



### **BRAC Bank Limited**

1, Gulshan Avenue, Gulshan 1 Dhaka 1212, Bangladesh Tel: 16221

E-mail: enquiry@bracbank.com www.bracbank.com

To: All Shareholders

June 30, 2014

**Subject:** Half yearly Financial Statements for the period January 1, 2014 to June 30, 2014 (Unaudited).

As per Rule 13 of the Securities & Exchange Rules 1987, we are pleased to enclose the Financial Statements for the period January 1, 2014 to June 30, 2014 (Unaudited).

Rais Uddin Ahmad

Company Secretary

# Consolidated Statement of Financial Position (Un-audited) BRAC BANK As at 30 June 2014 (Unaudited)



	June 2014 Taka	December 2013 Taka
PROPERTY AND ASSETS		
Cash	15,652,172,253	17,145,674,282
Cash in hand	6,507,278,085	8,526,841,263
(Including foreign currency) Balance with Bangladesh Bank and its agent Bank(s)	9,144,894,168	8,618,833,020
(Including foreign currency)	9,144,094,100	0,010,033,020
(including foreign currency)		
Balance with other Banks and Financial Institutions	17,316,714,066	11,502,822,058
Inside Bangladesh	17,023,963,442	9,214,178,364
Outside Bangladesh	292,750,624	2,288,643,694
Money at call and short notice	930,000,000	
Investments	26,555,576,682	21,483,906,130
Government	23,420,720,049	19,365,124,617
Others	3,134,856,633	2,118,781,513
Loans and advances	119,546,064,732	119,514,547,936
Loans, cash credit, overdrafts etc.	118,813,920,414	118,683,980,593
Bills purchased & discounted	732,144,318	830,567,343
Fixed assets including premises, furniture and fixtures	3,072,323,758	2,792,707,112
Other assets	12,743,650,667	11,664,448,733
Non-banking assets		
Goodwill	1,472,292,272	1,472,292,272
Total Property and Assets	197,288,794,430	185,576,398,523
rotar roperty and Assets	231,200,104,400	100,010,000,020
LIABILITIES AND CAPITAL Liabilities		
Borrowings from other banks, financial institutions & agents	6,816,775,905	15,099,564,380
Borrowings from Central Bank	930,273,419	1,437,826,249
Convertible Subordinate Bonds	3,000,000,000	3,000,000,000
Money at Call and Short notice	3,380,000,000	2,847,513,000
Deposits and other accounts	137,786,769,625	126,679,221,827
Current accounts & other accounts Bills payable	61,673,797,990 1,107,025,686	45,686,654,323 991,931,891
Savings deposits	22,715,588,004	20,738,609,556
Fixed deposits	51,881,390,366	59,077,741,206
Other deposits	408,967,580	184,284,852
Other liabilities	25,353,264,298	22,635,237,004
Total Liabilities	177,267,083,247	171,699,362,460
Capital and Shareholders' Equity		
Paid up share capital	7,092,873,210	4,433,045,760
Preference share capital	851,510,000	-
Share premium	4,349,969,152	2,133,446,272
Statutory reserve Revaluation reserve	3,470,350,330 1,062,073,634	3,281,594,097 744,701,943
Share money deposit	23,715,983	23,715,983
Surplus in profit and loss account/Retained Earnings	2,301,147,300	2,407,550,889
Total shareholders' equity	19,151,639,609	13,024,054,944
Minaulty Interest	070 074 574	050.004.440
Minority Interest Total equity	870,071,574 20,021,711,183	852,981,119
Total equity	20,021,711,183	13,877,036,063
Total Liabilities and Shareholders' Equity	197,288,794,430	185,576,398,523



### Contingent Liabilities

Acceptances and endorsements Letter of guarantees Irrevocable letter of credits Bills for collection Tax liability Other contingent liabilities

### **Total Contingent Liabilities**

### Other Commitments

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

### **Total Other Commitments**

Total Off-Balance Sheet items including contingent liabilities

June 2014 Taka

15,909,985,889 6,255,476,620 8,500,094,595 519,242,308 125,466,661 6,529,553,805 37,839,819,878

159,000,000

159,000,000 37,998,819,878 December 2013 Taka

6,566,695,163 6,383,222,685 11,572,885,095 513,609,666 143,894,928 3,044,281,070 28,224,588,607

28,800,000

28,800,000

28,253,388,607

Chief Financial Officer

Managing Director & CEO

### **Statement of Financial Position**

As at 30 June 2014 (Unaudited)



	30 June 2014 Taka	31 December 2013 Taka
PROPERTY AND ASSETS		
Cash	15,651,063,910	17,144,310,884
Cash in hand	6,506,169,742	8,525,477,864
(Including foreign currency)	00 00 00	
Balance with Bangladesh Bank and its agent Bank(s)	9,144,894,168	8,618,833,020
(Including foreign currency)		
Balance with other Banks and Financial Institutions	23,035,666,595	15,838,931,243
Inside Bangladesh	16,134,663,105	8,916,887,987
Outside Bangladesh	6,901,003,490	6,922,043,256
Money at call and short notice	930,000,000	
Investments	26,273,900,317	21,298,625,661
Government	23,420,720,049	19,365,124,617
Others	2,853,180,268	1,933,501,044
Loans and advances	105,715,119,933	102,728,920,850
Loans, cash credit, overdrafts etc.	104,982,975,615	101,898,353,507
Bills purchased & discounted	732,144,318	830,567,343
Fixed assets including premises, furniture and fixtures	2,470,641,231	2,443,303,555
Other assets	13,461,412,935	12,447,577,446
Non-banking assets		
Total Property and Assets	187,537,804,920	171,901,669,638
Liabilities		
Borrowings from other banks, financial institutions & agents	3,998,712,251	7,479,234,422
Borrowings from Central Bank	930,273,419	1,437,826,249
Convertible Subordinate Bonds	3,000,000,000	3,000,000,000
Money at Call and Short notice	3,380,000,000	2,847,513,000
Deposits and other accounts	136,463,555,261	124,746,344,037
Current accounts & other accounts	53,761,299,605	39,125,148,916
Bills payable	1,107,025,686	991,931,891
Savings deposits	22,715,588,004	20,832,605,144
Fixed deposits Other deposits	58,464,774,963 414,867,003	63,612,373,233 184,284,852
Other deposits	414,807,003	104,204,032
Other liabilities	23,078,313,933	20,803,298,461
Total Liabilities	170,850,854,863	160,314,216,168
Capital and Shareholders' Equity		
Paid up share capital	7,092,873,210	4,433,045,760
Preference share capital	-	1 marine 2 m
Share premium	3,622,522,880	1,406,000,000
Statutory reserve	3,470,350,330	3,281,594,097
Revaluation reserve	1,062,073,634	744,701,943
Surplus in profit and loss account/Retained Earnings	1,439,130,003	1,722,111,670
Total shareholders' equity	16,686,950,057	11,587,453,470
Total Liabilities and Shareholders' Equity	187,537,804,920	171,901,669,638



### Contingent Liabilities

Acceptances and endorsements Letter of guarantees Irrevocable letter of credits Bills for collection Tax liability

rax nability

Other contingent liabilities

### **Total Contingent Liabilities**

### Other Commitments

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

### **Total Other Commitments**

Total Off-Balance Sheet items including contingent liabilities

June 2014 Taka

15,909,985,889 6,255,476,620 8,500,094,595 519,242,308 125,466,661 6,529,553,805

37,839,819,878

37,839,819,878

December 2013 Taka

6,566,695,163 6,383,222,685 11,572,885,095 513,609,666 143,894,928 3,044,281,070

28,224,588,607

-

-

-

-

28,224,588,607

Chief Financial Officer

Managing Director & CEO

# Consolidated Statement of Comprehensive Income For the period ended 30 June 2014 (Unaudited)



Particulars	Quarter ended April to June 2014 Taka	Quarter ended April to June 2013 Taka	Cumulative Jan to June 2014 Taka	Cumulative Jan to June 2013 Taka
Interest income	5,494,888,263	4,614,470,294	11,188,616,981	9,261,048,629
Interest paid on deposits and borrowing etc.	3,550,767,684	2,797,800,378	7,190,388,406	5,909,789,647
Net interest income	1,944,120,579	1,816,669,916	3,998,228,574	3,351,258,982
Investment income	701,811,904	604,714,706	1,329,728,809	1,663,875,431
Commission, exchange and brokerage	918,148,327	841,600,571	1,689,034,639	1,578,883,319
Other operating income	362,864,168	229,362,929	727,800,658	486,221,319
Total operating income	3,926,944,979	3,492,348,122	7,744,792,680	7,080,239,051
Salaries and allowances	870,857,328	849,426,509	1,709,901,028	1,600,968,936
Rent, taxes, insurance, electricity etc.	251,438,969	236,277,084	488,033,730	465,011,112
Legal expenses	46,160,014	11,975,768	85,738,417	26,947,448
Postage, stamps, telecommunication etc.	62,238,599	54,701,383	122,234,475	116,896,932
Stationery, printing, advertisement etc.	90,602,352	67,129,219	233,165,485	121,215,973
Chief Executive's salary & fees	2,441,666	2,237,500	4,841,666	4,412,500
Directors' fees & expenses	531,000	1,395,098	772,781	2,066,786
Auditors' fee	88,941	612,919	1,377,380	1,393,919
Depreciation on and repairs to bank's assets	367,761,376	315,573,373	670,346,441	613,998,934
	424,217,215	356,463,670	985,814,213	852,683,404
Other expenses		1,895,792,523	4,302,225,617	3,805,595,945
Total operating expenses Profit/(loss) before provisions	2,116,337,460 1,810,607,518	1,596,555,599	3,442,567,063	3,274,643,106
	1,810,007,518	1,090,000,000	3,442,507,003	3,214,043,100
Provision for:				
Loans and advances	557,566,846	634,549,207	1,240,646,470	1,321,629,382
Diminution in value of investments		40,000,000	-	77,500,000
Off balance sheet items	59,928,760		114,623,812	-
Others		-		-
Total provision	617,495,606	674,549,207	1,355,270,282	1,399,129,382
Profit/(loss) before taxes	1,193,111,912	922,006,392	2,087,296,781	1,875,513,724
Provision for Tax:				
Current tax expense	555,341,973	483,541,345	1,078,003,345	924,734,081
Deferred tax expense/ (income)	78,453,623	-	42,523,707	-
Total provision for Tax	633,795,596	483,541,345	1,120,527,052	924,734,081
Total profit/(loss) after taxes	559,316,316	438,465,047	966,769,729	950,779,643
Appropriations:				
Statutory reserve	27,682,768	165,929,918	188,756,233	347,576,811
General reserve				
Dividend etc.		-	400 750 000	
Retained earnings	27,682,768 531,633,548	165,929,918 272,535,129	188,756,233 778,013,496	347,576,811 603,202,832
Attributable to:	302,000,040	272,000,220	,010,400	500,202,002
			12	
Equity holders of BRAC Bank Ltd.	484,978,747	274,166,321	770,487,500	622,862,133
Minority interest	46,654,801	(1,631,192)	7,525,996	(19,659,301)
	531,633,548	272,535,129	778,013,496	603,202,832
Earning Per Share (EPS)	0.86	0.90	1.77	1.99

Chief Financial Officer

# Statement of Comprehensive Income For the period ended 30 June 2014 (Unaudited)



Particulars	Quarter ended April to June 2014 Taka	Quarter ended April to June 2013 Taka	Cumulative Jan to June 2014 Taka	Cumulative Jan to June 2013 Taka
Interest income	4,105,235,643	4,390,041,727	8,252,672,101	8,807,739,702
Interest paid on deposits and borrowing etc.	2,330,713,196	2,664,480,878	4,809,713,049	5,606,449,446
Net interest income	1,774,522,447	1,725,560,849	3,442,959,052	3,201,290,256
Investment income	698,893,494	671,584,732	1,340,211,455	1,639,926,462
Commission, exchange and brokerage	771,742,148	640,595,253	1,376,755,418	1,271,569,773
Other operating income	95,065,212	132,175,707	304,227,529	233,219,725
Total operating income	3,340,223,301	3,169,916,540	6,464,153,455	6,346,006,215
Salaries and allowances	670 021 079	707 704 424	1 264 AGE 702	1 200 247 707
	679,031,278	727,721,434	1,364,065,703	1,389,347,787
Rent, taxes, insurance, electricity etc.	224,775,396	211,190,002	444,118,549	413,734,812
Legal expenses Postage, stamps, telecommunication etc.	35,651,091	11,445,340 47,817,431	71,741,096	24,160,374
Stationery, printing, advertisement etc.	54,630,290 59,270,270	61,039,228	107,753,279 107,904,777	94,726,855 111,151,792
Chief Executive's salary & fees	2,441,666	2,237,500	4,841,666	4,412,500
Directors' fees & expenses	115,000	178,250	251,781	282,362
Auditors' fee	75,000	225,000	450,000	450,000
Depreciation on and repairs to bank's assets	256,239,592	296,834,900	516,656,132	571,497,683
Other expenses	348,909,943	297,552,629	644,216,841	578,805,667
Total operating expenses	1,661,139,526	1,656,241,715	3,261,999,825	3,188,569,833
Profit/(loss) before provisions	1,679,083,776	1,513,674,825	3,202,153,630	3,157,436,383
Tony (loss) sololo provisions	2,010,000,110	2,020,011,020	0,202,200,000	0,101,100,000
Provision for:				
Loans and advances	605,966,096	644,025,238	1,268,973,575	1,342,052,327
Diminution in value of investments	-	40,000,000		77,500,000
Off balance sheet items	59,928,760		114,623,812	
Others		-	•	-
Total provision	665,894,856	684,025,238	1,383,597,387	1,419,552,327
Profit/(loss) before taxes	1,013,188,919	829,649,587	1,818,556,243	1,737,884,056
Provision for Tax:				
Current tax expense	545,880,947	460,000,000	1,026,172,531	859,960,000
Deferred tax expense/ (income)	-	-		
Total provision for Tax	545,880,947	460,000,000	1,026,172,531	859,960,000
Total profit/(loss) after taxes	467,307,973	369,649,587	792,383,712	877,924,056
Appropriations:				
Statutory reserve	27,682,768	165,929,918	188,756,233	347,576,811
General reserve	0	23	2	21
Dividend etc.	-	-	-	-
Potained carnings	27,682,768	165,929,918	188,756,233	347,576,811
Retained earnings	439,625,204	203,719,669	603,627,479	530,347,245
Earnings Per Share (EPS)	0.78	0.76	1.46	1.80

Chief Financial Officer

## Consolidated Statement of Cash Flows For the period ended 30 June 2014 (Unaudited)



	June 2014	June 2013
A. Cash flows from operating activities	Taka	Taka
Interest receipts	9,756,837,002	12,326,880,218
Interest payment	(5,262,766,848)	(6,361,849,620)
Dividends receipts	18,539,886	32,043,806
Fees & commissions receipts	4,991,354,697	2,773,911,097
Cash payments to employees	(4,181,419,058)	(3,918,104,399)
Cash payments to suppliers Income tax paid	(415,361,070) (809,746,029)	(957,018,247) (1,256,893,850)
Receipts from other operating activities	437,503,752	269,697,207
Payment for other operating activities	(1,279,766,816)	(3,227,078,459)
Operating profit/(loss) before changes in operating assets and liabilities (i)	3,255,175,515	(318,412,247)
Increase/decrease in operating assets & liabilities		
Loans and advances	(31,516,796)	(1,584,844,626)
Other assets	(286,426,502)	168,486,908
Deposits from customers Other liabilities	11,107,547,798 (231,785,213)	(9,701,634,401) 11,174,480,629
Cash utilised in operating assets & liabilities (ii)	10,557,819,286	56,488,511
Net cash (used)/flows from operating activities (i+ii)	13,812,994,802	(261,923,736)
B. Cash flows from investing activities		
Treasury bills	(3,196,902,582)	(1,589,742,094)
Bangladesh Bank Bills	2,059,520,257	
Investment in bonds	(800,000,000)	-
Encumbured Securities	482,301,080	-
Treasury bonds	(3,082,420,196)	(881,462,345)
Sale/ (Investment) in shares	(281,396,487)	2,063,650
Investment in prize bond	(722,300)	850,900
Acquisition of fixed assets Disposal of fixed Assets	(504,966,289)	(285,120,818)
Bank interest received	1,414,785	36,081,966
Net cash used in investing activities	(5,323,171,730)	(2,717,328,741)
C. Cash flows from financing activities		
Payment for lease finance	(189,120)	(189,120)
Payment bank loan	(2,111,207)	
Proceeds from issue of right shares	2,216,522,880	-
Proceeds from issue of preference shares	851,510,000	
Share premium Advance received	2,216,522,880 157,180,276	
Bank Charge	-	(295,657)
Borrowings from other banks/institutions	(8,282,788,475)	(1,462,065,051)
Money at call and short notice Borrowings from Bangladesh Bank	532,487,000 (507,552,829)	4,430,000,000 246,487,172
Donor grant received / (used)	8,027,411	(129,508,305)
Cash Dividend	(429,041,910)	(49,651)
Net cash flows from financing activities	(3,239,433,094)	3,084,379,388
Net increase/decrease in cash	5,250,389,977	105,126,911
Cash and cash equivalents at beginning of year	28,648,496,341	24,560,070,685
Cash and cash equivalents at end of period	33,898,886,319	24,665,197,596
Cash and cash equivalents at end of the period:		
Cash in hand (including foreign currency)	6,507,278,085	5,267,431,927
Balance with Bangladesh Bank and its agents bank(s)	9,144,894,168	8,824,477,880
(including foreign currency) Balance with other banks and financial institutions	17,316,714,066	10,573,287,789
Money at call and short notice	930,000,000	-
	33,898,886,319	24,665,197,596



		June 2014 Taka	June 2013 Taka
A.	Cash flows from operating activities		
	Interest receipts	9,474,088,950	10,015,947,349
	Interest payment	(5,071,182,451)	(5,943,494,993)
	Dividends receipts	18,539,886	32,043,806
	Fees & commissions receipts	1,376,755,418	1,271,569,773
	Cash payments to employees	(1,256,854,081)	(3,164,917,765)
	Cash payments to suppliers	(162,152,432)	(203,831,613)
	Income tax paid	(702,724,019)	(1,246,432,264)
	Receipts from other operating activities  Payment for other operating activities:	299,095,758 (1,132,616,503)	233,219,725 (2,722,585,038)
	Operating profit/(loss) before changes in operating		
	assets and liabilities (i)	2,842,950,525	(1,728,481,020)
	Increase/decrease in operating assets & liabilities		
	Loans and advances	(2,986,333,192)	(947,402,998)
	Other assets	(205,730,078)	378,258,079
	Deposits from customers	11,717,345,333	(13,610,083,888)
	Other liabilities	(323,010,089)	8,718,608,196
	Cash utilised in operating assets & liabilities (ii)	8,202,271,974	(5,460,620,611)
	Net cash (used)/flows from operating activities (i+ii)	11,045,222,499	(7,189,101,631)
B.	Cash flows from investing activities		
	Treasury bills	(3,196,902,582)	(1,589,742,094)
	Bangladesh Bank Bills	2,059,520,257	
	Treasury bonds	(3,082,420,196)	(881,462,345)
	Encumbured Securities	482,301,080	-
	Sale/ (Investment) in shares	(119,679,231)	(33,371,697)
	Investment in Bonds	(800,000,000)	
	Investment in prize bond	(722,300)	850,900
	Acquisition of fixed assets	(302,247,000)	(241,261,297) 32,781,966
	Disposal of Fixed Assets Net cash used in investing activities	(4,960,149,970)	(2,712,204,567)
C.	Cash flows from financing activities	( ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	(-,,,
VO.71.5	Proceeds from issue of right shares	2,216,522,880	
	Share Premium	2,216,522,880	
	Borrowings from other banks	(3,480,522,171)	1,096,819,552
	Money at call and short notice	532,487,000	4,430,000,000
	Borrowings from Bangladesh Bank	(507,552,829)	246,487,172
	Dividend paid	(429,041,910)	(49,651)
	Net cash flows from financing activities	548,415,850	5,773,257,073
	Net increase/decrease in cash	6,633,488,378	(4,128,049,125)
	Cash and cash equivalents at beginning of year	32,983,242,127	28,901,637,632
	Cash and cash equivalents at end of period	39,616,730,505	24,773,588,507
	Cash and cash equivalents at end of the period:		
	Cash in hand (including foreign currency)	6,506,169,742	5,265,329,295
	Balance with Bangladesh Bank and its agents bank(s) (including foreign currency)	9,144,894,168	8,824,477,880
	Balance with other banks and financial institutions	23,035,666,595	10,683,781,332
	Money at call and short notice	930,000,000	•
		39,616,730,505	24,773,588,507
			- 20



# Consolidated Statement of Changes in Equity For the period ended 30 June 2014 (Unaudited)

MBRAC BANK

									Amount in Taka
Particulars	Paid up share capital	Preference share capital	Share Premium	Statutory Reserve	Revaluation Reserve	Share money deposit	Retained	Minority Interest	Total
Balance at 01 January 2014	4,433,045,760	٠	2,133,446,272	3,281,594,097	744,701,943	23,715,983	2,407,550,889	852,981,119	13,877,036,063
Net profit for the period	×	•	ī	•		1	780,205,557	17,090,455	797,296,012
Statutory reserve	•			188,756,233		12	2	1	188,756,233
Right share issue	2,216,522,880	,	ı		r	1:	1	r	2,216,522,880
Bonus Share issue	443,304,570	i	ı	1	3	23	(443,304,570)	Ţ	
Preference share capital of B-Kash Ltd.	٠	851,510,000			*	1.7		r	851,510,000
Share Premium	*	•	2,216,522,880	,				T	2,216,522,880
Revaluation reserve					317,371,691	13	53	r	317,371,691
Cash Dividends			1		3		(443,304,576)	7	(443,304,576)
Balance as at 30 June 2014	7,092,873,210	851,510,000	4,349,969,152	3,470,350,330	1,062,073,634	23,715,983	2,301,147,300	870,071,574	20,021,711,183
Balance as at 31 December 2013	4,433,045,760	r	2,133,446,272	3,281,594,097	744,701,943	23,715,983	2,407,550,889	852,981,119	13,877,036,063

For the period ended 30 June 2014 (Unaudited)



Amount in Taka

11,587,453,470 2,216,522,880 443,304,570 2,216,522,880

Total

Retained Earnings	1,722,111,670				603,627,479			(443,304,570)	(443,304,576)	1,439,130,003	1,722,111,670
Reserve Reserve	744,701,943		(5)		•	759	317,371,691			1,062,073,634	744,701,943
Statutory Reserve	3,281,594,097		30	**	1	188,756,233	×			3,470,350,330	3,281,594,097
Share Premium	1,406,000,000	•		2,216,522,880	•					3,622,522,880	1,406,000,000
Preference share capital	·		'	٠	,			•			
Paid up share capital	4,433,045,760	2,216,522,880	443,304,570			2	٠	•		7,092,873,210	4,433,045,760
Particulars	Balance at January 01, 2014	Right share issue	Bonus Share issue	Share Premium	Net profit for the period	Statutory reserve	Revaluation reserve	Dividends (Bonus share)	Cash Dividends	Balance as at 30 June 2014	Balance as at 31 December 2013

11,587,453,470

16,686,950,057

(443,304,570) (443,304,576)

603,627,479

188,756,233 317,371,691

# For details, please visit our website:

1, Gulshan Avenue, Gulshan 1, Dhaka 1212

Tel: 16221

E-mail: enquiry@bracbank.com www.bracbank.com