

Balance Sheet

as at 31 December

(Figures in BDT)

SHAREHOLDERS' EQUITY AND LIABILITIES	2007	2006	Note
SHAREHOLDERS' EQUITY	635,258,968	498,095,717	
Share capital	328,900,000	299,000,000	14 Page 136
Statutory reserve	112,176,163	72,783,513	
Proposed cash dividend	-	59,800,000	
Proposed stock dividend	131,560,000	29,900,000	
Retained earnings	62,622,805	36,612,204	15 Page 138
NON CURRENT LIABILITIES	3,178,499,150	2,610,907,057	
Term deposit	2,124,820,667	1,480,678,467	16 Page 138
Bank loan	437,504,183	477,629,626	17 Page 138
Bond	150,000,000	170,000,000	18 Page 139
IDA fund	56,545,535	93,792,934	19 Page 139
ADB fund	30,000,000	-	20 Page 140
Fund from Bangladesh Bank	33,495,081	51,991,824	21 Page 140
Advance and security deposit	96,588,976	102,469,438	22 Page 140
Provision for doubtful losses	200,000,000	189,800,000	23 Page 141
Provision for deferred tax	49,500,000	44,500,000	24 Page 142
Other liabilities	44,708	44,768	25 Page 142
CURRENT LIABILITIES	665,485,433	625,705,474	
Bank loan	218,342,856	229,390,174	17 Page 138
Bond	20,000,000	20,000,000	18 Page 139
IDA fund	37,247,399	52,939,407	19 Page 139
Fund from Bangladesh Bank	25,043,587	31,113,844	21 Page 140
Advance and security deposit	15,412,810	22,895,882	22 Page 140
Short term borrowings	50,000,000	90,000,000	26 Page 143
Provision for current tax	13,500,000	13,500,000	24 Page 142
Accrued expenses and other payables	285,938,781	165,696,553	27 Page 143
Other liabilities	-	169,614	25 Page 142
Total shareholders' equity and liabilities	4,479,243,551	3,734,708,248	

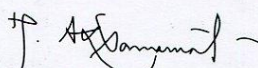
Balance Sheet - continued

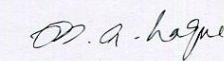
(Figures in BDT)

ASSETS AND INVESTMENTS	2007	2006	Note
NON CURRENT ASSETS & INVESTMENTS	2,985,105,960	2,406,946,496	
Net investment in lease finance	1,162,304,339	1,073,073,801	28 Page 143
Advance against lease assets	62,391,632	44,725,797	29 Page 144
Term finance	761,390,389	882,448,828	30 Page 144
Real estate finance	82,500,000	27,723,528	31 Page 144
Loan against term deposit	216,809	-	32 Page 145
Margin loan	282,343,845	56,574,636	33 Page 145
Stock on hire	8,628,469	10,844,479	34 Page 145
Investment in associate	29,033,057	12,459,684	35 Page 146
Investment in securities	596,297,420	299,095,743	36 Page 147
CURRENT ASSETS & INVESTMENTS	1,479,276,848	1,308,718,422	
Net investment in lease finance	409,811,577	357,717,476	28 Page 143
Term finance	548,360,862	391,491,531	30 Page 144
Real estate finance	8,723,528	56,901,959	31 Page 144
Loan against term deposit	2,274,636	1,815,000	32 Page 145
Stock on hire	2,216,010	660,954	34 Page 145
Account receivable from clients	218,385,931	258,351,298	37 Page 148
Account receivable others	47,996,833	66,447,285	38 Page 148
Advances, deposits and prepayments	12,012,205	7,982,842	39 Page 148
Cash and cash equivalents	229,495,266	167,350,077	40 Page 149
PROPERTY, PLANT AND EQUIPMENT	13,844,076	17,901,663	41 Page 149
INTANGIBLE ASSETS	1,016,667	1,141,667	42 Page 150
Total assets and investments	4,479,243,551	3,734,708,248	

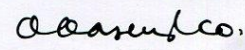
The annexed notes 1 to 70 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 30 March 2008 and were signed on its behalf by:


Tauhidul Ashraf ACS
 Company Secretary


Md. Akter Hossain Sannamat FCA, FCS
 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

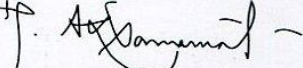
for the year ended 31 December

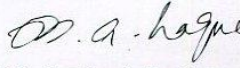
(Figures in BDT)

	2007	2006	Note
OPERATING REVENUE	724,418,439	445,155,179	
Income from lease finance	198,368,106	184,947,325	
Income from term finance	195,717,474	170,487,527	
Income from real estate finance	5,423,373	14,126,168	
Income from loan against term deposit	352,619	66,682	
Income from stock on hire	758,674	928,376	
Income from associate Company	18,800,873	2,805,863	43 Page 150
Capital gain on sale of securities	239,347,298	17,480,368	44 Page 150
Dividend income	12,180,964	10,255,400	
Income from margin loan	26,609,857	8,103,981	
Fees, commissions, etc.	12,283,909	5,670,560	45 Page 150
Other operational income	14,575,292	30,282,929	46 Page 151
OPERATING EXPENSES	522,455,188	319,229,263	
Financial expenses	382,048,119	253,023,448	47 Page 151
Management expenses	66,886,779	46,205,815	48 Page 152
Provision for doubtful losses	73,520,290	20,000,000	23 Page 141
Profit from operation	201,963,251	125,925,916	
Profit before tax	201,963,251	125,925,916	
Provision for taxation	5,000,000	22,500,000	24 Page 142
Net profit after tax	196,963,251	103,425,916	
Earnings per share (EPS)	59.89	31.45	50 Page 155
Weighted average no. of outstanding shares	3,289,000	3,289,000	50 Page 155

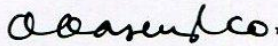
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Md. Akter Hossain Sannamat FCA, FCS
 Managing Director


Md. Aminul Haque
 Chairman

Signed in terms of our separate report of even date annexed


A. Qasem & Co.
 Chartered Accountants

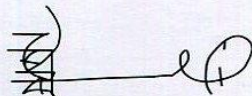
Profit and Loss Account

for the year ended 31 December (Merchant Banking Operation)

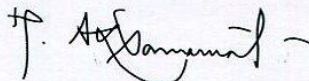
(Figures in BDT)

	2007	2006	Note
OPERATING REVENUE	37,843,531	11,950,408	
Fees, commissions, etc.	11,025,674	3,819,427	45 Page 150
Income from margin loan	26,609,857	8,103,981	
Other operational income	208,000	27,000	46 Page 151
OPERATING EXPENSES	28,586,282	10,350,490	
Financial expenses	21,175,742	6,629,160	47 Page 151
Management expenses	7,410,540	3,721,330	48 Page 152
Profit from merchant banking operation	9,257,249	1,599,918	

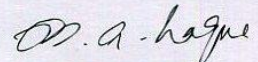
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Tauhidul Ashraf ACS
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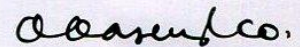


Md. Akter Hossain Sannamat FCA, FCS
Managing Director



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)

OPERATING ACTIVITIES	2007	2006
Collection from operational revenue	728,812,361	405,051,027
Payment for operational expenses	(403,898,274)	(284,807,541)
(Increase)/decrease in operating assets	(3,824,481)	12,341,602
Increase/(decrease) in operating liabilities	45,416,018	58,076,751
Payment of corporate income tax	(4,241,212)	(1,863,720)
Net cash from operating activities	362,264,412	188,798,119
INVESTING ACTIVITIES		
Investment in lease finance	(123,742,922)	(211,681,424)
Advance for lease assets	(62,391,632)	(44,725,797)
Acquisition of property, plant & equipment	(1,470,385)	(5,907,978)
(Increase)/decrease in real estate finance	(6,598,041)	12,930,725
(Increase)/decrease in term finance	(35,810,891)	(207,255,500)
(Increase)/decrease in stock on hire	660,954	(5,970,455)
(Increase)/decrease in margin loan	(225,769,208)	11,806,075
(Increase)/decrease in loan against term deposits	(676,446)	(1,815,000)
Sale of securities	994,380,691	118,037,880
Investment in securities	(1,291,582,369)	(203,056,073)
Net cash from investing activities	(753,000,249)	(537,637,547)
FINANCING ACTIVITIES		
Increase/(decrease) in lease advance/security deposit	(12,612,334)	(6,710,156)
Receipt of bank loan	450,000,000	430,000,000
Repayment of bank loan	(501,172,760)	(156,015,871)
Receipt of term deposit	1,631,816,705	1,009,000,897
Repayment of term deposit	(987,674,504)	(746,139,041)
Receipt of ADB fund	30,000,000	-
Receipt of IDA fund	-	30,187,625
Repayment of IDA fund	(52,939,407)	(70,108,343)
Repayment of bond	(20,000,000)	(20,000,000)
Funds from Bangladesh Bank	9,290,000	11,107,000
Repayment of fund from Bangladesh Bank	(33,857,000)	(32,757,332)
Payment of cash dividend	(59,800,000)	-
Decrease in portfolio investment deposit	(60)	(230,728)
Decrease in obligation under capital lease	(169,614)	(1,108,226)
Net cash from financing activities	452,881,026	447,225,825
Net increase in cash and cash equivalents	62,145,189	98,386,397
Cash and cash equivalents at 1 January	167,350,077	68,963,680
Cash and cash equivalents at 31 December	229,495,266	167,350,077
Supplemental schedule for non-cash financing activities:		
Bonus shares issued	2,990,000	6,900,000

Statement of changes in Shareholders' Equity

For the year ended 31 December 2007

(Figures in BDT)	Share Capital	Retained Earnings	Statutory Reserve	Proposed Dividend	Profit & Loss Account	Total
Balance as on 1 January 2007	299,000,000	36,612,204	72,783,513	89,700,000	-	498,095,717
Changes during the year 2007						
Issue of bonus shares (year 2006)	29,900,000	-	-	(29,900,000)	-	-
Payment of cash dividend (year 2006)	-	-	-	(59,800,000)	-	(59,800,000)
Net profit for the year 2007	-	-	-	-	196,963,251	196,963,251
Transfer to Statutory Reserve	-	-	39,392,650	-	(39,392,650)	-
Proposed stock dividend	-	-	-	131,560,000	(131,560,000)	-
Transferred to retained earnings	-	26,010,601	-	-	(26,010,601)	-
Total change in 2007	29,900,000	26,010,601	39,392,650	41,860,000	-	137,163,251
Balance as on 31 December 2007	328,900,000	62,622,805	112,176,163	131,560,000	-	635,258,968
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	-
Profit of Associate Company (Note: 15)	-	5,709,684	-	-	-	5,709,684
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	(2,684,274)	20,326,511	20,700,000	-	107,342,237
Balance as on 31 December 2006	299,000,000	36,612,204	72,783,513	89,700,000	-	498,095,717