### Balance Sheet at 31 December 2004

Sources of Funds	Notes	<u>2004</u> <u>Taka</u>	<u>2003</u> <u>Taka</u>
Shareholders' fund:			
Share capital	3	180,000,000	150,000,000
Reserve and surplus:			
General reserve		33,266,500	18,830,000
Proposed cash dividend		36,000,000	10,000,000
Dividend distribution tax		3,600,000	
Proposed stock dividend		-	30,000,000
Retained earnings as per profit and loss account		31,534,472	13,388,780
		104,400,972	62,218,780
Shurcholders' equity		284,400,972	212,218,780
Long term liabilities:			
1, 202	4	en especial control of the control o	2
Term deposits	4	1,010,440,867	984,866,665
Bank loan	5	115,895,807	124,991,184
IDA fund	6	22,532,503	39,296,433
Fund from Bangladesh Bank	- 7	13,408,889	2 7 2 7 2 7 2 7 2 7 2 7 2 7 2 7 2 7 2 7
Bonds	- 8	90,000,000	_
Advances and security deposits	9	105,415,943	82,476,572
Obligation under capital leases	10	1,277,841	2,277,511
		1,358,971,850	1,233,908,365
Portfolio investment fund	11	1,185,051	3,005,411
Provieton for deferred tax	12	28,000,000	22 000 000
The state of the s	12	1,672,557,873	23,000,000
		1,072,337,873	1,472,132,556
Application of Funds	3		
Fixed needs (at cost less depreciation)	13	7,190,135	9,225,115
Lease receivable (net of current maturity):			9
Net lease rentals receivable		760 225 162	(70.70) (71.
Advance for lease assets	14	769,325,163	672,701,674
Marine for lease assets	15	109,677,605	24,793,972
		879,002,768	697,495,646
Term finance (net of current maturity)	16	475,822,714	68,492,628
Real estate finance (net of current maturity)	17	5,500,000	₩0

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<b>*</b>	Notes	2004 Taka	<u>2003</u> <u>Taka</u>
Stock on hire (net of current maturity)	18	5,534,978	5,090,891
Investment in securities	19	206,383,139	88,095,947
Provision for doubtful accounts and		(a  12	
future losses	20	(122,800,000)	(35,300,000)
Current assets:	7		
Current maturity of net lease rental receivable	14	412,219,172	388,279,851
Current maturity of term finance	16	198,965,482	226,378,137
Current maturity of real estate finance	17	12,500,000	15
Current maturity of stock on hire	18	6,243,181	6,750,701
Accounts receivable	21	197,279,034	120,457,746
Advances, deposits and prepayments	22	15,725,827	7,427,373
Short term loan	23	15,000,000	40,000,000
Cash and cash equivalents	24	34,364,220	76,116,990
6 E		892,296,916	865,410,798
Less: Current liabilities:			II <sub>ja</sub>
Short term borrowing	25	459,000,000	
Accrued expenses and other payables	26	113,945,560	89,102,929
Current maturity of bank loan	5	58,079,351	101,216,366
Current maturity of IDA fund	6	16,763,930	15,258,001
Current maturity of Bangladesh Bank fund	7	11,691,111	13,230,001
Current maturity of advance and security deposit	9	15,893,155	19,113,625
Current maturity of obligation under capital leases	10	999,670	1,687,548
a compared to the second secon		676,372,777	226,378,469
Net surplus in current assets		215,924,139	639,032,329
6 to		1,672,557,873	1,472,132,556

The annexed notes 1 to 37 form an integral part of these financial statements.

Md. Akter Hossain Sannamat Company Secretary

Tapan K. Podder Managing Director Kader Khan

Chairman

As per our report of same date.

Auditors

Dhaka, 9 April 2005

# Combined Profit and Loss Account for the year ended 31 December 2004

		2004	2003
	Notes	<u>Taka</u>	<u>Taka</u>
Operational revenue:			
Interest on lease finance		169,906,613	142,073,372
Interest on term finance		56,094,396	34,897,486
Income from stock on hire		1,712,672	1,095,160
income from real estate finance		154,167	2
Pees, commission, etc.	27	4,002,281	2,137,887
Income from sale of securities	28	73,372,993	11,117,136
Dividend income		6,355,101	8,552,914
Other operational revenue	29	24,563,708	14,926,581
		336,161,931	214,800,536
Less: Operational expenses:			
Financial expenses	30	135,212,984	116,727,252
Provision for doubtful accounts and future losses	20	87,500,000	16,300,000
Management expenses	31	35,775,671	22,925,093
* *************************************		258,488,655 %	155,952,345
Income from financing business		77,673,276	58,848,191
Profit/(loss) on merchant banking operation		(491,084)	2,973,211
(as per separate profit and loss account enclosed)			
Profit before tax		77,182,192	61,821,402
Less: Provision for taxation	12	(5,000,000)	(23.000,000)
Net profit after tax		72,182,192	38,821,402
Profit brought forward from previous year		13,388,780	12,332,378
Profit available for appropriation		85,570,972	51.153,780
		33,2.3,5.2	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Appropriations:			
Transfer to general reserve		14,436,500	7,765,000
Proposed cash dividend		36,000,000	
Dividend distribution tax		3,600,000	- 1
Proposed stock dividend		- 1	30,000,000
N		54,036,500	37,765,000
Retained earnings, carried forward		31,534,472	13,388,780
Earning per share (EPS)	32	40.10	21.57

The annexed notes 1 to 37 form an integral part of these financial statements.

Md. Akter Hossain Sannamat
Company Secretary

Tapan K. Podder Managing Director Md Wader Khan Chairman

As per our report of same date.

Dhaka, 9 April 2005

Auditors

1

# Profit and Loss Account (Merchant Banking Operation) for the year ended 31 December 2004

	Notes	2004 Taka	<u>2003</u> <u>Taka</u>
Operational revenue:			
Fees, commission, etc.	27	955,395	4,601,060
Other operational income	29	-	123,260
		955,395	4,724,320
Less: Operational expenses:			
Management expenses	31	1,446,479	1,751,109
Profit/(loss) from operations transferred to			
Combined Profit and Loss Account	9	(491,084)	2,973,211

The annexed notes 1 to 37 form an integral part of these financial statements.

Md. Akter Hossain Sannamat Company Secretary

Tapan K. Podder Managing Director

Id. Nader Khan Chairman

As per our report of same date.

Auditors

Dhaka, 9 April 2005

# Cash Flow Statement for the year ended 31 December 2004

### Take   Take		2004	2003
Form operational income	from anarating activities.	<u>Taka</u>	<u>Taka</u>
Secretarian   Comparison   Co	a on operating activities:		
Secretarian   Comparison   Co	from operational income	261 094 639	156 004 625
Common   C		10 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
Secretase   in operating liabilities   480,491,523   (99,175,412)	edecrease in operating assets		
	effectease) in operating liabilities		
From operating activities	corporate income tax		
■ a set lease rental receivable	from operating activities		
In act lease rental receivable			(20,733,300)
Comparison of the comparison	From investing activities:		
Carrespond   Car	En net lease rental receivable	(104 857 693)	(364 300 063)
of fixed assets  fixed asset asset and (105,720,001)  fixed asset	= for lease assets		
■ fixed assets         383,437           ■ finance         (18,000,000)           ■ strm finance         (379,917,431)         (105,720,011)           ■ stock on hire         63,433         (7,422,824)           ■ roun sale of securities         209,450,240         147,095,370           ■ securities         (327,612,262)         (185,431,246)           ■ control financing activities         (731,786,194)         (547,712,228)           ■ stron financing activities         19,718,901         19,758,924           ■ advances and security deposits         19,718,901         19,758,924           ■ bunk loan         79,624,000         152,796,037           ■ of bank loan         (131,856,392)         (89,413,287)           ■ of bank loan         (131,856,392)         (89,413,287)           ■ of term deposit         (742,782,900)         (172,739,495)           ■ of term deposit <td>of fixed assets</td> <td></td> <td></td>	of fixed assets		
Exame       (18,000,000)         Exerm finance       (379,917,431)       (105,720,011)         Exerm finance       63,433       (7,422,824)         Four sale of securities       209,450,240       147,095,370         Securities       (327,612,262)       (185,431,246)         Exercise and in investing activities       (731,786,194)       (547,712,228)         Exercise apital       -       50,000,000         Exercise apital       -       50,000,000         Exercise apital       -       50,000,000         Exercise and security deposits       19,718,901       19,758,984         Exercise and security deposits       19,758,984	≥ of fixed assets	(1,234,670)	
Serin finance	<b>≥</b> fmance	(18,000,000)	303,437
Stock on hire	≥ = term finance		(105 700 011)
Tons all of securities   209,450,240   147,095,370   6 securities   (327,612,262)   (185,431,246)   (731,786,194)   (547,712,228)   (731,786,194)   (547,712,228)   (731,786,194)   (547,712,228)   (731,786,194)   (547,712,228)   (731,786,194)   (547,712,228)   (731,786,194)   (731,786,194)   (731,786,194)   (731,786,194)   (731,890)   (731	stock on hire		
14,095,376   14,095,376   14,095,376   12,262   (185,431,246)   (327,612,262)   (185,431,246)   (547,712,228)   (731,786,194)   (547,712,228	E from sale of securities		
Share capital   50,000,000   19,718,901   19,758,984   19,718,901   19,758,984   19,718,901   19,758,984   19,718,901   19,758,984   19,718,901   19,758,984   19,718,901   19,758,984   19,718,901   19,758,984   19,718,901   19,758,984   19,718,901   19,758,984   19,718,901   19,758,984   19,718,901   19,758,984   19,718,901   19,758,984   19,718,901   19,796,037   19,8357,102   10,8357,102			
From financing activities    Share capital   50,000,000     Avances and security deposits   19,718,901   19,758,984     Shark loan   79,624,000   152,796,037     Of bank loan   (131,856,392)   (89,413,287)     Of term deposit   768,357,102   698,867,265     Of term deposit   (742,782,900)   (172,739,495)     Of term deposit   (742,782,900)   (172,739,495)     Of term deposit   (15,258,000)   54,554,434     Of bonds   90,000,000     Bangladesh Bank   25,100,000     Of term deposit   (1,820,360)   1,603,014     Of the dividend   (1,820,360)   1,603,014     Of the divide	Service Control of the Control of th		
50,000,000   19,718,901   19,758,984   19,718,901   19,758,984   19,718,901   19,758,984   19,718,901   19,758,984   19,718,901   152,796,037   19,7624,000   152,796,037   19,768,357,102   19,768,357,102   19,768,357,102   19,768,357,102   19,867,265		(731,780,194)	(547,712,228)
19,718,901   19,758,984	from financing activities		
19,718,901   19,758,984	Separa ganital		
Technic   Tech			
132,796,003   132,796,003   132,796,003   132,796,003   132,796,003   132,796,003   132,796,003   132,796,003   132,796,003   132,796,003   132,796,003   132,796,003   132,796,003   132,796,003   132,796,003   132,796,003   132,796,005			
187,803,925   (89,413,287)   (89,413,287)   (89,413,287)   (89,413,287)   (89,413,287)   (89,413,287)   (89,413,287)   (89,413,287)   (89,413,287)   (89,413,287)   (89,413,287)   (89,413,287)   (89,413,287)   (89,413,287)   (99,867,265)   (742,782,900)   (172,739,495)   (172,739,495)   (172,739,495)   (172,739,495)   (172,739,495)   (182,538,000)			
of term deposit (742,782,900) (172,739,495)  □ crease) in IDA fund (15,258,000) 54,554,434  □ bonds 90,000,000  □ Bangladesh Bank 25,100,000  □ dividend (1,820,360) 1,603,014  □ obligation under capital lease (1,687,548) (101,834)  □ financing activities 89,394,803 695,325,118  □ csh equivalents at beginning of the year 76,116,990 19,239,606	and the second s	그렇게 없는 사람이 없는 그리고 있다면 하다	
Comparison of the year   Comparison of the y			
## Bangladesh Bank			
Bangladesh Bank 25,100,000  dividend (20,000,000)  crease) of portfolio investment fund (1,820,360) 1,603,014  obligation under capital lease (1,687,548) (101,834)  financing activities 89,394,803 695,325,118  chapter of the year 76,116,990 19,239,606			54,554,434
(20,000,000)   (20,			323
(20,000,000)  crease) of portfolio investment fund (1,820,360) (1,687,548) (101,834) (1,687,548) (101,834) (1,687,548) (101,834) (1,687,548) (101,834) (1,687,548) (101,834) (1,687,548) (101,834) (1,687,548) (1,687,548) (1,687,548) (1,687,548) (1,687,548) (1,687,548) (1,687,548) (1,687,548) (1,687,548) (1,687,548) (1,697,348) (1,687,548) (1,		25,100,000	14
101,834   101,	The state of the s	* **	
### financing activities   89,394,803   695,325,118    #### (decrease) in cash and cash equivalents   (41,752,770)   56,877,384    ##### Cash equivalents at beginning of the year   76,116,990   19,239,606    ###################################			
(decrease) in cash and cash equivalents (41,752,770) 56,877,384			The state of the s
each equivalents at beginning of the year 76,116,990 19,239,606	Ejerjuancing activities	89,394,803	695,325,118
	decrease) in cash and cash equivalents	(41,752,770)	56,877,384
- harming lands at an I felt ( ) on		76,116,990	19,239,606
	sh equivalents at end of the year (note 24)		76,116,990

### Statement of Changes in Equity for the year ended 31 December 2004

*	Share capital Taka	Retained earnings Taka	General <u>reserve</u> <u>Taka</u>	Proposed dividend Taka	Dividend distribution <u>tax</u> <u>Taka</u>	Profit and loss account Taka	<u>Total</u> Taka
Halance at 31 December 2002	100,000,000	12,332,378	11,065,000	20,000,000			Lata ana man
Changes during the year 2003:	10	4				ā	143,397,978
Issue of share capital  Net profit for the year 2003	50,000,000			-			50,000,000
Payment of dividend	1 -	- 1	-	- 1	353	38,821,402	38,821,402
Transfer to general reserve		- 1	7.765.000	(20,000,000)	- 2		(20,000,000)
Proposed dividend			7,765,000	20,000,000	(#)	(7,765,000)	
Transfer to retained earnings	L	1,056,402	-	30,000,000	(#X	(30,000,000)	
Part of the second of the seco	50,000,000	1,056,402	7,765,000	10,000,000		(1,056,462)	-
Balance at 31 December 2003	150,000,000	13,388,780	18,830,000	30,000,000	<del></del>	<del></del>	68,821,402
Changes during the year 2004:					~ #	•	212,218,780
Net profit for the year 2004							
Issue of stock dividend	30,000,000	n-		(30,000,000)	-	72,182,192	72,182,192
Transfer to general reserve	-	-	14,436,500	(50,000,000)		(14 436 500)	(5)
Proposed cash/stock dividend Dividend distribution tax	•	es e 🗝	-	36,000,000	- 1	(14,436,500)	
Transfer to retained earnings	r. ·		-		3,600,000	(3,600,000)	
realist to retailed earnings	20,000,000	18,145,692			75-74 M	(18,145,692)	
Balance at 31 December 2004	30,000,000	18,145,692	14,436,500	6,000,000	3,600,000	-	72,182,192
	100,000,000	31,534,472	33,266,500	36,000,000	3,600,000		284,400,972

Dividends recommended/proposed by management and subsequent payment thereof are accounted for in the statement of changes in equity, on the ground that dividends recommended/proposed by management are not confirmed liabilities unless and until approved by shareholders at a general