

Southeast Bank Limited and its Subsidiaries
Consolidated Balance Sheet
as at 30 June 2018

	Note	Provisional and unaudited	
		30 Jun 2018	31 Dec 2017
		Taka	Taka
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)		3,289,553,935	3,010,982,975
Balance with Bangladesh Bank and its agent banks (including foreign currencies)		18,782,879,973	17,968,153,354
		22,072,433,908	20,979,136,329
Balance with other banks and financial institutions			
In Bangladesh		4,044,920,905	3,196,881,943
Outside Bangladesh		4,246,257,059	1,082,725,811
		8,291,177,964	4,279,607,754
Money at call and on short notice			
Investments		6,467,837,800	3,643,950,000
Government		47,431,879,865	50,204,799,973
Others		13,157,967,468	12,706,244,499
		60,589,847,332	62,911,044,472
Loans and advances/investments			
Loans, cash credit, overdrafts etc./investments	2	241,308,818,699	223,657,502,019
Bills purchased and discounted		16,005,351,606	10,659,214,310
		257,314,170,305	234,316,716,329
Fixed assets including premises, furniture and fixtures			
Other assets		9,342,252,135	9,321,796,126
Non-banking assets		3,790,340,711	3,835,803,180
Total assets		367,868,060,155	339,288,054,190
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents			
Subordinated bond		7,400,000,000	7,400,000,000
Other borrowings		14,531,194,815	10,181,648,728
		21,931,194,815	17,581,648,728
Deposits and other accounts			
Current/AI-wadeeah current accounts and other accounts	3	39,726,532,427	35,511,525,367
Bills payable		8,859,311,908	4,933,769,345
Savings bank/Mudaraba savings bank deposits		24,171,996,161	23,896,582,534
Fixed deposits/Mudaraba fixed deposits		216,024,055,262	205,486,197,802
		288,781,895,758	269,828,075,048
Other liabilities			
Total liabilities		29,886,731,795	26,044,632,850
		340,599,822,368	313,454,356,626
Capital/shareholders' equity			
Paid up capital	4	9,169,501,760	9,169,501,760
Statutory reserve		9,170,000,000	9,170,000,000
Revaluation reserve		4,383,224,709	4,534,239,054
Other reserve		247,650,000	247,650,000
Foreign currency translation reserve		(25,530,431)	(14,142,765)
Retained earnings		4,313,336,420	2,716,398,712
		27,258,182,458	25,823,646,761
Total shareholders' equity		27,258,182,458	25,823,646,761
Non-controlling interest		10,055,329	10,050,803
Total liabilities and shareholders' equity		367,868,060,155	339,288,054,190
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements		65,674,076,313	57,138,532,985
Letters of guarantee		18,948,921,564	15,924,963,164
Irrevocable letters of credit		36,756,524,965	44,195,137,436
Bills for collection		27,010,352,994	22,666,586,856
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	827,101,200
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total other commitments		-	827,101,200
Total off-balance sheet items including contingent liabilities		149,989,999,825	142,496,794,641


Chairman


Director


Managing Director


Chief Financial Officer (Acting)


Company Secretary

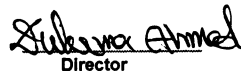
Southeast Bank Limited and its Subsidiaries

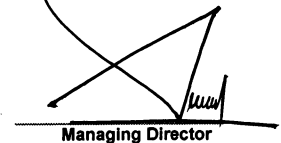
Consolidated Profit and Loss Account
for the half year ended 30 June 2018

Provisional and unaudited

Note	Jan 01, 2018 to Jun 30, 2018	Jan 01, 2017 to Jun 30, 2017	Apr 01, 2018 to Jun 30, 2018	Apr 01, 2017 to Jun 30, 2017
	Taka	Taka	Taka	Taka
Interest income/profit on investments	11,378,561,737	8,055,780,131	6,043,009,917	4,077,641,913
Interest paid/profit shared on deposits and borrowings etc.	(9,090,574,861)	(6,409,904,816)	(4,957,417,018)	(3,264,544,098)
Net Interest Income/net profit on Investments	2,287,986,876	1,645,875,315	1,085,592,899	813,097,815
Investment income	2,375,273,619	2,740,076,646	1,201,086,950	1,400,253,648
Commission, exchange and brokerage	1,775,698,324	1,676,533,496	908,298,383	836,785,559
Other operating income	449,091,663	378,384,429	96,201,732	218,007,621
Total operating income (A)	6,888,050,482	6,440,869,885	3,291,179,964	3,268,144,644
Salaries and allowances	860,025,736	794,159,459	452,135,429	416,195,742
Rent, taxes, insurance, electricity, etc.	495,816,342	426,986,046	251,542,910	222,813,925
Legal expenses	857,850	1,198,807	665,250	155,908
Postage, stamp, telecommunication, etc.	98,274,263	91,884,615	47,996,825	45,352,244
Stationery, printing, advertisements, etc.	76,977,322	74,059,702	39,460,094	37,952,560
Managing Director's salary and fees	5,036,000	5,001,423	2,786,144	2,533,681
Directors' fees	1,549,350	1,800,575	934,160	1,303,792
Auditors' fees	500,000	345,000	500,000	345,000
Depreciation and repair	216,478,911	206,577,558	104,193,568	111,437,498
Other expenses	619,142,111	537,848,704	320,114,171	285,652,635
Total operating expenses (B)	2,374,657,885	2,139,861,889	1,220,328,551	1,123,742,984
Profit before provision (C=A-B)	4,513,392,597	4,301,007,996	2,070,851,413	2,144,401,660
Provision for loans and advances/investments				
General provision	(11,510,024)	573,000,000	58,782,138	289,000,000
Specific provision	1,170,485,717	735,000,000	702,751,667	375,673,827
	1,158,975,694	1,308,000,000	761,533,805	664,673,827
Provision for diminution in value of investments	608,308,560	97,424,498	106,686,982	303,816,999
Other provisions	(207,200,000)	112,000,000	(323,300,000)	21,000,000
Total provision (D)	1,560,084,254	1,517,424,498	544,920,787	989,490,826
Total profit before taxation (E=C-D)	2,953,308,343	2,783,583,498	1,525,930,626	1,154,910,834
Provision for taxation				
Current	1,407,589,355	1,596,573,665	606,328,418	844,426,633
Deferred	(44,000,000)	-	(44,000,000)	-
	1,363,589,355	1,596,573,665	562,328,418	844,426,633
Net profit after taxation	1,589,718,988	1,187,009,833	963,602,208	310,484,201
Net profit after taxation attributable to:				
Equity holders' of the Bank	1,589,714,462	1,187,189,194	963,585,715	310,686,250
Non-controlling interest	4,526	(179,361)	16,493	(202,049)
Net profit after taxation	1,589,718,988	1,187,009,833	963,602,208	310,484,201
Appropriations				
Statutory reserve	-	-	-	-
	1,589,718,988	1,187,009,833	963,602,208	310,484,201
Retained surplus during the period	1,589,718,988	1,187,009,833	963,602,208	310,484,201
Earnings per share (par value Taka 10)	1.73	1.29	1.05	0.34


Chairman


Director


Managing Director


Chief Financial Officer (Acting)


Company Secretary

Southeast Bank Limited and its Subsidiaries

Consolidated Cash Flow Statement for the half year ended 30 June 2018

	Provisional and unaudited	
	30 June 2018	30 June 2017
	Taka	Taka
A. Cash flows from operating activities:		
Interest receipts in cash	13,853,998,974	10,930,215,026
Interest payments	(7,191,190,403)	(5,353,600,083)
Dividend receipts	10,166,141	114,542,393
Fees and commission receipts in cash	1,775,698,324	1,676,533,496
Recoveries on loans previously written-off	198,224,306	16,446,564
Cash payments to employees	(865,061,736)	(799,160,882)
Cash payments to suppliers	(68,252,839)	(88,873,700)
Income taxes paid	(1,216,273,986)	(1,289,804,085)
Receipts from other operating activities	447,734,113	361,937,865
Payments for other operating activities	(1,271,515,206)	(1,066,022,273)
Operating profit before changes in operating assets and liabilities (i)	5,673,527,689	4,502,214,321
Increase (decrease) in operating assets and liabilities		
Sale of trading securities	619,214,652	1,055,403,212
Purchase of trading securities	(258,975,704)	(4,083,774,327)
Loans and advances to customers	(23,006,293,370)	(15,091,772,747)
Other assets	(17,212,775)	(582,803,868)
Deposits from other banks	4,349,546,087	3,297,020,872
Deposits from customers	17,054,436,251	6,868,753,837
Other liabilities	942,699,732	(120,967,915)
Cash generated from (used in) operating assets and liabilities (ii)	(316,585,127)	(8,658,140,938)
Net cash from operating activities (A=i+ii)	5,356,942,562	(4,155,926,616)
B. Cash flows from investing activities:		
Proceeds from sale of securities	23,984,692,258	18,241,171,018
Payments for purchase of securities	(21,241,428,273)	(14,283,402,607)
Purchase of fixed assets	(181,549,254)	(589,338,416)
Sale of fixed assets	1,357,550	(1,082,757)
Net cash used in investing activities (B)	2,563,072,281	3,367,347,238
C. Cash flows from financing activities:		
Dividends paid	-	(1,833,900,352)
Payment against lease obligation	(8,204,713)	-
Net cash used in financing activities (C)	(8,204,713)	(1,833,900,352)
D. Net increase (decrease) in cash and cash equivalents (A+B+C)	7,911,810,130	(2,622,479,730)
E. Effects of exchange rate changes on cash and cash equivalents	17,577,719	9,543,756
F. Cash and cash equivalents at beginning of the period	28,907,035,123	27,147,986,883
G. Cash and cash equivalents at end of the period (D+E+F)	36,836,422,972	24,535,050,909
Cash and cash equivalents at end of the period represents		
Cash in hand (including foreign currencies)	3,289,553,935	3,232,360,663
Balance with Bangladesh Bank and its agent banks (including foreign currencies)	18,782,879,973	15,668,021,320
Balance with other banks and financial institutions	8,291,177,964	5,336,251,076
Money at call and on short notice	6,467,837,800	293,396,150
Treasury bills	-	-
Prize bond	4,973,300	5,021,700
	36,836,422,972	24,535,050,909

Southeast Bank Limited and its Subsidiaries

Consolidated Statement of Changes in Equity

for the half year ended 30 June 2018

Provisional and unaudited

Particulars	Paid up capital	Statutory reserve	Revaluation reserve	Other reserves	Translation reserve	Retained earnings	Total	Non-controlling interest	Total equity of the Group
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 1 January 2018	9,169,501,760	9,170,000,000	4,534,239,054	247,650,000	(14,142,765)	2,716,398,712	25,823,646,761	10,050,803	25,833,697,564
Changes in accounting policy/ Prior year adjustments	-	-	-	-	-	-	-	-	-
Restated balance	9,169,501,760	9,170,000,000	4,534,239,054	247,650,000	(14,142,765)	2,716,398,712	25,823,646,761	10,050,803	25,833,697,564
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	(151,014,344)	-	-	-	(151,014,344)	-	(151,014,344)
Currency translation differences	-	-	-	-	(11,387,666)	7,223,248	(4,164,418)	-	(4,164,418)
Net gains and losses not recognized in the income statement	-	-	(151,014,344)	-	(11,387,666)	7,223,248	(155,178,762)	-	(155,178,762)
Net profit for the period	-	-	-	-	-	1,589,714,462	1,589,714,462	4,526	1,589,718,988
Cash dividend	-	-	-	-	-	-	-	-	-
Issue of share capital/ Bonus share	-	-	-	-	-	-	-	-	-
Appropriation made during the period									
Statutory reserve	-	-	-	-	-	-	-	-	-
Balance as at 30 June 2018	9,169,501,760	9,170,000,000	4,383,224,709	247,650,000	(25,530,431)	4,313,336,420	27,258,182,458	10,055,329	27,268,237,787
Balance as at 30 June 2017	9,169,501,760	9,170,000,000	4,648,098,192	247,650,000	(21,691,587)	2,560,253,495	25,773,811,859	9,823,799	25,783,635,658

Southeast Bank Limited and its subsidiaries
Notes to the Financial Statements
as at and for the half year ended 30 June 2018

1. Reporting entity

1.1 Change of accounting policy

Accounting policies in these financial statements are same as those applied in its last annual financial statements of December 31, 2017.

1.2 Basis of consolidation

The consolidated financial statements include the financial statements of Southeast Bank Limited and its four subsidiaries Southeast Bank Capital Services Limited, Southeast Financial Services (UK) Limited, Southeast Financial Services (Australia) Pty Limited, Southeast Exchange Company (South Africa) Pty Limited, for the half year ended on June 30, 2018.

1.3 Earnings per share

The Group and the Bank present basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group/ Bank by the weighted average number of ordinary shares outstanding during the period.

	30 June 2018 Taka	31 December 2017 Taka
2 Consolidated Loans and advances/investments		
Loans, cash credit, overdrafts etc./investments		
Southeast Bank Limited	238,859,550,501	221,191,785,619
Southeast Bank Capital Services Limited	2,449,268,198	2,465,716,400
	241,308,818,699	223,657,502,019
Less: Inter company balance eliminated	-	-
	241,308,818,699	223,657,502,019
Bills purchased and discounted		
Southeast Bank Limited	16,005,351,606	10,659,214,310
Southeast Bank Capital Services Limited	-	-
	16,005,351,606	10,659,214,310
	257,314,170,305	234,316,716,329
3 Consolidated deposits and other accounts		
Current/Al-wadeeah current accounts and other accounts		
Southeast Bank Limited	39,737,826,998	35,516,538,988
Southeast Bank Capital Services Limited	24,921,895	27,524,421
	39,762,748,894	35,544,063,409
Less: Inter company balance eliminated	36,216,467	32,538,042
	39,726,532,427	35,511,525,367
Bills payable		
Southeast Bank Limited	8,859,311,908	4,933,769,345
Southeast Bank Capital Services Limited	-	-
	8,859,311,908	4,933,769,345
Savings bank/Mudaraba savings bank deposits		
Southeast Bank Limited	24,171,996,161	23,896,582,534
Southeast Bank Capital Services Limited	-	-
	24,171,996,161	23,896,582,534
Fixed deposits/Mudaraba fixed deposits		
Southeast Bank Limited	216,024,055,262	205,486,197,802
Southeast Bank Capital Services Limited	-	-
	216,024,055,262	205,486,197,802
Less: Inter company balance eliminated	-	-
	216,024,055,262	205,486,197,802
	288,781,895,758	269,828,075,048

	30 June 2018 Taka	31 December 2017 Taka
4 Share Capital		
Authorised		
<u>1,500,000,000</u> Ordinary shares of Tk 10 each	<u>15,000,000,000</u>	<u>15,000,000,000</u>
Issued, subscribed and paid up		
378,164,970 ordinary shares of Tk 10 each issued for cash	3,781,649,700	3,781,649,700
<u>538,785,206</u> ordinary shares of Tk 10 each issued as bonus shares	<u>5,387,852,060</u>	<u>5,387,852,060</u>
<u>916,950,176</u>	<u>9,169,501,760</u>	<u>9,169,501,760</u>
Shareholders' Equity		
Paid up capital	9,169,501,760	9,169,501,760
Statutory reserve	9,170,000,000	9,170,000,000
Revaluation reserve	4,383,224,709	4,534,239,054
Other reserve	247,650,000	247,650,000
Foreign currency translation reserve	(25,530,431)	(14,142,765)
Retained earnings	4,313,336,420	2,716,398,712
	<u>27,258,182,458</u>	<u>25,823,646,761</u>

	Jan-June 2018 Taka	Jan-June 2017 Taka	Apr-Jun 2018 Taka	Apr-Jun 2017 Taka
5 Earnings per share (Consolidated)				
Net profit after tax for the half year ended 30 June (Taka)	1,589,718,988	1,187,009,833	963,602,208	310,484,201
Number of ordinary shares outstanding	916,950,176	916,950,176	916,950,176	916,950,176
Earnings per share (EPS) (Taka)	<u>1.73</u>	<u>1.29</u>	<u>1.05</u>	<u>0.34</u>

	30 June 2018 Taka	30 June 2017 Taka
6 Net Asset Value (NAV) per share		
Net Asset Value (NAV)	27,258,182,458	25,773,811,859
Number of ordinary shares outstanding	916,950,176	916,950,176
Net Asset Value (NAV) per share	<u>29.73</u>	<u>28.11</u>

7 Net Operating Cash Flow per share (NOCFPS)		
Net Operating Cash Flow	5,356,942,562	(4,155,926,616)
Number of ordinary shares outstanding	916,950,176	916,950,176
Net Operating Cash Flow per share (NOCFPS)*	<u>5.84</u>	<u>(4.53)</u>

* Net Operating Cash Flow per Share (NOCFPS) increased due to increase in deposits from customers.

The financial statements of the half year ended on 30 June 2018 are available in website of the bank. The address of the website is www.southeastbank.com.bd.