from foreign currencies	23,786,664	110,081,295	102,338,414		189,941,837
Income from non-banking assets	-	-	-		-
Other operating income (Note–28)	60,125,136	85,315,263	35,070,759		39,956,318
Profit less losses on interest rate changes	-	-	-		-
Nominal value of bonus share received	-	-	-		-
	<b>3,640,214,658</b>	<b>6,946,504,458</b>	<b>3,131,076,083</b>		<b>6,164,555,647</b>
<b>Expenses:</b>					
Interest, fees and commission (Note–25)	1,372,732,625	2,614,055,658	1,559,707,698		3,048,895,673
Losses on loans and advances	-	-	-		-
Administrative expenses (Note–23.3)	772,612,054	1,493,007,855	604,789,107		1,213,139,509
Other operating expenses (Note–37)	183,849,749	348,229,587	200,093,782		403,389,573
Depreciation on banking assets (Note–36)	98,238,263	194,482,642	80,981,226		162,232,935
	<b>2,427,432,691</b>	<b>4,649,775,742</b>	<b>2,445,571,814</b>		<b>4,827,657,689</b>
<b>Operating Profit</b>	<b>1,212,781,967</b>	<b>2,296,728,716</b>	<b>685,504,269</b>		<b>1,336,897,958</b>
<b>23.1 Interest, discount and similar income</b>					
Interest on loans and advances	2,512,545,405	4,853,569,559	2,165,389,871		4,348,067,783
Interest on money at call and short notice	22,240,486	36,859,431	3,050,903		22,595,000
Interest on balance with other banks	39,877,502	75,603,259	34,519,768		43,391,041
Interest on treasury bills & bonds	351,517,937	700,395,348	252,490,808		485,115,425
Interest on fixed deposits with other banks	67,577,292	142,716,111	80,515,278		134,114,583
Interest on coupon bearing bond	15,701,250	17,017,500	10,995,833		21,870,833
Interest on zero coupon bond	-	-	-		4,871
	<b>3,009,459,872</b>	<b>5,826,161,208</b>	<b>2,546,962,462</b>		<b>5,055,159,537</b>
<b>23.2 Fees, commission and brokerage</b>					
Fees	377,325,969	669,634,260	369,244,492		722,441,588
Commission	86,196,502	161,768,294	74,959,956		153,056,367
	<b>463,522,471</b>	<b>831,402,554</b>	<b>444,204,448</b>		<b>875,497,955</b>
<b>23.3 Administrative expenses</b>					
Salaries and allowances	501,563,670	941,498,366	383,389,255		757,156,430
Rent, taxes, insurance, electricity etc.	116,968,900	258,662,960	69,350,193		139,982,942
Legal expenses	4,762,555	12,212,772	4,864,873		6,885,938
Postage, stamps, telecommunication etc.	35,253,180	69,866,570	43,173,929		100,170,429
Stationery, printing, advertisement etc.	78,569,664	134,050,271	76,649,253		149,874,450
Chief Executive's salary & fees	1,706,084	3,656,084	2,238,800		4,038,800
Directors' fees & expenses	141,250	209,100	156,400		248,400
Auditors' fee	26,125	510,075	195,000		390,000
Repairs & maintenance of fixed assets	33,620,626	72,341,659	24,771,405		54,392,119
	<b>772,612,054</b>	<b>1,493,007,855</b>	<b>604,789,107</b>		<b>1,213,139,509</b>

Particulars	Quarter end Apr to Jun – 10 Taka	Cumulative Jan to Jun –10 Taka	Quarter end to Jun – 09 Taka	Apr Cumulative Jan to Jun –09 Taka
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#### 24.0 Interest Income

##### Interest on loans and advances –

	2,512,545,405	4,853,569,559	2,165,389,871	4,348,067,783
Retail	473,961,209	867,856,843	322,699,050	650,352,650
Corporate	533,725,669	963,663,773	369,117,255	728,967,089
Lease Finance	51,322,791	74,195,875	18,483,002	35,857,613
SME	1,359,440,787	2,763,514,777	1,362,587,454	2,737,917,043
Credit Cards	88,947,095	174,259,242	88,339,996	187,286,381
Staff	5,147,853	10,079,050	4,163,113	7,687,007
Interest on money at call and short notice	22,240,486	36,859,431	3,050,903	22,595,000
Interest on balance with other banks	39,877,502	75,603,259	34,519,768	43,391,041
	<b>2,574,663,393</b>	<b>4,966,032,250</b>	<b>2,202,960,542</b>	<b>4,414,053,824</b>

#### 24.a Consolidated Interest Income

BRAC Bank Limited	2,574,663,393	4,966,032,249.53		
BRAC EPL Investments Ltd.	33494700	35,244,109		
BRAC EPL Stock Brokerage Ltd.	-	-		
	<b>2,608,158,093</b>	<b>5,001,276,359</b>		

#### 25.0 Interest Paid on Deposits and Borrowing etc.

Interest on deposits	1,315,017,365	2,498,467,078	1,528,203,392	2,954,799,954
Current	46,493,408	87,360,355	29,627,229	57,659,518
STD	295,105,554	633,332,405	87,292,066	135,269,504
Savings	50,178,884	101,052,722	35,761,945	71,943,292
Term	923,239,519	1,676,721,596	1,375,522,153	2,689,927,640
Interest on money at call and short notice	8,903,222	11,926,070	2,615,958	7,008,167
Interest on local bank accounts	19,132,570	46,112,084	28,888,347	87,072,758
Interest on dealing of securities	27,052,449	54,923,408	-	14,794
Interest on Off shore banking	2,627,018	2,627,018	-	-
	<b>1,372,732,625</b>	<b>2,614,055,658</b>	<b>1,559,707,698</b>	<b>3,048,895,673</b>

#### 25.a Consolidated Interest Paid on Deposits and Borrowing etc.

BRAC Bank Limited	1,372,732,625	2,614,055,658		
BRAC EPL Investments Ltd.	19181602	19,181,602		
BRAC EPL Stock Brokerage Ltd.	-	-		
	<b>1,391,914,227</b>	<b>2,633,237,260</b>		

#### 26.0 Investment Income

Interest on treasury bills & bonds	351,517,937	700,395,348	252,490,808	485,115,425
Dividend on shares	1,572,500	3,166,250	2,500,000	4,000,000
Interest on fixed deposits with other banks	67,577,292	142,716,111	80,515,278	134,114,583
Interest on coupon bearing bond	15,701,250	17,017,500	10,995,833	21,870,833
Gain on trading shares	81,748,016	90,377,888	-	-
Interest on zero coupon bond	-	-	-	4,871
	<b>518,116,994</b>	<b>953,673,097</b>	<b>346,501,919</b>	<b>645,105,712</b>

#### 26.a Consolidated Investment Income

BRAC Bank Limited	518,116,994	953,673,097		
BRAC EPL Investments Ltd.	-	-		
BRAC EPL Stock Brokerage Ltd.	-	-		
	<b>518,116,994</b>	<b>953,673,097</b>		

Particulars	Quarter end Apr to Jun – 10 Taka	Cumulative Jan to Jun –10 Taka	Quarter end to Jun – 09 Taka	Apr Cumulative Jan to Jun –09 Taka
<b>27.0 Commission, Exchange and Brokerage</b>				
Commission from sale of sanchaya patra	4,845,981	7,877,931	16,864	173,264
Commission from issue of payment orders, DD & TT	3,150,963	5,983,432	1,911,335	3,686,099
Commission from issue of letter of guarantee	10,015,515	14,296,589	1,176,663	6,828,257
Commission from issue of letters of credit (Import & Export)	15,684,982	25,881,168	12,053,819	24,792,939
Commission on visa processing	1,790,496	3,497,956	1,783,503	3,320,211
Commission on Travellers Cheques	2,035,071	4,123,327	1,288,484	1,456,063
Commission on remittance	47,768,097	98,202,385	55,527,260	110,323,195
Other commission	905,397	1,905,505	1,202,028	2,476,340
Foreign exchange earnings	23,786,664	110,081,295	102,338,414	189,941,837
Loan processing fees	228,974,065	385,867,710	210,887,905	390,109,194
Account activity fees	12,997,946	35,787,531	9,530,732	18,916,878
Import & export related fees	1,852,800	3,699,700	2,024,265	4,377,800
Fees & Commission-Cards	62,218,333	116,033,267	52,834,573	98,104,983
Relationship Fees	7,997,289	9,922,072	21,908,648	76,137,753
Loan Early Settlement Fees	14,080,641	31,701,927	22,463,041	42,327,456
Loan Penal Fees	330,340	520,097	1,428,788	1,723,376
Service Charges for ATM Card	40,178,573	69,150,323	35,066,083	63,007,556
Fund Collection/ Transfer Fees	245,400	474,950	2,376,489	4,539,384
Student Service Center Fees	570,500	2,245,500	1,448,500	2,013,500
Cancellation fees	26,000	45,700	104,000	252,000
Cheque collection fees	442,599	937,658	280,628	482,656
Other fees (Note : 27.1)	7,411,485	13,247,826	8,890,841	20,449,053
	<b>487,309,136</b>	<b>941,483,849</b>	<b>546,542,862</b>	<b>1,065,439,792</b>
<b>27.1 Other fees</b>				
Passport Endorsement Fees	1,931,069	4,007,127	4,398,202	8,657,875
Locker fees	971,230	1,854,330	737,478	1,551,753
Postage	-	-	316,740	316,740
DPS Early Settlement Fees	-	459	-	-
Merchant Service Fee	72,000	112,000	-	-
Service fees – BIT	206,987	420,072	255,880	526,937
IOM Service Fees	216,100	1,036,100	437,100	857,580
Annual Membership Fees–Premium Banking	-	29,500	-	5,900
Membership Fees–ELDORADO	470,030	1,505,650	2,000,000	2,000,000
Annual Fees–SMS Banking	-	-	-	-
Cash withdrawal from branch POS	2,100	7,700	-	-
Syndication Fees	2,446,191	2,446,191	92,324	5,273,546
Valuation fees	848,025	1,372,225	493,602	990,202
Omnibus settlement fees	247,753	456,472	159,515	268,520
	<b>7,411,485</b>	<b>13,247,826</b>	<b>8,890,841</b>	<b>20,449,053</b>
<b>27.a Consolidated Commission, Exchange and Brokerage</b>				
BRAC Bank Limited	487,309,136	941,483,849		
BRAC EPL Investments Ltd.	52,613,821	59,712,288		
BRAC EPL Stock Brokerage Ltd.	110,269,765	153,799,668		
	<b>650,192,722</b>	<b>1,154,995,805</b>		
<b>28.0 Other operating income</b>				
Recovery of written off bad debts	57,466,060	80,487,306	21,699,110	24,533,702
Profit on sale of assets	1	1	41,392	41,392
Rebate income from other bank	458,304	1,217,851	13,002,296	13,403,033
Miscellaneous Income	2,200,771	3,610,104	327,962	1,978,191
	<b>60,125,136</b>	<b>85,315,262</b>	<b>35,070,759</b>	<b>39,956,318</b>
<b>28.a Consolidated Other operating income</b>				
BRAC Bank Limited	60,125,136	85,315,262		
BRAC EPL Investments Ltd.	49,219,874	80,339,934		
BRAC EPL Stock Brokerage Ltd.	3,979,159	3,979,159		
	<b>113,324,169</b>	<b>169,634,355</b>		

Particulars	Quarter end Apr to Jun - 10 Taka	Cumulative Jan to Jun -10 Taka	Quarter end to Jun - 09 Taka	Apr Cumulative Jan to Jun -09 Taka
<b>29.0 Consolidated Salaries and allowances</b>				
BRAC Bank Limited	501,563,670	941,498,366		
BRAC EPL Investments Ltd.	7,432,929	14,210,001		
BRAC EPL Stock Brokerage Ltd.	8,734,998	16,061,084		
	<b>517,731,597</b>	<b>971,769,451</b>		
<b>30.0 Rent, Taxes, Insurance, Electricity etc.</b>				
Rent, rates & taxes	89,944,425	207,109,794	49,705,980	95,260,504
Insurance	14,432,170	27,496,754	7,876,997	18,065,359
Power & electricity	11,490,227	21,676,948	10,629,383	24,169,539
WASA & Sewerage	1,102,078	2,379,464	1,137,833	2,487,541
	<b>116,968,900</b>	<b>258,662,960</b>	<b>69,350,193</b>	<b>139,982,942</b>
<b>30.a Consolidated Rent, Taxes, Insurance, Electricity etc.</b>				
BRAC Bank Limited	116,968,900	258,662,960		
BRAC EPL Investments Ltd.	1,717,706	3,499,874		
BRAC EPL Stock Brokerage Ltd.	15,802,791	23,681,061		
	<b>134,489,397</b>	<b>285,843,895</b>		
<b>31.0 Consolidated Legal expenses</b>				
BRAC Bank Limited	4,762,555	12,212,772		
BRAC EPL Investments Ltd.	320,000	665,450		
BRAC EPL Stock Brokerage Ltd.	-	-		
	<b>5,082,555</b>	<b>12,878,222</b>		
<b>32.0 Postage, Stamp, Telecommunication etc</b>				
Postage & courier	5,259,216	11,365,653	8,204,742	17,863,069
Telegram, telex, fax & Network	12,726,487	22,353,681	15,942,500	37,034,393
Court fees & stamps	2,180,539	3,320,011	765,379	1,519,187
Telephone-Office	15,086,937	32,827,224	18,261,308	43,753,781
	<b>35,253,180</b>	<b>69,866,570</b>	<b>43,173,929</b>	<b>100,170,429</b>
<b>32.a Consolidated Postage, Stamp, Telecommunication etc</b>				
BRAC Bank Limited	35,253,180	69,866,570		
BRAC EPL Investments Ltd.	695,435	980,732		
BRAC EPL Stock Brokerage Ltd.	7,477,356	8,082,105		
	<b>43,425,971</b>	<b>78,929,407</b>		
<b>33.0 Stationery, Printing, Advertisement etc.</b>				
Stationery & Printing	23,997,545	49,598,785	21,081,178	40,458,255
Security Stationery	13,906,362	21,632,983	5,381,866	9,209,507
Advertisement	40,665,757	62,818,502	50,186,209	100,206,688
Billboard Rent	4,123,355	7,464,874	12,000,000	24,000,000
Printing	9,717,674	13,304,633	7,768,278	15,528,276
Publications	24,165,172	38,363,146	15,135,499	30,255,500
Campaign	2,659,556	3,685,849	15,282,433	30,422,913
	<b>78,569,664</b>	<b>134,050,271</b>	<b>76,649,253</b>	<b>149,874,450</b>
<b>33.a Consolidated Stationery, Printing, Advertisement etc.</b>				
BRAC Bank Limited	78,569,664	134,050,271		
BRAC EPL Investments Ltd.	1,771,782	2,699,510		
BRAC EPL Stock Brokerage Ltd.	4,614,644	6,810,010		
	<b>84,956,090</b>	<b>143,559,791</b>		

Particulars	Quarter end Apr to Jun – 10 Taka	Cumulative Jan to Jun –10 Taka	Quarter end to Jun – 09 Taka	Apr	Cumulative Jan to Jun –09 Taka
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#### 34.0 Director's Fees & Expenses

Director's fees represent fees paid for attending board meeting, board audit committee meeting, board recruitment committee meeting @ Tk. 5,000 per director per meeting and travel & accommodation expenses of foreign Director for attending the Board meeting.

Breakup of Directors fees & expenses are given below:

Directors Fees	105,000	170,000	96,000	160,000
Traveling & Others	36,250	39,100	60,400	88,400
	<u>141,250</u>	<u>209,100</u>	<u>156,400</u>	<u>248,400</u>

#### 34.a Consolidated Director's Fees & Expenses

BRAC Bank Limited	141,250	209,100		
BRAC EPL Investments Ltd.	241,500	481,500		
BRAC EPL Stock Brokerage Ltd.	165,000	330,000		
	<u>547,750</u>	<u>1,020,600</u>		

#### 35.0 Consolidated Auditors' fee

BRAC Bank Limited	26,125	510,075		
BRAC EPL Investments Ltd.	-	-		
BRAC EPL Stock Brokerage Ltd.	-	32,950		
	<u>26,125</u>	<u>543,025</u>		

#### 36.0 Depreciation on and repairs to bank's assets

##### Depreciation

Furniture & fixtures	18,403,995	35,716,333	12,475,326	24,650,330
Office equipments	25,918,850	50,487,688	20,478,749	40,168,197
IT equipments	50,795,188	102,141,846	45,759,528	92,946,694
Motor vehicles	3,120,230	6,136,776	2,267,623	4,467,714
	<u>98,238,263</u>	<u>194,482,642</u>	<u>80,981,226</u>	<u>162,232,935</u>

##### Repairs & Maintenance expenses

Transport Maintenance	16,588,988	30,336,268	9,124,431	17,192,595
Equipment Maintenance	4,854,621	10,848,679	4,571,203	8,717,796
Hardware & Software Maintenance	8,597,772	24,560,213	7,388,178	20,483,729
Premises Maintenance	3,579,245	6,596,499	3,687,593	7,997,999
	<u>33,620,626</u>	<u>72,341,659</u>	<u>24,771,405</u>	<u>54,392,119</u>
	<u>131,858,889</u>	<u>266,824,300</u>	<u>105,752,631</u>	<u>216,625,054</u>

#### 36.a Consolidated Depreciation on and repairs to bank's assets

BRAC Bank Limited	131,858,889	266,824,300		
BRAC EPL Investments Ltd.	1,657,335	3,007,861		
BRAC EPL Stock Brokerage Ltd.	375,659	1,397,136		
	<u>133,891,884</u>	<u>271,229,297</u>		

Particulars	Quarter end Apr to Jun – 10 Taka	Cumulative Jan to Jun –10 Taka	Quarter end to Jun – 09 Taka	Apr	Cumulative Jan to Jun –09 Taka
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### 37.0 Other Expenses

Transportation & conveyance	19,956,413	35,337,953	15,348,665		32,408,698
Fuel expenses	7,677,664	11,528,561	5,824,085		13,281,286
Traveling	9,567,224	16,951,320	9,207,536		17,996,728
Professional fees	4,920,078	6,878,016	3,803,477		6,087,177
Entertainment	628,629	1,309,252	1,060,020		1,458,618
Staff welfare	6,970,468	12,236,728	6,657,258		13,189,677
SWIFT	1,881,045	2,427,195	1,569,497		2,379,497
Business development	1,089,994	1,833,412	2,218,483		8,055,273
Books, news papers and periodicals	391,010	924,409	416,274		877,273
Donation and subscription	3,254,109	5,245,627	1,026,497		2,096,696
VAT & excise duty	219,637	825,564	252,274		528,865
Fraud, forgeries & operating loss	-	2,500,000	3,450,000		6,900,000
Staff training	2,639,707	5,456,071	9,246,303		16,021,315
Staff liveries	366,000	891,000	192,000		491,400
Staff recruitment	238,532	414,880	406,642		1,006,822
Payment to outsourcing staff	38,426,316	77,519,264	46,910,853		100,299,716
Bank charges	56,103,816	115,181,786	52,086,014		105,650,614
Crockery's	99,295	230,703	90,014		449,872
IPO Expenses	-	-	200		200
Documentation Charges – CIB	-	-	716,869		1,427,749
Credit card expenses	10,704,657	19,989,065	6,866,778		13,261,858
AGM expenses	50,628	1,601,256	4,560,000		9,120,000
Right issue expenses	-	-	-		746,000
Bond issue expenses	-	-	9,000,000		18,000,000
Outsource agency fees	2,089,275	3,368,470	2,195,992		3,950,510
Commission paid	5,332,212	5,609,197	-		517,958
Cash carrying charges	11,310,113	19,951,841	10,389,056		20,338,194
Miscellaneous	(67,074)	18,017	6,598,994		6,847,575
	<b>183,849,749</b>	<b>348,229,587</b>	<b>200,093,782</b>		<b>403,389,573</b>

### 37.a Consolidated Other Expenses

	183,849,749	348,229,587		
BRAC Bank Limited	5,745,104	6,768,787		
BRAC EPL Investments Ltd.	(257,590)	639,693		
BRAC EPL Stock Brokerage Ltd.	<b>189,337,263</b>	<b>355,638,067</b>		

### 38.0 Provision for Loan & Advances

For classified loans & advances	456,010,304	1,076,627,080	295,600,000		435,600,000
For unclassified loans & advances	118,724,511	99,517,285	(3,321,255)		58,400,000
	<b>574,734,815</b>	<b>1,176,144,365</b>	<b>292,278,745</b>		<b>494,000,000</b>

### 39.0 Income Tax

#### 39.1 Provision for Income Tax

##### Current Tax

Provision for Income Tax has been made according to the Income Tax Ordinance, 1984. During the half year, an amount of Tk. 634,000,000 (2009 : 1,140,000,000) has been provided for current Income Tax. Assessment up to the accounting year 2006, corresponding assessment year 2007–2008 has been completed.

##### Deferred Tax

Deferred tax is provided using the liability method for timing differences arising between the tax base of assets and liabilities and their carrying values for reporting purposes as per Bangladesh Accounting Standard (BAS) – 12. During the half year, net amount of Tk. 200,000,000 (2009 : 300,000,000) has been created as deferred Tax asset.

The charge for taxation is based upon the profit for the year comprises:

Current tax on income @ 42.5%	395,450,000	634,000,000	270,000,000		490,000,000
Adjustment – prior year	-	-	-		-
	395,450,000	634,000,000	270,000,000		490,000,000
Net deferred Tax liability/(asset)	(150,000,000)	(200,000,000)	(38,000,000)		(70,000,000)
Income Tax on Profit	<b>245,450,000</b>	<b>434,000,000</b>	<b>232,000,000</b>		<b>420,000,000</b>

Particulars	Quarter end Apr to Jun – 10 Taka	Cumulative Jan to Jun –10 Taka	Quarter end to Jun – 09 Taka	Apr	Cumulative Jan to Jun –09 Taka
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#### 39.a Consolidated Provision for Income Tax

<b>Current Tax:</b>					
BRAC Bank Limited	395,450,000	634,000,000			
BRAC EPL Investments Ltd.	36,211,876	46,425,380			
BRAC EPL Stock Brokerage Ltd.	10,235,110	12,783,892			
	<u>441,896,986</u>	<u>693,209,272</u>			
<b>Deferred Tax:</b>					
BRAC Bank Limited	(150,000,000)	(200,000,000)			
BRAC EPL Investments Ltd.	-	-			
BRAC EPL Stock Brokerage Ltd.	-	-			
	<u>(150,000,000)</u>	<u>(200,000,000)</u>			
	<u>291,896,986</u>	<u>493,209,272</u>			

#### 40.0 Weighted Average Earnings Per Share

Profit after taxation	385,434,399	673,991,350	163,132,523	412,897,957
Less: Preference dividend	14,343,750	14,343,750	14,343,750	14,343,750
Profit attributable for distribution to ordinary shareholders	<u>371,090,649</u>	<u>659,647,600</u>	<u>148,788,773</u>	<u>398,554,207</u>
Weighted average number of shares	26,769,600	26,769,600	26,769,600	26,769,600
Weighted average/ adjusted earning	<b>13.86</b>	<b>24.64</b>	<b>5.56</b>	<b>14.89</b>

Weighted average earnings per share (EPS) of 2009 has been restated as per BAS-33 "Earnings per Share". Since the bonus issue is an issue without consideration of cash, the issue is treated as if it had occurred prior to the beginning of 2009, the earliest period reported. Actual EPS during June 2009 was Tk. 26.07.

#### 40.a Consolidated Weighted Average Earnings Per Share

Profit after taxation	512,888,480	839,327,881
Less: Preference dividend	14,343,750	14,343,750
Profit attributable for distribution to ordinary shareholders	<u>498,544,730</u>	<u>824,984,131</u>
Weighted average number of shares	26,769,600	26,769,600
Weighted average/ adjusted earnings per share (Taka)	<b>18.62</b>	<b>30.82</b>

Particulars	June-10 Taka	December-09 Taka
<b>Section –Four : Notes to Cash Flow Statement</b>		
<b>41.0 Cash &amp; Cash Equivalent</b>		
Cash in hand (including foreign currency)	2,472,113,416	908,567,282
Balance with Bangladesh Bank and its agents banks ( including foreign currency)	6,667,836,052	3,047,320,718
Balance with other banks and financial institutions	8,029,734,272	3,194,971,113
Money at call and on short notice	780,000,000	-
	<b>17,949,683,740</b>	<b>7,150,859,113</b>
<b>41.a Consolidated Cash &amp; Cash Equivalent</b>		
BRAC Bank Limited	17,949,683,740	7,150,859,113
BRAC EPL Investments Ltd.	315,454,012	-
BRAC EPL Stock Brokerage Ltd.	447,123,945	-
	<b>18,712,261,696</b>	<b>7,150,859,113</b>
<b>42.0 Receipts from other operating activities</b>		
Recovery of written off bad debts	80,487,306	24,533,702
Profit on sale of assets	1	41,392
Misc. Income	3,610,105	1,978,191
Capital gain on coupon bearing bond	-	-
Gain on trading shares	90,377,888	-
Rebate income from other bank	1,217,851	13,403,033
	<b>175,693,151</b>	<b>39,956,318</b>
<b>42.a Consolidated Receipts from other operating activities</b>		
BRAC Bank Limited	175,693,151	39,956,318
BRAC EPL Investments Ltd.	80,339,934	-
BRAC EPL Stock Brokerage Ltd.	3,979,160	-
	<b>260,012,245</b>	<b>39,956,318</b>
<b>43.0 Payment for other operating activities</b>		
Rent, taxes, insurance, electricity etc.	234,013,223	123,966,563
Audit fees	1,169,325	195,000
Directors fees & expenses	209,100	248,400
Repair & maintenance	66,428,406	45,782,996
Other expenses	390,973,113	372,591,443
Legal expenses	14,630,426	7,331,429
	<b>707,423,592</b>	<b>550,115,832</b>
<b>43.a Consolidated Payment for other operating activities</b>		
BRAC Bank Limited	707,423,592	550,115,832
BRAC EPL Investments Ltd.	11,226,444	-
BRAC EPL Stock Brokerage Ltd.	17,550,525	-
	<b>736,200,561</b>	<b>550,115,832</b>

## Section –Five : General Disclosures

### 44.0 General Disclosure

#### 44.1 Audit Committee

An audit committee was constituted by the Board of Directors of BRAC Bank in its 23rd meeting held on March 02, 2003.

Subsequently, the Board of directors in its 91st meeting held on May 14, 2008 reconstituted the Audit Committee as under:

SI No	Name of Director	Status with The Bank	Status with the Committee	Educational Qualification
01	Mr. Shib Narayan Kairy	Director	Chairman	M.Com (Accounting)
02	Mr. Muhammad A (Rume) Ali	Chairman	Member	MA (Economics)
03	Ms. Nihad Kabir	Director	Member	L.L.B., L.L.M.,(UK), (Barrister at Law)

#### 44.2 Related Party/(ies) Transactions

i) The bank carried out transactions with related parties in the normal course of business on an arm length basis. As on June 30, 2010, the bank had following transactions with the 'Related Party/(ies)' as defined in the BRPD Circulars No. 14 issued by the Bangladesh Bank on 25 June 2003.

Name of the Related Parties	Relationship	Nature of Transaction	Balance at half year end
a) BRAC & its associated	Director	Deposits made with us	1,958,477,452
b) BRAC	Service taken through BDP	Service taken through BDP	4,991,491,998
b) Delta Brac Housing Finance Corporation Ltd.	Director	Deposits made with us	37,845,998
c) Industrial & Infrastructure Development Finance Co. Ltd.	Director	Deposits made with us	54,123
d) Industrial & Infrastructure Development Finance Co. Ltd.	Director	Loans & advances	157,286,805
e) BRAC EPL Investments Ltd.	Subsidiary	Loans & advances	606,522,212
f) BRAC EPL Investments Ltd.	Subsidiary	Deposits made with us	23,529,403
g) BRAC EPL Stock Brokerage Ltd.	Subsidiary	Deposits made with us	10,112,615
h) BRAC EPL Stock Brokerage Ltd.	Subsidiary	Portfolio Investments	1,863,581,029

ii) Name of Directors and the entities in which they have interest as on June 30, 2010

SI No	Name of Director	Status with The Bank	Name of the firms/companies in which they have interest	Educational Qualification
01	Mr. Muhammad A (Rume) Ali	Chairman	BRAC BD Mail Network Limited Delta Brac Housing Finance Corp. Ltd. BRAC Karnaphuli Tea Co. Ltd. BRAC Kayachora Tea Co. Ltd. BRAC Bashkhali Tea Co. Ltd., Square Informatics Limited BRAC Kodala Tea Estate BRAC Services Ltd. Bangladesh Netting Factory Ltd. BRAC EPL Investments Ltd. BRAC EPL Stock Brokerage Ltd.	MA (Economics)
02	Mr. Quazi Md. Shariful Ala, FCA	Director	Delta Brac Housing Finance Corp. Ltd. Mobil Jamuna Lubricants Limited	Graduate in Economics from LSE, FCA

SI No	Name of Director	Status with The Bank	Name of the firms/companies in which they have interest	Educational Qualification
03	Ms. Nihad Kabir (Independent Director)	Director	Kedarpur Tea Company Ltd. Sathgao Tea Estate Ltd., Shaistaganj CNG Co.	L.L.B., L.L.M.,(UK) (Barrister at Law)
04.	Mr. Mark A. Coffey	Director	NIL	Masters of Business & Public Management, Brigham Young University, USA
05	Ms. Tamara Hasan Abed	Director	BRAC Dairy Food Project, SOLV IT	MBA (Finance), USA
06	Mr. Shib Narayan Kairy	Director	BRAC Services Ltd. BRAC Industries Ltd. Documenta TM Ltd., BRAC Karnafuli Tea Co. Ltd. BRAC Banshkhali Tea Company Ltd., BRAC Kaiyacherra Tea Company Ltd., BRAC Kodala Tea state Ltd., Bangladesh Netting Factory Ltd.	M.Com (Accounting)
07	Mr. Hafiz G.A Siddiqi (Depositor Director)	Director	North South University	Ph.D (Manchester Business School), UK, MBA, (Graduate School of Buisiness Indiana University), USA
08	Mr. Syed Mahbubur Rahman	Managing Director & CEO	Nil	MBA (IBA)

- iii) Significant contracts where bank is a party and wherein Directors have interest: Nil
- iv) Shares issued to Directors and executives without consideration or exercisable at discount Nil
- v) Lending Policies to related parties:  
Lending to related parties is effected as per requirement of section 27(1) of the Bank Companies Act – Nil
- vi) Loan and advances to Directors and their related concern:  
Industrial & Infrastructure Development Finance Co. Ltd. 157,286,805  
Classification Status Unclassified
- vii) Business other than Banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act-1991. Nil
- viii) Investment in the Securities of Directors and their related concern: Nil

**44.3 Claim not Acknowledged as Debt**

There was no claim against the bank not acknowledged as debt as on 30.06.2010.

**44.4 Number of Employees**

The number of Employees including contractual engaged for the whole year or part there of who received a total yearly remuneration of Tk. 36,000 or above were 6,306 ( 2009: 7,075).

**44.5 Post Balance Sheet Events:**

BRAC Bank Limited is in the process of forming a new subsidiary company named B-Kash Limited where the Banks share will be 51% and 49% shares will be held by Money in Motion (USA). The subsidiary will introduce mobile money transfer and related service in Banaladesh. The Bank has already obtained licence from Banaladesh Bank for this new service.

**44.6 Share trading**

The bank traded its ordinary shares in CDBL through DSE and CSE on 31 January 2007. The closing market price on 30th June 2010 was Tk. 719.50 at DSE. The closing market price on 31st December 2009 was Tk. 687.50 at DSE and Tk. 685.75 at CSE.

**44.7 General:**

- a) Figures appearing in the financial statements have been rounded off to the nearest Taka.
- b) Figures of previous year have been rearranged where ever considered necessary to conform the current year's
- c) The expenses, irrespective of capital or revenue nature, accrued / due but not paid have been provided for in the books of

**BRAC Bank Ltd.**  
**Highlights on the overall Activities**  
**For the period ended June 30, 2010 (Unaudited)**

Particulars	Amount in Taka	
	June-10	December-09
Paid-up capital	2,676,960,000	2,059,200,000
Total capital including general provisions	9,470,174,481	7,509,280,046
Capital surplus/(deficit)	978,660,913	1,590,676,038
Total assets	110,572,849,833	94,581,304,458
Total deposits	90,802,802,585	75,219,615,155
Total loans & advances	73,518,840,211	64,150,835,159
Total contingent liabilities & commitments	8,547,866,203	5,989,183,702
Credit deposit ratio (Loans & advances/Deposits)	80.97%	85.16%
Percentage of classified loans against total loans & advances	6.27%	6.04%
Profit after tax & provisions	673,991,350	1,303,588,940
Amount of classified loans during the current year	4,608,894,668	3,877,656,743
Provision kept against classified loans	3,029,482,267	2,586,524,209
Provisions surplus/deficit	1,001,959,260	749,019,053
Cost of fund	8.93%	8.49%
Interest earning assets	104,383,816,842	89,629,666,803
Non-Interest earning assets	6,189,032,991	4,951,637,657
Return on Investment (ROI) [PAT/(Shareholders equity+Borrowings)]	15.75%	12.30%
Return on assets (ROA) [PAT/Average assets]	1.31%	1.56%
Return on Equity (ROE) [PAT/Average shareholders equity]	16.13%	19.19%
Income from investments	953,673,097	1,923,835,227
Weighted average earning per share	24.64	60.98
Net income per share [(PAT-Dividend on preference share/No. of Ordinary Shares)]	24.64	60.98
Price earning ratio (Market price per share/EPS)	29.22	13.58
Net Asset Value per Share (NAV) [(Shareholders equity- Preference Share)/No. of Ordinary Share]	301.07	371.55

**BRAC Bank Limited**  
**Balance with other bank and financial institutions ( Outside Bangladesh on Demand Deposit Accounts )**  
As at June 30, 2010

Name of Bank	A/C Type	June-10			December-09		
		FC Amount	Exchange Rate	Equivalent Taka	FC Amount	Exchange Rate	Equivalent Taka
Standard Chartered Bank-NY (USD)	CD	199,487.11	69.4425	13,852,884	231,006.08	69.260	15,999,481
Mashreq Bank PSCNY (USD)	CD	11,158.88	69.4425	774,901	11,594.09	69.260	803,007
The Bank of Nova Scotia- USA (USD)	CD	-	69.4425	-	-	69.260	-
The Bank of Nova Scotia- Canada (CAD)	CD	42,244.02	66.4108	2,805,459	57,113.52	65.643	3,749,107
CITI Bank NA (USD)	CD	501,548.53	69.4425	34,828,784	242,558.92	69.260	16,799,631
AB Bank Mumbai (ACU Dollar)	CD	226,319.75	69.4425	15,716,209	276,312.67	69.260	19,137,416
ICICI Mumbai (ACU Dollar)	CD	509.90	69.4425	35,409	6,300.22	69.260	436,353
Standard Chartered Bank-UK (GBP)	CD	10,530.08	104.3894	1,099,229	4,113.25	111.339	457,965
Hypo Vereins Bank Germany (EURO)	CD	116,483.19	84.7233	9,868,840	202,117.54	99.333	20,076,879
HSBC – NY (USD)	CD	1,023,506.05	69.4425	71,074,819	1,398,218.91	69.260	96,840,642
HSBC – UK (GBP)	CD	123,725.58	104.3894	12,915,639	151,091.71	111.339	16,822,387
HSBC – AUS (AUD)	CD	496.99	59.6129	29,627	3,111.48	61.915	192,647
Union DE Banques Arabes ET Francaises (JPY)	CD	4,225,029.00	0.7827	3,306,930	5,173,631.00	0.749	3,875,888
Westpack Banking Corporation, (AUD)	CD	17,230.22	59.6129	1,027,143	47,334.46	61.915	2,930,712
HSBC – Pakistan (ACU Dollar)	CD	907.00	69.4425	62,984	539.25	69.260	37,348
HSBC – India (ACU Dollar)	CD	707.79	69.4425	49,151	6,616.99	69.260	458,293
Zuercher Kantonal Bank, Zurich (CHF)	CD	20,988.25	63.7409	1,337,810	8,108.41	66.824	541,838
ING Belgium NV/SA (EURO)	CD	7,041.75	84.7233	596,600	1,288.19	99.333	127,959
Commerz Bank AG Germany (EURO)	CD	54,291.07	84.7233	4,599,719	1,869.77	99.333	185,729
JP Morgan Chase Bank (USD)	CD	119,464.41	69.4425	8,295,907	132,290.96	69.260	9,162,472
Unicredito Italiano SPA (EURO)	CD	119,114.14	84.7233	10,091,743	135,342.25	99.333	13,443,910
<b>Total</b>				<b>192,369,787</b>			<b>222,079,663</b>

**BRAC Bank Limited**  
**Investment in Shares**  
**As at June 30, 2010**

Sl. no	Name of the company	Face value	No. of shares	Cost of holding	Average cost	Quoted rate per share as on Jun-10	Total market value at Jun-10
<b><u>Quoted</u></b>							
01	Bank Asia Limited	-	-	-	-	-	-
02	Mercantile Bank Limited	-	-	-	-	-	-
<b><u>Unquoted</u></b>							
03	Industrial and Infrastructure Development Finance Co. Ltd.	100	227,700	10,000,000	43.92	-	-
04	Central Depository Bangladesh Ltd.	1,000,000	4	4,000,000	1,000,000	-	-
05	STS Holdings Ltd.	10	4,000,000	40,000,000	10.00	-	-
06	BRAC EPL Investments Ltd.	10	15,300,000	494,340,794	32.31	-	-
07	BRAC EPSL Stock Brokerage Ltd.	100	255,000	102,522,500	402.05	-	-
08	Dun & Bradstreet Rating Agency og Bangladesh Limited	100	124,976	12,497,600	100	-	-
				<b>19,907,680</b>	<b>663,360,894</b>	<b>1,000,588</b>	<b>-</b>

**BRAC Bank Limited**  
**Schedule of Fixed assets including premises, furniture and fixtures**  
**As at June 30, 2010**

Particulars	C O S T				Rate of Dep. %	D E P R E C I A T I O N				Written down value 30.06.10
	Balance as on 01.01.10	Addition during the year	Adjustment during the year	Balance as on 30.06.10		Balance as on 01.01.10	Charged during the year	Adjustment during the year	Balance as on 30.06.10	
<b>Own assets:</b>										
<b>Tangible:</b>										
Land	87,940,465	-	-	87,940,465	-	-	-	-	-	87,940,465
Furniture & fixture	688,825,344	112,528,403	1,350	801,352,397	10	108,303,179	35,716,333	-	144,019,512	657,332,885
Office equipments	487,264,633	99,884,848	3,720	587,145,761	20	168,208,344	50,487,688	-	218,696,032	368,449,729
IT equipments	1,072,926,548	36,121,881	6,947,677	1,102,100,752	20	465,099,762	102,141,846	-	567,241,608	534,859,144
Motor vehicles	59,183,414	27,200,242	-	86,383,656	20	16,631,056	6,136,776	-	22,767,832	63,615,825
	<b>2,396,140,404</b>	<b>275,735,374</b>	<b>6,952,747</b>	<b>2,664,923,031</b>		<b>758,242,341</b>	<b>194,482,642</b>	<b>-</b>	<b>952,724,983</b>	<b>1,712,198,047</b>
<b>Leased assets:</b>										
<b>Tangible:</b>										
Furniture & fixture	-	-	-	-	-	-	-	-	-	-
Office equipments	-	-	-	-	-	-	-	-	-	-
IT equipments	-	-	-	-	-	-	-	-	-	-
Motor vehicles	-	-	-	-	-	-	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2,396,140,404</b>	<b>275,735,374</b>	<b>6,952,747</b>	<b>2,664,923,031</b>		<b>758,242,341</b>	<b>194,482,642</b>	<b>-</b>	<b>952,724,983</b>	<b>1,712,198,047</b>
<b>Dec. 09 Position</b>	<b>1,903,150,839</b>	<b>508,136,180</b>	<b>15,146,615</b>	<b>2,396,140,404</b>		<b>431,126,560</b>	<b>335,962,895</b>	<b>8,847,115</b>	<b>758,242,341</b>	<b>1,637,898,063</b>

\*\*\*\* Office equipment includes telephone sets which were depreciated @50% instead of 20% on other office equipment.

**BRAC Bank Ltd.**  
**Detail of Large Loan**  
**As at June 30, 2010**

Number of Clients	7
Amount of outstanding advances	694,875,327
Amount of classified advances	NIL
Measures taken for recovery	NIL

Client wise break-up is as follows:

Name of Clients	Outstanding (Taka)			Dec-09
	Funded	Non Funded	Total	Total
Abul Khair Steel Limited	90,483,954	-	90,483,954	1,318,752,438
City Sugar Industries Ltd.	80,957,767	52,395,800	133,353,567	1,124,319,881
Akij Jute Mills Limited	112,079,273	-	112,079,273	-
SMILE FOOD PRODUCTS Ltd.	100,012,406	-	100,012,406	-
TALHA FABRICS LTD	94,576,246	3,401,620	97,977,866	-
VOTT OIL REFINERIES LTD .	81,964,171	-	81,964,171	-
IDLC FINANCE LIMITED	78,236,389	767,700	79,004,089	-
Barakat Ullah Electro Dynamics Ltd.	-	-	-	771,763,937
PHP NOF Continuous Galvanizing Mills Ltd	-	-	-	638,343,982
Jasmir Vegetable Oil Limited	-	-	-	396,014,893
Grameen Phone Limited	-	-	-	195,696,340
Summit Uttaranchol & Purbanchol Power Company Limited	-	-	-	346,987,347
<b>Total</b>	<b>638,310,207</b>	<b>56,565,120</b>	<b>694,875,327</b>	<b>4,791,878,818</b>

**BRAC Bank Ltd.**  
**Statement of Tax position**  
**As at June 30 2010**

Accounting Year	Assessment Year	Tax provision	Tax as per assessment	(Short)/Excess provision	Advance Tax as per assessment order	Present Status
2001	2002-2003	-	956,739	(956,739)	1,007,927	Appeal with Supreme Court
2002	2003-2004	-	375,000	(375,000)	1,119,440	Completed
2003	2004-2005	-	3,156,103	(3,156,103)	1,587,297	Completed
2004	2005-2006	111,000,000	82,698,385	28,301,615	78,337,409	Completed
2005	2006-2007	147,680,000	142,505,642	5,174,358	143,306,036	Completed
2006	2007-2008	371,100,000	385,558,644	(14,458,644)	385,558,644	Completed
2007	2008-2009	766,000,000	804,023,750	(38,023,750)	685,835,670	Under Appeal
2008	2009-2010	1,220,000,000	1,254,976,871	(34,976,871)	742,800,000	Under Appeal
2009	2009-2010	1,140,000,000	-	-	1,203,171,272	Under Process

**BRAC Bank Limited**  
**Statement of outstanding unreconciled entries**  
**as of 30 June 2010**

(Amount in USD)

SL No	Period of Unreconciliation	As per Local Book				As per Correspondents' Book			
		Debit Entries		Credit Entries		Debit Entries		Credit Entries	
		No.	Amount	No.	Amount	No.	Amount	No.	Amount
01	Up-to 3 months	18	132,578.76	84	1,556,047.33	106	1,601,391.61	265	10,765,786.70
02	More than 03 months but less than 06 months	0	-	0	-	0	-	6	-
03	More than 06 months but less than 09 months	0	-	0	-	0	-	0	-
04	More than 09 months but less than 12 months	0	-	0	-	0	-	0	-
05	More than 12 months	0	-	0	-	0	-	0	-
	<b>Total</b>	<b>18</b>	<b>132,578.76</b>	<b>84</b>	<b>1,556,047.33</b>	<b>106</b>	<b>1,601,391.61</b>	<b>271</b>	<b>10,765,786.70</b>