

# HALF-YEARLY ACCOUNTS

As at 30th June, 2015  
(Un-audited)



আল-আরাফাহ্

ইসলামী ব্যাংক লিমিটেড

العرفة إسلامى بنك لميتيد

Al-Arafah Islami Bank Limited



আল-আরাফাহ্

ইসলামী ব্যাংক লিমিটেড

العرفة إسلامى بنك لميتيد

Al-Arafah Islami Bank Limited

## ALL SHAREHOLDERS/STATUTORY AGENCIES

### Half-Yearly Accounts

As at 30th June, 2015

(Un-audited)

As per Rule 13 of the Securities and Exchange Rules, 1987 and SEC's Notification No. SEC/Section7/SER/03/132 dated October 22, 1997, the Management of the Bank is pleased to enclose un-audited Balance Sheet, Profit & Loss Account, Cash Flow Statement and Statement of Changes in Equity of the Bank for the half year ended on June 30, 2015.

Md. Habibur Rahman  
Managing Director

July 28, 2015

# Consolidated Balance Sheet

As at June 30, 2015

(Un-audited)

PROPERTY AND ASSETS	30-06-15 Taka	31-12-14 Taka
<b>Cash in hand</b>		
Cash in hand (including foreign currencies)	1,620,548,902	1,301,483,575
Balance With Bangladesh Bank and its Agents Banks (including foreign currencies)	19,836,737,847	19,372,830,797
	<b>21,457,286,749</b>	<b>20,674,314,372</b>
<b>Balance with other Banks and Financial Institutions</b>		
In Bangladesh	8,125,928,837	2,512,579,627
Outside Bangladesh	3,070,772,821	1,703,815,308
	<b>11,196,701,657</b>	<b>4,216,394,935</b>
<b>Placement with Banks &amp; Other Financial institutions</b>	<b>2,650,000,000</b>	<b>9,750,000,000</b>
<b>Investment in Share &amp; Securities</b>	<b>8,558,723,670</b>	<b>9,120,897,395</b>
Government	6,420,000,000	7,000,000,000
Others	2,138,723,670	2,120,897,395
<b>Investments</b>		
General Investments etc.	140,084,649,762	143,636,454,877
Bills purchased and discounted	13,667,572,159	3,103,911,442
	<b>153,752,221,921</b>	<b>146,740,366,319</b>
<b>Fixed assets less Accumulated Depreciation</b>	<b>2,914,784,780</b>	<b>2,661,107,398</b>
<b>Other Assets</b>	<b>14,289,931,239</b>	<b>17,275,925,785</b>
<b>Non-Banking Assets</b>	-	-
<b>Total Assets</b>	<b>214,819,650,016</b>	<b>210,439,006,204</b>
<b>LIABILITIES AND CAPITAL</b>		
<b>Liabilities</b>		
<b>Placement from Banks &amp; Other Financial institutions</b>	<b>9,058,449,596</b>	<b>8,900,000,000</b>
Deposits and other Accounts		
Mudaraba Savings Deposits	19,543,080,919	17,501,279,699
Mudaraba Term Deposits	93,635,112,308	99,149,208,227
Other Mudaraba Deposits	36,654,274,394	33,500,490,137
Al-Wadia Current Accounts and Others Accounts etc.	16,659,314,314	15,304,022,367
Bills Payable	1,892,766,533	1,396,165,765
	<b>168,384,548,468</b>	<b>166,851,166,195</b>
<b>Other Liabilities</b>	<b>19,451,585,606</b>	<b>16,453,425,523</b>
<b>Deferred tax Liabilities/ (Assets)</b>	<b>74,890,795</b>	<b>74,890,795</b>
<b>Total Liabilities</b>	<b>196,969,474,465</b>	<b>192,279,482,513</b>
<b>Capital/Share holders Equity</b>		
Paid up Capital	9,469,585,030	9,469,585,030
Statutory Reserve	4,928,715,087	4,643,316,650
Revaluation Reserve	977,586,935	977,548,248
Retained Earnings	600,316,731	1,490,190,743
<b>Total Equity attributable to equity holders of the bank</b>	<b>15,976,203,783</b>	<b>16,580,640,671</b>
Non-Controlling Interest	1,873,971,767	1,578,883,020
<b>Total Equity</b>	<b>17,850,175,550</b>	<b>18,159,523,691</b>
<b>Total Liability and Share holders equity</b>	<b>214,819,650,016</b>	<b>210,439,006,204</b>
<b>OFF BALANCE SHEET ITEMS</b>		
<b>Contingent Liabilities</b>		
Acceptance and endorsement	3,055,331,429	8,494,167,588
Letters of Guarantee	4,164,335,013	3,365,270,354
Letters of Credit	21,164,548,405	15,734,520,242
Bills for Collection	3,454,901,736	2,906,954,594
Other Contingent Liabilities	-	-
<b>Total</b>	<b>31,839,116,583</b>	<b>30,500,912,778</b>
<b>Other Commitments :</b>		
Documentary Credits and other short term trade related transactions	-	-
Forward Assets Purchased and forward Deposit placed	-	-
Undraw note issuance and Revolving underwriting Facilities	-	-
Undraw Formal standing Facilities, Credit lines and others commitments	-	-
<b>Total off Balance sheet items including Contingent liabilities</b>	<b>31,839,116,583</b>	<b>30,500,912,778</b>

Chief Financial Officer

Managing Director

# Consolidated Profit & Loss Accounts

For the half year ended June 30, 2015

(Un-audited)

	01-01-15 to 30-06-15 Taka	01-01-14 to 30-06-14 Taka	01-04-15 to 30-06-15 Taka	01-04-14 to 30-06-14 Taka
Investment Income	9,241,728,356	9,819,548,708	4,236,054,315	5,168,694,138
Profit paid on deposits & Borrowing	(5,461,984,324)	(6,581,036,783)	(2,258,026,315)	(3,340,324,207)
<b>Net Investment Income</b>	<b>3,779,744,032</b>	<b>3,238,511,925</b>	<b>1,978,028,000</b>	<b>1,828,369,931</b>
Income from Investment in Shares /Securities	82,133,621	143,988,570	63,110,214	89,939,457
Commission, Exchange and Brokerage	1,036,048,060	908,693,472	567,518,130	427,535,268
Other Operating Income	107,114,379	168,109,361	86,489,100	143,827,994
<b>Total operating income</b>	<b>5,005,040,092</b>	<b>4,459,303,328</b>	<b>2,695,145,444</b>	<b>2,489,672,650</b>
Salaries and allowances & contribution to P.F	1,013,873,266	944,230,826	468,432,017	508,580,642
Directors fees & expenses	6,563,893	6,349,497	4,534,578	3,915,758
Shariah Supervisory Committee's fees & expenses	130,935	139,427	52,425	-
Rent, taxes, insurance, lighting etc.	191,222,703	164,224,812	78,896,130	114,565,712
Postage, telegram, telephone and stamp etc.	34,472,250	38,127,337	20,303,895	17,878,883
Legal charges	1,572,491	1,195,361	586,079	213,470
Auditors' fee	193,500	117,707	86,250	4,457
Salary & Allowances to the Managing Director	5,500,000	6,070,000	3,250,000	3,320,000
Depreciation and repairs to the bank's properties	128,930,579	114,217,046	66,887,498	62,278,620
Stationery, printing, advertisement etc.	52,144,322	44,826,199	24,207,213	23,265,589
Other expenses	194,059,396	174,349,735	109,815,560	107,692,558
<b>Total operating expenses</b>	<b>1,628,663,336</b>	<b>1,493,847,947</b>	<b>777,051,645</b>	<b>841,715,689</b>
<b>Profit/(Loss) before Tax &amp; provision</b>	<b>3,376,376,757</b>	<b>2,965,455,381</b>	<b>1,918,093,799</b>	<b>1,647,956,961</b>
Provision against Investments & Contingent Liabilities	1,192,849,000	445,600,000	614,617,000	247,099,350
Provision for diminution in value of investment	69,132,356	(18,117,381)	14,584,650	(29,131,660)
Other Provision	-	-	-	-
<b>Total provision</b>	<b>1,261,981,356</b>	<b>427,482,619</b>	<b>629,201,650</b>	<b>217,967,690</b>
<b>Profit/(Loss) before Tax</b>	<b>2,114,395,401</b>	<b>2,537,972,762</b>	<b>1,288,892,149</b>	<b>1,429,989,271</b>
Current tax	1,242,798,014	1,218,808,136	676,337,998	667,704,011
Deferred tax	-	-	-	-
<b>Provision for Taxation</b>	<b>1,242,798,014</b>	<b>1,218,808,136</b>	<b>676,337,998</b>	<b>667,704,011</b>
<b>Net Profit/(Loss) after tax</b>	<b>871,597,386</b>	<b>1,319,164,626</b>	<b>612,554,150</b>	<b>762,285,260</b>
<b>Net Profit attributable to:</b>				
Equity holders of the bank	706,474,165	1,179,420,456	519,557,118	691,102,861
Non-controlling Interest	165,123,221	139,744,170	92,997,033	71,182,399
<b>Profit for the year</b>	<b>871,597,386</b>	<b>1,319,164,626</b>	<b>612,554,150</b>	<b>762,285,260</b>
<b>Appropriation</b>				
Statutory Reserve	285,398,437	398,089,659	182,473,998	230,027,470
Non-Controlling Interest	165,123,221	139,744,170	92,997,033	71,182,399
	<b>450,521,658</b>	<b>537,833,829</b>	<b>275,471,031</b>	<b>301,209,869</b>
<b>Transfer to Retained Earnings</b>	<b>421,075,728</b>	<b>781,330,797</b>	<b>337,083,120</b>	<b>461,075,391</b>
<b>Earning per Ordinary Share</b>	<b>0.75</b>	<b>1.25</b>	<b>0.55</b>	<b>0.73</b>

  
Chief Financial Officer

  
Managing Director

# Consolidated Cash Flow Statement

For the half year ended June 30, 2015  
(Un-audited)

	30-06-15 Taka	30-06-2014 Taka
<b>Cash flows from operating activities</b>		
Investment income receipt in Cash	8,015,618,747	9,945,091,872
Profit paid on deposits and borrowing	(5,461,984,324)	(6,581,036,783)
Dividend received	12,571,284	15,783,926
Fees & Commission received in cash	1,036,048,060	908,693,472
Recoveries from written off investments	1,849,869	2,661,480
Cash payments to employees	(1,019,373,266)	(950,300,826)
Cash payments to suppliers	(52,144,322)	(44,826,199)
Received from other operating activities (item-wise)	107,114,379	168,109,361
Paid for other operating activities (item-wise)	(440,678,450)	(402,121,746)
Advance income tax paid	(1,137,035,890)	(1,102,430,788)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>1,061,986,087</b>	<b>1,959,623,769</b>
 <b>Changing in Operating assets &amp; liabilities</b>		
Increase/Decrease of trading securities	(17,826,275)	134,128,761
Increase/Decrease of placement to other banks	7,100,000,000	(500,000,000)
Increase/Decrease of Investment and advances to customers (other than Banks)	(6,878,003,255)	(16,646,336,990)
Increase/Decrease of other assets (item-wise)	5,416,852,515	(2,035,752,659)
Increase/Decrease of placement from other banks and financial institution	158,449,596	500,000,000
Increase/Decrease of Deposits from customers (other than Banks)	1,533,382,273	16,767,657,488
Increase/Decrease of Other liabilities account of customers	-	-
Increase/Decrease of Trading liabilities (item-wise)	376,913,416	1,404,879,506
<b>Cash receipt from operating activities</b>	<b>7,689,768,271</b>	<b>(375,423,894)</b>
<b>A. Net Cash from operating activities</b>	<b>8,751,754,357</b>	<b>1,584,199,875</b>
<b>Cash flows from investing activities:</b>	-	-
Proceeds from sale of securities	-	-
Payments for purchases of securities	-	-
Purchase of property, plant and equipment	(253,677,377)	4,433,794
Sales proceeds of Fixed assets	-	-
Purchase-sale of subsidiary	-	-
<b>B. Net cash flows from investing activities</b>	<b>(253,677,377)</b>	<b>4,433,794</b>
<b>Cash flows from financing activities</b>	-	-
Increase in Exchange Equalization Account	-	-
Increase in Share Capital	-	-
Dividend paid	(1,325,741,904)	-
<b>C. Net cash flows from financing activities</b>	<b>(1,325,741,904)</b>	-
<b>D. Net increase in cash and cash equivalent (A+B+C)</b>	<b>7,172,335,076</b>	<b>1,588,633,669</b>
E. Effects of exchange rate changes on cash and cash-equivalents	-	-
<b>F. Net increase in cash and cash equivalent D+E</b>	<b>7,172,335,076</b>	<b>1,588,633,669</b>
<b>G. Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>31,890,709,305</b>	<b>27,756,981,946</b>
<b>H. Cash &amp; Cash Equivalents at the end of the year</b>	<b>39,063,044,381</b>	<b>29,345,615,615</b>

  
Chief Financial Officer

  
Managing Director

# Consolidated Statement of Changes in Equity

For the half Year ended June 30, 2015  
(Un-audited)

Particular	Paid up Capital	Statutory Reserve	Retained Earnings	Asset Revaluation Reserve	Total	Non-Controlling Interest	Total Equity
Balance at 1st January 2015	9,469,585,030	4,643,316,650	1,490,190,743	977,548,248	16,580,640,671	1,578,883,020	18,159,523,690
Changes in accounting policy	-	-	-	-	-	-	-
Buy back share	-	-	-	-	-	-	-
Issue of the share capital	-	-	-	-	-	-	-
<b>Restated balance</b>	<b>9,469,585,030</b>	<b>4,643,316,650</b>	<b>1,490,190,743</b>	<b>977,548,248</b>	<b>16,580,640,671</b>	<b>1,578,883,020</b>	<b>18,159,523,690</b>
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	-	-	-	-
Currency translation differences recognized in the income	-	-	-	-	-	-	-
Share premium	-	-	-	-	-	27,590,219	27,590,219
Net profit for the year	-	-	706,474,165	-	706,474,165	165,123,221	871,597,386
Cash Dividend paid - 2014( 14.00 %)	-	-	(1,325,741,904)	-	(1,325,741,904)	-	(1,325,741,904)
Bonus Share	-	-	-	-	-	-	-
Issue of share capital of subsidiary	-	-	-	-	-	90,019,179	90,019,179
Gain on pre acquisition of subsidiary	-	-	14,792,165	-	14,792,165	12,318,959	27,111,125
Revaluation of subsidiary	-	-	-	38,687	38,687	37,169	75,856
Transferred to retained earning	-	-	-	-	-	-	-
Appropriations during the year	-	285,398,437	(285,398,437)	-	-	-	-
<b>Balance as at June 30,2015</b>	<b>9,469,585,030</b>	<b>4,928,715,087</b>	<b>600,316,731</b>	<b>977,586,935</b>	<b>15,976,203,783</b>	<b>1,873,971,767</b>	<b>17,850,175,550</b>
<b>Balance as at June 30,2014</b>	<b>9,469,585,030</b>	<b>4,247,737,828</b>	<b>983,197,828</b>	<b>977,548,248</b>	<b>15,678,068,932</b>	<b>1,732,265,692</b>	<b>17,410,334,624</b>

  
Chief Financial Officer

  
Managing Director

## CREDIT RATING REPORT

Credit Rating Agency of Bangladesh (CRAB) Limited has upgraded the long term rating of Al-Arafah Islami Bank Limited to AA<sub>2</sub> (Pronounced Double A Two) and the short term rating at ST-2 based on audited financial statement of 31st December, 2014 and other relevant qualitative & quantitative information.

Rating 2013	Rating 2014	Definition
Long Term AA <sub>3</sub>	Long Term AA <sub>2</sub>	Commercial Banks rated 'AA <sub>2</sub> ' have very strong capacity to meet their financial commitments. They differ from the highest-rated Commercial Banks only to a small degree. AA <sub>2</sub> is judged to be of very high quality and is subject to very low credit risk.
Short Term ST - 2	Short Term ST - 2	Commercial Banks rated in this category are considered to have strong capacity for timely repayment. Commercial Banks rated in this category are characterized with commendable position in terms of liquidity, internal fund generation and access to alternative sources of funds is outstanding.
Positive	Stable	Outlook
Date of Rating	30 June, 2015	
Validity	30 June, 2016	

### আল-আরাফাহ্ ইসলামী ব্যাংক লিঃ-এর

নিম্নলিখিত সঞ্চয় প্রকল্পসমূহ আপনাদের সেবায় নিয়োজিত

- মুদারাবা কোটিপতি ডিপোজিট স্কীম
- মুদারাবা মিলিয়নিয়ার ডিপোজিট স্কীম
- মুদারাবা লাখপতি ডিপোজিট স্কীম
- মুদারাবা বিশেষ সঞ্চয় (পেনশন) স্কীম
- মুদারাবা দ্বিগুন বৃদ্ধি আমানত প্রকল্প
- মাসিক জমা ভিত্তিক মেয়াদী সঞ্চয় হিসাব
- মাসিক মুনাফা প্রদান ভিত্তিক মেয়াদী জমা হিসাব
- মাসিক জমা ভিত্তিক বিবাহ সঞ্চয় ও বিনিয়োগ প্রকল্প
- আল-আরাফাহ্ মাসিক কিস্তি ভিত্তিক হজ্জ একাউন্ট
- আল-আরাফাহ্ এককালীন হজ্জ জমা হিসাব
- আল-আরাফাহ্ সেভিংস বন্ড
- পেনশনভোগী জমা প্রকল্প
- ক্যাশ ওয়াক্ফ ডিপোজিট স্কীম
- মুদারাবা মেয়াদী জমা হিসাব
- মুদারাবা তিনগুন বৃদ্ধি আমানত প্রকল্প
- মুদারাবা প্রবাসী কল্যাণ ডিপোজিট পেনশন স্কীম
- মুদারাবা স্কুল স্টুডেন্ট সঞ্চয়ী হিসাব
- মুদারাবা পোশাক শিল্প শ্রমিক সঞ্চয়ী হিসাব
- মুদারাবা কৃষক/মুক্তিযোদ্ধা সঞ্চয়ী হিসাব

সাহাবী হযরত জাবির বিন আব্দুল্লাহ (রা:) থেকে বর্ণিত, তিনি বলেন : “রাসূলুল্লাহ (সা:) সুদ গ্রহীতা, সুদ দাতা, সুদের লেখক (চুক্তিপত্র সম্পাদনকারী), সুদের সাক্ষী-সকলের উপর অভিশাপ (লা'নত) দিয়েছেন এবং বলেছেন, তারা সকলেই সমান অপরাধী। (সহীহ-আল মুসলিম-৫ম খন্ড, সুদ সংক্রান্ত বর্ণনা, হাদীস নং-৩৯৪৭ ও সুনান ইবনে মাজা-৩য় খন্ড, কিতাবুত তিজারা, হাদীস নং-২২৭৭)



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\*\* মনে রেখো- “নিশ্চয়ই আল্লাহ্ তোমাদের সকল কাজের প্রতি দৃষ্টি রাখেন।” (সূরা ২ আল-বাকারা : ২৩৭)