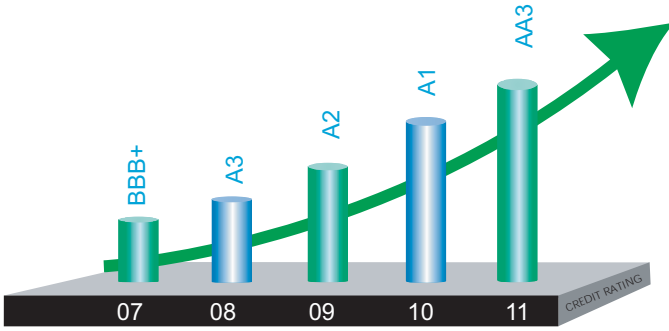


HALF-YEARLY ACCOUNTS

As at 30th June, 2012
(un-audited)



আল-আরাফাহ্
ইসলামী ব্যাংক লিমিটেড
العرفة إسلامی بنك لمیتید
Al-Arafah Islami Bank Limited





To
ALL-SHAREHOLDERS/STATUTORY AGENCIES
Half-Yearly Accounts
As at 30th June, 2012
(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, 2012

July 11, 2012


Ekramul Hoque
Managing Director

Consolidated Balance Sheet
As at June 30, 2012
(Un-audited)

PROPERTY AND ASSETS	June-2012 Taka	December-2011 Taka
Cash in hand		
Cash in hand (including foreign currencies)	958,653,722	809,438,237
Balance With Bangladesh Bank and its Agents Banks (including foreign currencies)	13,061,711,666	6,527,355,409
	14,020,365,388	7,336,793,646
Balance with other Banks and Financial Institutions		
In Bangladesh	333,896,899	297,693,562
Outside Bangladesh	1,282,571,021	932,643,431
	1,616,467,920	1,230,336,993
Placement with Banks & Other Financial institutions	7,500,000,000	9,800,000,000
Investment in Share & Securities		
Government	3,200,000,000	3,000,000,000
Others	1,428,280,479	771,826,073
	4,628,280,479	3,771,826,073
Investments		
General Investments etc.	82,585,614,182	69,140,245,956
Bills purchased and discounted	10,364,342,353	8,574,711,041
	92,949,956,535	77,714,956,997
Fixed Assets including Premises	1,428,078,968	968,132,029
Other Assets	7,103,502,900	5,946,135,178
Non-Banking Assets	-	-
Total Assets	129,246,652,190	106,768,180,916
LIABILITIES AND CAPITAL		
Liabilities		
Placement from Banks & Other Financial institutions	5,300,000,000	5,600,000,000
Deposits and other Accounts		
Mudaraba Savings Deposits	9,205,530,671	8,365,529,395
Mudaraba Term Deposits	64,067,676,110	50,030,522,304
Other Mudaraba Deposits	15,831,790,207	13,428,545,310
Al-Wadia Current Accounts and Others Accounts etc.	12,100,696,283	9,609,727,873
Bills Payable	874,885,925	752,651,888
	102,080,579,196	82,186,976,770
Other Liabilities	8,538,875,231	6,960,102,056
Deferred Tax Liabilities/ (Assets)	31,992,768	31,992,768
Total Liabilities	115,951,447,195	94,779,071,594
Capital/Share Holders Equity		
Paid up Capital	7,130,980,100	5,893,371,990
Non-Controlling Interest	2,334,506,129	2,154,767,685
Statutory Reserve	2,748,421,189	2,372,832,157
Other Reserve	64,603,248	64,603,248
Retained Earnings	1,016,694,329	1,503,534,242
Total Share Holders Equity	13,295,204,995	11,989,109,322
Total Liability and Share Holders Equity	129,246,652,190	106,768,180,916
OFF BALANCE SHEET ITEMS		
Contingent Liabilities		
Acceptance and endorsement		
Letters of Guarantee	11,279,728,548	8,695,810,430
Letters of Credit	2,320,158,763	1,812,384,128
Bills for Collection	12,564,773,334	10,023,844,948
Other Contingent Liabilities	1,616,020,307	950,742,178
Total	27,780,680,952	21,482,781,684
Other Commitments :		
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	-	-
Total off Balance sheet items including Contingent liabilities	27,780,680,952	21,482,781,684


Chief Financial Officer


Managing Director

Consolidated Profit & Loss Account
For the half year ended June 30, 2012
(Un-audited)

	Jan-June 2012 Taka	Jan-June 2011 Taka	April-June 2012 Taka	April-June 2011 Taka
Investment Income	6,992,473,136	3,989,858,375	3,742,445,602	2,042,430,582
Profit paid on Deposits & Borrowing	(4,255,782,078)	(2,291,435,885)	(2,259,711,240)	(1,305,875,333)
Net Investment Income	2,736,691,058	1,698,422,490	1,482,734,362	736,555,249
Income from Investment in Shares /Securities	156,158,237	37,934,247	154,369,348	37,934,247
Commission, Exchange and Brokerage	570,239,446	761,266,286	313,752,078	580,716,759
Other Operating Income	403,894,741	120,043,229	210,766,736	89,826,746
	1,130,292,424	919,243,762	678,888,162	708,477,752
Total operating income	3,866,983,482	2,617,666,252	2,161,622,524	1,445,033,001
Salaries and allowances & contribution to P.F	666,491,430	395,896,900	346,930,100	222,646,774
Directors fees & expenses	4,742,191	3,817,941	2,615,834	2,788,719
Shariah Supervisory Committee's fees & expenses	140,253	126,497	96,900	71,479
Rent, taxes, insurance, lighting etc.	103,272,902	78,600,611	41,211,411	52,216,037
Postage, telegram, telephone and stamp etc.	26,842,246	25,728,426	14,532,650	16,576,111
Legal charges	997,658	2,131,745	228,285	1,439,969
Auditors' fee	45,040	-	45,040	-
Salary & Allowances to the Managing Director	5,530,000	5,530,000	2,265,000	3,265,000
Depreciation and repairs to the bank's properties	15,032,861	40,288,646	9,268,578	36,905,805
Stationery, printing, advertisement etc.	29,558,201	23,376,166	11,478,623	11,926,097
Other expenses	116,699,322	127,670,325	64,934,686	89,258,019
Total operating expenses	969,352,104	703,167,257	493,607,107	437,094,010
Profit/(Loss) before Tax & provision	2,897,631,378	1,914,498,995	1,668,015,417	1,007,938,991
Provision against Investments & Contingent Liabilities	370,110,119	12,302,059	370,110,119	(30,984,941)
Provision for diminution in value of investment	112,022,787	32,300,000	112,022,787	32,300,000
Other Provision	-	-	-	-
Total provision	482,132,906	44,602,059	482,132,906	1,315,059
Profit/(Loss) before Tax	2,415,498,472	1,869,896,936	1,185,882,511	1,006,623,932
Current tax	1,114,227,799	762,127,002	609,574,734	381,535,970
Deferred tax	-	-	-	-
Provision for Taxation	1,114,227,799	762,127,002	609,574,734	381,535,970
Net Profit/(Loss) after tax	1,301,270,673	1,107,769,934	576,307,777	625,087,962
Retained Earnings brought forward	265,926,132	58,766,806	265,926,132	265,926,132
	1,567,196,805	1,166,536,740	842,233,909	891,014,094
Appropriation				
Statutory Reserve	375,589,032	312,584,359	165,846,971	158,117,638
Non-Controlling Interest	174,913,444	110,032,088	116,069,929	82,728,801
	550,502,476	422,616,447	281,916,900	240,846,439
Retained Earnings	1,016,694,329	743,920,293	828,248,202	650,167,655
Earning per Ordinary Share	1.58	1.40	0.65	0.76


Chief Financial Officer


Managing Director

Consolidated Cash Flow Statement
For the half year ended June 30, 2012
(Un-audited)

	June-2012 Taka	June-2011 Taka
A. Cash flows from operating activities		
Investment income receipt in Cash	7,134,653,029	3,986,495,250
Profit paid on deposits and borrowing	(4,255,782,078)	(2,291,435,885)
Dividend received	4,508,489	37,934,247
Fees & Commission received in cash	570,239,446	761,266,286
Recoveries from written off investments	9,469,855	3,363,125
Cash payments to employees	(672,021,430)	(401,426,900)
Cash payments to suppliers	(29,558,201)	(23,376,166)
Received from other operating activities (item-wise)	403,894,741	120,043,229
Paid for other operating activities (item-wise)	(267,772,473)	(246,319,641)
Advance income tax paid	(979,129,556)	(379,703,042)
Operating profit before changes in operating assets and liabilities	1,918,501,822	1,566,840,503
Changing in Operating assets & liabilities		
Increase/Decrease of trading securities	(656,454,406)	-
Increase/Decrease of placement to other banks	2,300,000,000	(800,000,000)
Increase/Decrease of Investment and advances to customers (other than Banks)	(15,234,999,538)	(6,919,158,117)
Increase/Decrease of other assets (item-wise)	(178,238,166)	(187,111,440)
Increase/Decrease of placement from other banks and financial institution	(300,000,000)	(680,000,000)
Increase/Decrease of Deposits from customers (other than Banks)	19,893,602,426	12,732,075,706
Increase/Decrease of Other liabilities account of customers	-	-
Increase/Decrease of Trading liabilities (item-wise)	(12,762,530)	561,813,402
Cash receipt from operating activities	5,811,147,786	4,707,619,551
A. Net Cash flows from operating activities	7,729,649,608	6,274,460,054
Cash flows from investing activities:		
Proceeds from sale of securities	-	-
Payments for purchases of securities	-	-
Purchase of property, plant and equipment	(459,946,939)	(219,155,989)
Sales proceeds of Fixed assets	-	-
Purchase-sale of subsidiary	-	-
B. Net cash flows from investing activities	(459,946,939)	(219,155,989)
Cash flows from financing activities		
Increase in Exchange Equalization Account	-	-
Increase in Share Capital	-	-
Dividend paid	-	-
C. Net cash flows from financing activities	-	-
D. Net increase in cash and cash equivalent (A+B+C)	7,269,702,669	6,055,304,065
E. Effects of exchange rate changes on cash and cash-equivalents	-	-
F. Net increase in cash and cash equivalent (D+E)	7,269,702,669	6,055,304,065
G. Cash & Cash Equivalents at the beginning of the year	11,567,130,639	7,049,904,862
H. Cash & Cash Equivalents at the end of the year	18,836,833,308	13,105,208,927


Chief Financial Officer


Managing Director

Consolidated Statement of Changes in Equity
For the half year ended June 30, 2012
(Un-audited)

Particular	Paid up Capital	Statutory Reserve	Non-Controlling Interest	Retained Earnings	General / Other Reserves	Asset Revaluation Reserve	Total Taka
Balance at 31st December 2011	5,893,371,990	2,372,832,157	2,154,767,685	1,503,534,242	-	64,603,248	11,989,109,322
Changes in accounting policy	-	-	-	-	-	-	-
Issue of the share capital	1,237,608,110	-	4,825,000	-	-	-	1,242,433,110
Restated balance	7,130,980,100	2,372,832,157	2,159,592,685	1,503,534,242	-	64,603,248	13,231,542,432
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	-	-	-	-
Currency translation differences recognized in the income	-	-	-	-	-	-	-
Net gain and losses not recognized in Income Statement	-	-	-	-	-	-	-
Net profit for the year	-	-	-	1,301,270,673	-	-	1,301,270,673
Cash Dividend	-	-	-	-	-	-	-
Bonus Share - 2011(21 %)	-	-	-	(1,237,608,110)	-	-	(1,237,608,110)
Issue of share capital	-	-	-	-	-	-	-
Transferred to retained earning	-	-	-	-	-	-	-
Appropriations during the year	-	375,589,032	174,913,444	(550,502,476)	-	-	-
Balance as at June 30,2012	7,130,980,100	2,748,421,189	2,334,506,129	1,016,694,329	-	64,603,248	13,295,204,995
Balance as at June 30,2011	5,893,371,994	1,994,403,192	2,058,919,365	743,920,292	-	64,603,248	10,755,218,091


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 AA₃ (Pronounced Double A Three) and retained the short term rating at ST-2 based on audited financial statements of 31st December, 2011 and other relevant qualitative & quantitative information.

Rating (2010)	Rating (2011)	Definition
Long Term A₁	Long Term AA₃ (Very strong capacity & Very High Quality)	Commercial Banks rated AA ₃ in the long term belong to "Very Strong Capacity & Very High Quality" cohort. Banks rated "AA ₃ " have very strong capacity to meet their financial commitments. AA ₃ rated Banks are judged to be of very high quality and are subject to low credit risk.
Short Term ST-2	Short Term ST-2 (Strong Capacity)	The short term "ST-2" category are considered to have strong capacity for timely repayment of obligations. 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.
Date of Rating	21 June, 2012	

আল-আরাফাহ্ ইসলামী ব্যাংক লিঃ-এর নিম্ন লিখিত সঞ্চয় প্রকল্পগুলো আপনাদের সেবায় নিয়োজিত

- মুদারাবা কোটিপতি ডিপোজিট স্কীম
- মুদারাবা মিলিয়নিয়ার ডিপোজিট স্কীম
- মুদারাবা লাখপতি ডিপোজিট স্কীম
- মুদারাবা বিশেষ সঞ্চয় (পেনশন) স্কীম
- মুদারাবা দ্বিগুণ 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 কৃষক/মুক্তিযোদ্ধা সঞ্চয়ী হিসাব



আল-আরাফাহ্

ইসলামী ব্যাংক লিমিটেড

العرفة إسلامى بنك لميتيد

Al-Arafah Islami Bank Limited

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