

HALF-YEARLY ACCOUNTS

As at 30th June, 2013
(un-audited)



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

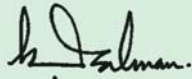




To
ALL SHAREHOLDERS/STATUTORY AGENCIES
Half-Yearly Accounts
As at 30th June, 2013
(un-audited)

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, 2013.

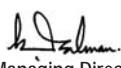
July 23, 2013


Md. Habibur Rahman
Managing Director

Consolidated Balance Sheet
As at June 30, 2013
(Un-audited)


PROPERTY AND ASSETS	June-2013 <u>Taka</u>	December-2012 <u>Taka</u>
Cash in hand		
Cash in hand (including foreign currencies)	1,146,346,276	1,082,941,132
Balance With Bangladesh Bank and its Agents Banks (including foreign currencies)	17,723,075,814	11,601,779,123
	18,869,422,090	12,684,720,255
Balance with other Banks and Financial Institutions		
In Bangladesh	1,513,482,939	1,055,597,112
Outside Bangladesh	2,460,050,865	1,257,383,205
	3,973,533,804	2,312,980,317
Placement with Banks & Other Financial institutions	6,450,000,000	11,300,000,000
Investment in Share & Securities	6,612,148,151	5,511,242,916
Government	5,180,000,000	4,200,000,000
Others	1,432,148,151	1,311,242,916
Investments		
General Investments etc.	103,279,623,451	95,820,214,960
Bills purchased and discounted	7,836,851,628	10,830,210,720
	111,116,475,079	106,650,425,680
Fixed assets including Premises	2,494,026,818	2,394,620,839
Other Assets	9,298,921,064	8,466,374,155
Non-Banking Assets	-	-
Total Assets	158,814,527,006	149,320,364,162
LIABILITIES AND CAPITAL		
Liabilities		
Placement from Banks & Other Financial institutions	6,100,000,000	6,230,000,000
Deposits and other Accounts		
Mudaraba Savings Deposits	10,574,144,862	9,998,519,808
Mudaraba Term Deposits	80,920,212,234	76,618,032,206
Other Mudaraba Deposits	20,695,395,512	18,208,830,719
Al-Wadia Current Accounts and Others Accounts etc.	12,825,894,112	12,898,844,570
Bills Payable	1,291,804,269	959,167,532
	126,307,450,989	118,683,394,835
Other Liabilities	11,533,697,890	10,307,395,260
Deferred tax Liabilities/ (Assets)	48,847,551	48,885,051
Total Liabilities	143,989,996,430	135,269,675,146
Capital/Share holders Equity		
Paid up Capital	8,343,246,710	7,130,980,100
Statutory Reserve	3,345,709,362	3,102,076,966
Revaluation Reserve	977,548,248	977,548,248
Retained Earnings	470,825,217	1,238,380,901
Total equity attributable to equity holders of the bank	13,137,329,537	12,448,986,215
Non-Controlling Interest	1,687,201,039	1,601,702,801
Total equity	14,824,530,576	14,050,689,016
Total Liabilities and Share holders equity	158,814,527,006	149,320,364,162
OFF BALANCE SHEET ITEMS		
Contingent Liabilities		
Acceptance and endorsement	11,355,575,624	9,057,403,774
Letters of Guarantee	2,934,741,135	1,955,716,112
Letters of Credit	7,438,554,094	10,259,719,879
Bills for Collection	2,069,696,149	892,886,654
Other Contingent Liabilities	-	-
Total	23,798,567,002	22,165,726,419
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	23,798,567,002	22,165,726,419

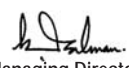

Chief Financial Officer


Managing Director

Consolidated Profit & Loss Account
For the half year ended June 30, 2013
(Un-audited)

	01-01-13 to 30-06-13 Taka	01-01-12 to 30-06-12 Taka	01-04-13 to 30-06-13 Taka	01-04-12 to 30-06-12 Taka
Investment Income	8,782,504,596	6,992,473,136	4,334,926,288	3,742,445,602
Profit paid on deposits & Borrowing	(6,045,235,944)	(4,255,782,078)	(3,018,016,040)	(2,259,711,240)
Net Investment Income	2,737,268,652	2,736,691,058	1,316,910,248	1,482,734,362
Income from Investment in Shares /Securities	91,855,655	156,158,237	62,734,163	154,369,348
Commission, Exchange and Brokerage	535,978,491	570,239,446	284,508,329	313,752,078
Other Operating Income	130,186,404	403,894,741	94,532,172	210,766,736
	758,020,550	1,130,292,424	441,774,664	678,888,162
Total operating income	3,495,289,202	3,866,983,482	1,758,684,912	2,161,622,524
Salaries and allowances & contribution to P.F	884,392,689	666,491,430	562,887,009	346,930,100
Directors' fees & expenses	5,999,222	4,742,191	3,701,483	2,615,834
Shariah Supervisory Committee's fees & expenses	107,121	140,253	54,809	96,900
Rent, taxes, insurance, lighting etc.	134,967,732	103,272,902	52,034,705	41,211,411
Postage, telegram, telephone and stamp etc.	27,082,628	26,842,246	15,595,536	14,532,650
Legal charges	2,023,884	997,658	1,502,400	228,285
Auditors' fee	74,750	45,040	17,250	45,040
Salary & Allowances to the Managing Director	5,530,000	5,530,000	2,590,000	2,265,000
Depreciation and repairs to the bank's properties	101,760,505	15,032,861	58,881,312	9,268,578
Stationery, printing, advertisement etc.	34,699,968	29,558,201	18,706,813	11,478,623
Other expenses	147,409,131	116,699,322	88,128,977	64,934,686
Total operating expenses	1,344,047,630	969,352,104	804,100,294	493,607,107
Profit/(Loss) before Tax & provision	2,151,241,572	2,897,631,378	954,584,618	1,668,015,417
Provision against Investments & Contingent Liabilities	506,766,735	370,110,119	(300,772,265)	370,110,119
Provision for diminution in value of investment	-	112,022,787	(86,400,000)	112,022,787
Other Provision	-	-	-	-
Total provision	506,766,735	482,132,906	(387,172,265)	482,132,906
Profit/(Loss) before Tax	1,644,474,837	2,415,498,472	1,341,756,883	1,185,882,511
Current tax	855,633,277	1,114,227,799	347,560,211	609,575,734
Deferred tax	-	-	-	-
Provision for Taxation	855,633,277	1,114,227,799	347,560,211	609,575,734
Net Profit/(Loss) after tax	788,841,560	1,301,270,673	994,196,672	576,306,777
Net Profit attributable to:				
Equity holders of the bank	688,343,322	1,126,357,229	939,550,258	460,236,848
Non-controlling Interest	100,498,238	174,913,444	54,646,414	116,069,929
Profit for the year	788,841,560	1,301,270,673	994,196,672	576,306,777
Appropriation				
Statutory Reserve	243,632,396	375,589,032	243,632,396	165,846,971
Non-Controlling Interest	100,498,238	174,913,444	54,646,414	116,069,929
	344,130,634	550,502,476	298,278,810	281,916,900
Transfer to Retained Earnings	444,710,926	750,768,197	695,917,862	294,389,877
Earning per Ordinary Share	0.83	1.35	1.13	0.55

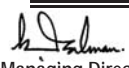

Chief Financial Officer


Managing Director

Consolidated Cash Flow Statement
For the half year ended June 30, 2013
(Un-audited)

	June-2013 <u>Taka</u>	June-2012 <u>Taka</u>
Cash flows from operating activities		
Investment income receipt in Cash	8,862,235,624	7,134,653,029
Profit paid on deposits and borrowing	(6,045,235,944)	(4,255,782,078)
Dividend recieved	11,634,202	4,508,489
Fees & Commission received in cash	535,978,491	570,239,446
Recoveries from written off investments	490,425	9,469,855
Cash payments to employees	(889,922,689)	(672,021,430)
Cash payments to suppliers	(34,699,968)	(29,558,201)
Received from other operating activities (Item-wise)	130,186,404	403,894,741
Paid for other operating activities (Item-wise)	(419,424,973)	(267,772,473)
Advance income tax paid	(867,920,783)	(979,129,556)
Operating profit before changes in operating assets and liabilities	1,283,320,789	1,918,501,822
Changing in Operating assets & liabilities		
Increase/Decrease of trading securities	(120,905,235)	(656,454,406)
Increase/Decrease of placement to other banks	4,850,000,000	2,300,000,000
Increase/Decrease of Investment and advances to customers (other than Banks)	(4,466,049,399)	(15,234,999,538)
Increase/Decrease of other assets (Item-wise)	35,373,874	(178,238,166)
Increase/Decrease of placement from other banks and financial institution	(130,000,000)	(300,000,000)
Increase/Decrease of Deposits from customers (other than Banks)	7,609,018,654	19,893,602,426
Increase/Decrease of Other liabilities account of customers	-	-
Increase/Decrease of Trading liabilities (Item-wise)	(136,097,382)	(12,762,530)
Cash receipt from operating activities	7,641,340,512	5,811,147,786
A. Net Cash flows from operating activities	8,924,661,301	7,729,649,608
Cash flows from investing activities:		
Proceeds from sale of securites	-	-
Payments for purchases of securities	-	-
Purchase of property, plant and equipment	(99,405,979)	(459,946,939)
Sales proceeds of Fixed assets	-	-
Purchase-sale of subsidiary	-	-
B. Net cash flows from investing activities	(99,405,979)	(459,946,939)
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)	8,825,255,322	7,269,702,669
E. Effects of exchange rate changes on cash and cash-equivalents	-	-
F. Net increase in cash and cash equivalent D+E	8,825,255,322	7,269,702,669
G. Cash & Cash Equivalents at the beginning of the year	19,197,700,572	11,567,130,639
H. Cash & Cash Equivalents at the end of the year	28,022,955,894	18,836,833,308


Chief Financial Officer


Managing Director

Consolidated Statement of Changes in Equity
For the half year ended June 30, 2013
(Un-audited)

Particular	Paid up Capital	Statutory Reserve	Retained Earnings	Asset Revaluation Reserve	Total	Non-Controlling Interest	Total Equity
Balance at 31st December 2012	7,130,980,100	3,102,076,966	1,238,380,901	977,548,248	12,448,986,215	1,601,702,801	14,050,689,016
Changes in accounting policy	-	-	-	-	-	-	-
Buy back share	-	-	-	-	-	(15,000,000)	(15,000,000)
Issue of the share capital	1,212,266,610	-	-	-	1,212,266,610	-	1,212,266,610
Restated balance	8,343,246,710	3,102,076,966	1,238,380,901	977,548,248	13,661,252,825	1,586,702,801	15,247,955,626
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	-	-	688,343,322	-	688,343,322	100,498,238	788,841,560
Cash Dividend	-	-	-	-	-	-	-
Bonus Share - 2012(17.00 %)	-	-	(1,212,266,610)	-	(1,212,266,610)	-	(1,212,266,610)
Issue of share capital	-	-	-	-	-	-	-
Transferred to retained earning	-	-	-	-	-	-	-
Appropriations during the year	-	243,632,396	(243,632,396)	-	-	-	-
Balance as at June 30,2013	8,343,246,710	3,345,709,362	470,825,217	977,548,248	13,137,329,537	1,687,201,039	14,824,530,576
Balance as at June 30,2012	7,130,980,100	2,748,421,189	1,016,694,329	64,603,248	10,960,698,866	2,334,506,129	13,295,204,995


Chief Financial Officer


Managing Director

CREDIT RATING REPORT

Credit Rating Agency of Bangladesh (CRAB) Limited has retained the long term of Al-Arafah Islami Bank Limited to AA₃ (Pronounced Double A Three) and the short term rating at ST-2 based on audited financial statement of 31st December, 2012 and other relevant qualitative & quantitative information.

Rating (2011)	Rating (2012)	Definition
Long Term AA₃	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	30 June, 2013	
Validity	30 June, 2014	

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

- ◆ মুদারাবা কোটিপতি ডিপোজিট স্কীম
- ◆ মুদারাবা মিলিয়নিয়ার ডিপোজিট স্কীম
- ◆ মুদারাবা লাখপতি ডিপোজিট স্কীম
- ◆ মুদারাবা বিশেষ সঞ্চয় (পেনশন) স্কীম
- ◆ মুদারাবা দ্বিগুন 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 لميٲيد

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