

Balance Sheet

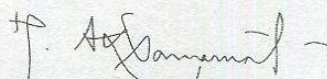
as at 31 December


(Figures in BDT)	2006	2005	Notes
SHAREHOLDERS' EQUITY			
Share capital	299,000,000	230,000,000	4 page 71
Statutory reserve	72,783,513	52,457,002	
Proposed cash dividend	59,800,000	-	
Proposed stock dividend	29,900,000	69,000,000	
Retained earnings	30,902,520	39,296,478	
Total Shareholders' equity	492,386,033	390,753,480	
NON CURRENT LIABILITIES			
Term deposits	1,480,678,467	1,217,816,612	5 page 73
Bank loan	477,629,626	308,591,523	6 page 73
Bonds	170,000,000	190,000,000	7 page 74
IDA fund	93,792,934	122,069,554	8 page 74
Fund from Bangladesh Bank	51,991,824	93,624,000	9 page 75
Advances and security deposits	102,469,438	102,236,886	10 page 75
Provision for doubtful losses	189,800,000	169,800,000	11 page 76
Provision for deferred tax	44,500,000	35,500,000	12 page 76
Other liabilities	44,768	445,109	13 page 77
Total long term liabilities	2,610,907,057	2,240,083,684	
CURRENT LIABILITIES			
Bank loan	229,390,174	124,444,147	6 page 73
Bonds	20,000,000	20,000,000	7 page 74
IDA fund	52,939,407	64,583,505	8 page 74
Fund from Bangladesh Bank	31,113,844	11,132,000	9 page 75
Advances and security deposits	22,895,882	29,838,590	10 page 75
Short term borrowings	90,000,000	30,000,000	14 page 78
Provision for current tax	13,500,000	-	12 page 76
Accrued expenses and other payables	165,696,553	155,524,235	15 page 78
Other liabilities	169,614	1,108,227	13 page 77
Total current liabilities	625,705,474	436,630,704	
Total Shareholders' equity and Liabilities	3,728,998,564	3,067,467,868	

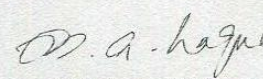
Balance Sheet - continued

(Figures in BDT)	2006	2005	Notes
ASSETS AND INVESTMENTS			
NON CURRENT ASSETS & INVESTMENTS			
Net investment in lease finance	1,073,073,801	773,844,743	16 page 79
Advances for lease assets	44,725,797	82,848,381	17 page 79
Term finance	882,448,828	666,079,608	18 page 80
Real estate finance	27,723,528	51,329,689	19 page 80
Margin loan	56,574,636	68,380,712	20 page 80
Stock on hire	10,844,479	3,935,331	21 page 81
Investment in securities	305,845,743	220,827,549	22 page 81
Total non current assets and investments	2,401,236,812	1,867,246,013	
CURRENT ASSETS & INVESTMENTS			
Net investment in lease finance	357,717,476	363,324,228	16 page 79
Term finance	391,491,531	400,605,251	18 page 80
Real estate finance	56,901,959	46,226,522	19 page 80
Stock on hire	660,954	1,599,647	21 page 81
Loan against term deposits	1,815,000	-	23 page 82
Account receivables from clients	258,351,298	248,439,269	24 page 83
Account receivables others	66,447,285	39,987,200	25 page 83
Advances, deposits and prepayments	7,982,842	11,212,793	26 page 83
Cash and cash equivalents	167,350,077	68,963,680	27 page 84
Total current assets and investments	1,308,718,422	1,180,358,590	
Property, plant and equipment	17,901,663	19,863,265	28 page 84
Intangible assets	1,141,667	-	29 page 85
Total Assets and Investments	3,728,998,564	3,067,467,868	


The annexed notes 1 to 56 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 27 March 2007 and were signed on its behalf by:


Md. Akter Hossain Sannamat FCA, FCS
 Company Secretary


A. K. M. Nozmul Haque
 Managing Director


Md. Aminul Haque
 Chairman

Signed in terms of our separate report of even date annexed

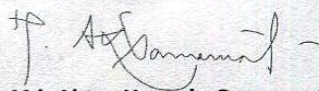

A. Qasem & Co.
 Chartered Accountants


Profit and Loss Account

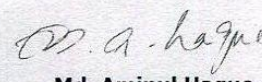
for the year ended 31 December

(Figures in BDT)	2006	2005	Notes
OPERATING REVENUE			
Income from lease finance	184,947,325	144,962,170	
Income from term finance	170,487,527	101,147,649	
Income from real estate finance	14,126,168	3,438,421	
Income from loans against term deposits	66,682	-	
Income from stock on hire	928,376	1,058,563	
Capital gain on sale of securities	17,480,368	55,471,688	30 page 85
Dividend income	11,267,900	8,917,904	
Income from margin Loan	8,103,981	6,882,076	
Fees, commissions, etc.	5,670,560	4,677,226	31 page 85
Other operational income	35,592,185	52,188,278	32 page 85
Total operating revenue	448,671,072	378,743,975	
OPERATING EXPENSES			
Financial expenses	258,332,704	191,165,901	33 page 86
Management expenses	46,205,815	29,927,665	34 page 86
Public issue expenses	-	7,710,298	
Provision for doubtful losses	20,000,000	47,000,000	11 page 76
Total operating expenses	324,538,519	275,803,864	
Profit from operation	124,132,553	102,940,111	
Non- operating income			
Profit on disposal of fixed assets	-	512,397	
Profit before tax	124,132,553	103,452,508	
Provision for taxation	22,500,000	7,500,000	12 page 76
Net profit after tax	101,632,553	95,952,508	
Earnings per share (EPS)	33.99	32.09	35 page 87
Weighted average no. of outstanding shares	2,990,000	2,990,000	35 page 87


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 Company Secretary


A. K. M. Nozmul Haque
 Managing Director


Md. Aminul Haque
 Chairman

Signed in terms of our separate report of even date annexed


A. Qasem & Co.
 Chartered Accountants

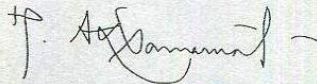
Profit and Loss Account

for the year ended 31 December
(Merchant Banking Operation)

(Figures in BDT)

	2006	2005	Notes
OPERATING REVENUE			
Fees, commission, etc.	3,819,427	3,464,030	31 page 85
Income from margin Loan	8,103,981	6,882,076	
Other operational income	27,000	4,025	32 page 85
Total operating revenue	11,950,408	10,350,131	
OPERATING EXPENSES			
Financial expenses	6,629,160	5,267,326	33 page 86
Management expenses	3,721,330	2,515,757	34 page 86
Total operating expenses	10,350,490	7,783,083	
Profit from Merchant Banking Operation	1,599,918	2,567,048	

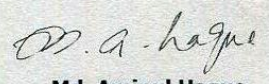
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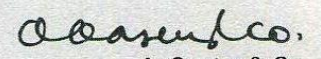


A. K. M. Nozmul Haque
Managing Director



Md. Aminul Haque
Chairman

Signed in terms of our separate report of even date annexed



A. Qasem & Co.
Chartered Accountants

Cash Flow Statement

for the year ended 31 December

(Figures in BDT)	2006	2005	Notes
OPERATING ACTIVITIES			
Collection from operational revenue	405,051,027	292,300,335	
Payment for operational expenses	(284,807,541)	(190,653,383)	
Payment for non-operational expenses	-	(7,710,298)	
(Increase)/decrease in operating assets	12,341,602	14,209,203	
Increase/(decrease) in operating liabilities	58,076,751	(414,863,889)	
Payment of corporate income tax	(1,863,720)	(1,211,585)	
Net cash from operating activities	188,798,119	(307,929,617)	39 page 89
INVESTMENT ACTIVITIES			
Investment in lease finance	(211,681,424)	155,735,676	
Advance for lease assets	(44,725,797)	(82,848,381)	
Acquisition of property, plant & equipment	(5,907,978)	(17,618,262)	
Disposal of property, plant & equipment	-	777,203	
(Increase)/decrease in real estate finance	12,930,725	(79,556,212)	
(Increase)/decrease in term finance	(207,255,500)	(391,896,663)	
(Increase)/decrease in stock on hire	(5,970,455)	6,243,181	
(Increase)/decrease in margin loan	11,806,075	(68,380,711)	
(Increase)/decrease in loan against term deposits	(1,815,000)		
Sale of securities	118,037,880	205,141,285	
Investment in securities	(203,056,073)	(217,774,074)	
Net cash from investment activities	(537,637,547)	(490,176,958)	
FINANCING ACTIVITIES			
Increase in share capital	-	50,000,000	
Increase/(decrease) in lease advance/security deposit	(6,710,156)	10,766,378	
Receipt of bank loan	430,000,000	325,000,000	
Repayment of bank loan	(156,015,871)	(65,939,488)	
Receipt of term Deposit	1,009,000,897	677,026,444	
Repayment of term Deposit	(746,139,041)	(469,650,699)	
Receipt of IDA fund	30,187,625	192,745,891	
Repayment of IDA fund	(70,108,343)	(45,389,265)	
Issuance of bonds	-	120,000,000	
Payment of bonds	(20,000,000)	-	
Funds from Bangladesh Bank	11,107,000	93,848,000	
Repayment of funds of Bangladesh Bank	(32,757,332)	(14,192,000)	
Payment of dividend	-	(36,000,000)	
Payment of dividend distribution tax	-	(3,600,000)	
Decrease in portfolio investment deposit	(230,728)	(909,555)	
Decrease in obligation under capital lease	(1,108,226)	(999,671)	
Net cash from financing activities	447,225,825	832,706,035	
Net increase in cash and cash equivalents	98,386,397	34,599,460	
Cash and cash equivalents at 1 January	68,963,680	34,364,220	
Cash and cash equivalents at 31 December	167,350,077	68,963,680	
Supplemental schedule for non-cash financing activities:			
Bonus shares issued	69,000,000	-	

Statement of Changes in Shareholders' Equity

for the year ended 31 December 2006

(Figures in BDT)	Share Capital	Retained Earnings	Statutory Reserve	Proposed Dividend & Distribution Tax	Profit and Loss account	Total
Balance as on 1 January 2006	230,000,000	39,296,478	52,457,002	69,000,000	-	390,753,480
Changes during the year 2006						
Issue of bonus shares (year 2005)	69,000,000	-	-	(69,000,000)	-	-
Net profit for the year 2006	-	-	-	-	101,632,553	101,632,553
Transferred to Profit & Loss account	-	(8,393,958)	-	-	8,393,958	-
Transfer to statutory reserve	-	-	20,326,511	-	(20,326,511)	-
Proposed cash dividend	-	-	-	59,800,000	(59,800,000)	-
Proposed stock dividend	-	-	-	29,900,000	(29,900,000)	-
Total change in 2006	69,000,000	(8,393,958)	20,326,511	20,700,000	-	101,632,553
Balance as on 31 December 2006	299,000,000	30,902,520	72,783,513	89,700,000	-	492,386,033
Balance as on 1 January 2005	180,000,000	31,534,472	33,266,500	39,600,000	-	284,400,972
Changes during the year 2005						
Issue of share capital	50,000,000	-	-	-	-	50,000,000
Net profit for the year 2005	-	-	-	-	95,952,508	95,952,508
Transfer to statutory reserve	-	-	19,190,502	-	(19,190,502)	-
Payment of dividend for 2004	-	-	-	(36,000,000)	-	(36,000,000)
Dividend distribution tax (2004)	-	-	-	(3,600,000)	-	(3,600,000)
Proposed cash dividend	-	-	-	-	-	-
Proposed stock dividend	-	-	-	69,000,000	(69,000,000)	-
Transfer to retained earnings	-	7,762,006	-	-	(7,762,006)	-
Total change in 2005	50,000,000	7,762,006	19,190,502	29,400,000	-	106,352,508
Balance as on 31 December 2005	230,000,000	39,296,478	52,457,002	69,000,000	-	390,753,480