

Union Capital Limited
Consolidated and Separate Financial Statements (Un-audited)
As on and for the half year ended 30 June 2016

Union Capital Limited
Consolidated Balance Sheet (Un-audited) as at 30 June 2016

Figures in BDT

Particulars	Notes	30-Jun-16	31-Dec-15
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)		103,093	103,093
Balance with Bangladesh Bank and its agent bank (including foreign currencies)		180,598,855	156,930,308
	4.a	180,701,948	157,033,401
Balance with other banks and financial institutions			
In Bangladesh		1,526,451,546	1,049,943,557
Outside Bangladesh		-	-
	5.a	1,526,451,546	1,049,943,557
Money at call and short notice			
		-	-
Investments			
Government		-	-
Others		1,755,834,550	1,620,829,816
	6.a	1,755,834,550	1,620,829,816
Loans, advances and leases			
Loans, advances and leases		16,904,987,534	15,644,018,323
Bills purchased and discounted		-	-
	7.a	16,904,987,534	15,644,018,323
Fixed assets including land, building, furniture and fixtures			
	8.a	36,066,590	29,253,671
Other assets			
	9.a	1,701,135,169	1,549,525,981
Non-banking assets			
		215,129,173	215,129,173
TOTAL ASSETS		22,320,306,508	20,265,733,922
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11.a	4,098,789,951	2,815,301,879
Deposits and other accounts			
Term deposits	12.a	11,318,327,270	10,712,749,207
Other deposits	13.0	858,729,049	1,086,037,720
		12,177,056,319	11,798,786,927
Other liabilities	14.a	3,680,486,835	3,157,718,243
Total liabilities		19,956,333,105	17,771,807,049
Shareholders' equity			
Paid up capital	15.0	1,422,996,034	1,329,902,836
Preference share capital	16.0	400,000,000	500,000,000
Statutory reserve	17.0	364,815,071	364,815,071
Revaluation reserve		102,024,360	102,024,360
Retained earnings	18.a	74,137,752	197,184,426
Total equity attributable to equity holders of the Company		2,363,973,218	2,493,926,693
Non-controlling interest		185	180
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY		22,320,306,508	20,265,733,922
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Other contingent liabilities		-	-
Other commitments			
Undisbursed contracted loans, advances and leases		966,162,000	962,860,000
TOTAL OFF BALANCE SHEET ITEMS		966,162,000	962,860,000
Net Assets Value (NAV) per share (2015: Restated)		16.61	17.53

sd/-
Chairman

sd/-
Director

sd/-
Managing Director & CEO

sd/-
Company Secretary

sd/-
Chief Financial Officer

Union Capital Limited
Consolidated Profit and Loss Account (Un-audited)
For the half year ended 30 June 2016

Figures in BDT

Particulars	Notes	HY1 16	HY1 15	Q2 16	Q2 15
Interest income	19.a	941,692,817	1,090,873,911	467,878,429	547,558,970
Interest paid on deposits and borrowings etc.	20.a	(660,371,585)	(683,773,786)	(327,341,263)	(344,660,244)
Net interest income		281,321,232	407,100,125	140,537,166	202,898,726
Investment income	21.a	18,345,162	(160,930,609)	2,805,188	(97,292,527)
Fees, commissions, exchange and brokerage	22.a	98,447,633	79,766,111	51,191,695	51,400,447
Other operating income	23.a	35,320,532	7,234,574	29,916,978	4,870,757
Total operating income		433,434,559	333,170,200	224,451,027	161,877,403
Salaries and other employee benefits	24.a	59,516,042	44,979,943	34,676,873	20,645,230
Rent, taxes, insurance, electricity etc.	25.a	15,997,898	15,567,674	8,499,608	8,757,734
Legal expenses	26.a	(213,078)	1,820,855	(264,337)	1,744,515
Postage, stamp, telecommunication etc.	27.a	2,136,623	2,035,770	1,240,440	1,089,981
Stationery, printing, advertisements etc.	28.a	2,526,579	2,937,024	1,238,135	2,153,397
Managing Director's salary and fees	29.0	2,838,710	3,120,000	1,500,000	1,560,000
Directors' fees	30.a	974,610	771,500	550,110	616,500
Auditors' fees		-	-	-	-
Depreciation and repair of assets	31.a	7,201,682	6,265,377	3,808,280	3,311,146
Other expenses	32.a	27,013,297	19,407,690	12,362,350	9,588,531
Total operating expenses		117,992,363	96,905,832	63,611,459	49,467,033
Profit before provision		315,442,197	236,264,368	160,839,569	112,410,369
Provision for loans, leases and investments					
General provision for loans and leases		28,549,871	17,820,477	4,212,830	2,559,354
Specific provision for loans and leases		125,175,712	38,779,113	86,247,651	19,573,270
Provision for diminution in value of investments		44,121,483	14,252,457	22,195,287	(27,474,638)
Total provision		197,847,066	70,852,047	112,655,768	(5,342,013)
Total profit before tax		117,595,130	165,412,320	48,183,800	117,752,383
Provision for taxation					
Current tax		53,238,393	110,685,851	25,946,179	82,445,301
Deferred tax		-	-	-	-
		53,238,393	110,685,851	25,946,179	82,445,301
Net profit after tax		64,356,738	54,726,469	22,237,621	35,307,081
Dividend on preference shares		27,815,066	15,847,603	12,294,519	15,847,603
Retained surplus		36,541,672	38,878,866	9,943,102	19,459,478
Earnings per share (2015: Restated)	35.a	0.26	0.27	0.07	0.14

sd/-
Chairman

sd/-
Director

sd/-
Managing Director & CEO

sd/-
Company Secretary

sd/-
Chief Financial Officer

Union Capital Limited
Consolidated Cash Flow Statement (Un-audited)

Figures in BDT

For the half year ended	30-Jun-16	30-Jun-15
Cash flows from operating activities		
Interest receipts	751,486,191	981,437,687
Interest payments	(690,556,054)	(722,284,239)
Fee and commission receipts	98,447,633	79,766,111
Dividend receipts	27,150,842	23,557,768
Cash payments to employees	(66,354,751)	(55,306,533)
Cash payments to suppliers and management expenses	(27,304,894)	(23,586,081)
Income taxes paid	(230,834,610)	(140,649,079)
Receipts from other operating activities	35,320,532	7,234,574
Payments for other operating activities	(27,774,829)	(22,000,045)
Cash generated before changes in operating assets and liabilities	(130,419,940)	128,170,163
Increase/decrease in operating assets and liabilities		
Statutory deposits	-	-
Purchase of trading securities (treasury bills)	-	-
Loans, advances and leases to banks and financial institutions	-	-
Loans, advances and leases to customers	(1,234,194,407)	(415,734,833)
Other assets	79,225,421	15,963,411
Deposits from banks and other financial institutions	1,218,588,436	(953,238,925)
Deposits from customers	(840,319,044)	(37,652,125)
Other liabilities account of customers	-	-
Trading liabilities	-	-
Other liabilities	271,683,134	200,894,099
Cash generated from operating assets and liabilities	(505,016,461)	(1,189,768,374)
Net cash generated from/(used) in operating activities	(635,436,401)	(1,061,598,211)
Cash flows from investing activities		
Proceeds from sale of securities	495,606,442	2,997,779,660
Payments for purchases of securities	(389,267,101)	(2,942,657,801)
Purchase of property, plant and equipment	(6,274,259)	(13,071,447)
Proceeds from sale of property, plant and equipment	-	-
Net cash used in investing activities	100,065,082	42,050,412
Cash flows from financing activities		
Dividend paid	(119,919,917)	-
Issuance of preference share	-	500,000,000
Redemption of preference share	(100,000,000)	-
Receipts of long term loan	925,738,500	270,783,643
Repayment of long term loan	(727,673,288)	(318,701,225)
Non-controlling interest	-	-
Net draw down/(payment) of short term loan	1,057,402,558	503,273,613
Net cash generated from/(used) in financing activities	1,035,547,854	955,356,031
Net (decrease)/increase in cash and cash equivalents	500,176,535	(64,191,768)
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the year	1,206,976,958	737,812,548
Cash and cash equivalents at end of the half year	1,707,153,493	673,620,780
Cash and cash equivalents at end of the half year represents		
Cash in hand	103,093	94,000
Balance with Bangladesh Bank and its agent bank	180,598,855	153,352,768
Balance with other banks and financial institutions	1,526,451,546	520,174,012
	1,707,153,493	673,620,780
Supplemental schedule for non-cash financing activities		
Bonus share issued	93,093,198	120,900,250

sd/-
Chairman

sd/-
Director

sd/-
Managing Director & CEO

sd/-
Company Secretary

sd/-
Chief Financial Officer

Union Capital Limited
Consolidated statement of changes in shareholders' equity (Un-audited)
For the half year ended 30 June 2016

Figures in BDT

Particulars	Paid-up capital	Preference share	Statutory reserve	Revaluation reserves	Retained earnings	Non-controlling interest	Total
Balance as at 1 January 2016	1,329,902,836	500,000,000	364,815,071	102,024,360	197,184,426	180	2,493,926,873
Net profit for the half year 2016	-	-	-	-	64,356,733	5	64,356,738
Redemption of preference share	-	(100,000,000)	-	-	-	-	(100,000,000)
Dividend on preference share	-	-	-	-	(27,815,066)	-	(27,815,066)
Payment of cash dividend (year 2015)	-	-	-	-	(66,495,142)	-	(66,495,142)
Issuance of bonus share (year 2015)	93,093,198	-	-	-	(93,093,198)	-	-
Balance as at 30 June 2016	1,422,996,034	400,000,000	364,815,071	102,024,360	74,137,752	185	2,363,973,403

Balance as at 1 January 2015	1,209,002,586	-	323,835,724	102,024,360	172,313,739	149	1,807,176,558
Net profit for the half year 2015	-	-	-	-	54,726,464	5	54,726,469
Issuance of preference shares	-	500,000,000	-	-	-	-	500,000,000
Issuance of bonus share (year 2014)	120,900,259	-	-	-	(120,900,259)	-	-
Balance as at 30 June 2015	1,329,902,845	500,000,000	323,835,724	102,024,360	106,139,944	154	2,361,903,027

sd/-
 Chairman

sd/-
 Director

sd/-
 Managing Director & CEO

sd/-
 Company Secretary

sd/-
 Chief Financial Officer

Union capital Limited
Selected explanatory notes to the Consolidated Financial Statements (Un-audited) as at and for the half year ended 30 June 2016

Reporting

These half yearly financial statements have been prepared based on Bangladesh Accounting Standard (BAS) 34: *Interim Financial Reporting*.

These interim financial statements should be read in conjunction with the published financial statements for the year ended 31 December 2015 as they provide an update to previously reported information.

Accounting policies and method of computations

Accounting policies and method of computations followed in preparing these financial statements are consistent with those used in the annual financial statements prepared and published for the year ended 31 December 2015.

Consolidation of operations of subsidiaries

The consolidation of the financial statements have been made after eliminating all material intra group transactions. The total profit of the Company and its subsidiaries are shown in the consolidated profit and loss account with the proportion of profit after taxation pertaining to minority shareholders being deducted as 'non-controlling interest'.

Earnings per share (EPS)

Earnings per share has been calculated based on number of shares outstanding for the period ended 30 June 2016 and profit for the same period. The number of shares outstanding for the period was 142.30 million. Earnings per share for the preceding half year of 2015 has also been calculated based on 142.30 million shares.

Subsequent events

No material events occurred after the reporting date, non-disclosure of which could affect the ability of the users of these financial statements to make proper evaluation and decision.

Reclassification

To facilitate comparison, certain relevant figures pertaining to previous period/year have been rearranged/ restated/reclassified, whenever considered necessary, to conform to current period's presentation.

<u>sd/-</u> Chairman	<u>sd/-</u> Director	<u>sd/-</u> Managing Director & CEO
<u>sd/-</u> Company Secretary	<u>sd/-</u> Chief Financial Officer	

Union Capital Limited
Balance Sheet (Un-audited) as at 30 June 2016

Figures in BDT

PARTICULARS	Notes	30-Jun-16	31-Dec-15
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)		64,000	64,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)		180,598,855	156,930,308
	4.0	180,662,855	156,994,308
Balance with other banks and financial institutions			
In Bangladesh		1,340,469,335	941,844,321
Outside Bangladesh		-	-
	5.0	1,340,469,335	941,844,321
Money at call and short notice			
Investments			
Government		-	-
Others		545,137,849	562,788,114
	6.0	545,137,849	562,788,114
Loans, advances and leases			
Loans, advances and leases		16,575,154,535	15,594,470,650
Bills purchased and discounted		-	-
	7.0	16,575,154,535	15,594,470,650
Fixed assets including land, building, furniture and fixtures	8.0	15,714,327	8,108,648
Other assets	9.0	1,637,967,664	1,536,827,743
Non-banking assets	10.0	215,129,173	215,129,173
TOTAL ASSETS		20,510,235,736	19,016,162,957
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11.0	3,500,628,184	2,443,900,345
Deposits and other accounts			
Term deposits	12.0	11,318,327,270	10,712,749,207
Other deposits	13.0	858,729,049	1,086,037,720
		12,177,056,319	11,798,786,927
Other liabilities	14.0	2,609,907,977	2,413,842,117
Total liabilities		18,287,592,480	16,656,529,389
Shareholders' equity			
Paid up capital	15.0	1,422,996,034	1,329,902,836
Preference share capital	16.0	400,000,000	500,000,000
Statutory reserve	17.0	364,815,071	364,815,071
Retained earnings	18.0	34,832,151	164,915,661
Total shareholders' equity		2,222,643,256	2,359,633,568
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		20,510,235,736	19,016,162,957
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Other contingent liabilities		-	-
Other commitments			
Undisbursed contracted loans, advances and leases		966,162,000	962,860,000
TOTAL OFF BALANCE SHEET ITEMS		966,162,000	962,860,000
Net Assets Value (NAV) per share (2015: Restated)		15.62	16.58

Union Capital Limited
Profit and Loss Account (Un-audited) for the half year ended 30 June 2016

Figures in BDT

Particulars	Notes	HY1 16	HY1 15	Q2 16	Q2 15
Interest income	19.0	910,146,039	1,008,124,108	458,974,116	500,669,240
Interest paid on deposits and borrowings etc	20.0	(625,229,795)	(666,819,708)	(312,130,204)	(334,706,871)
Net interest income		284,916,244	341,304,400	146,843,912	165,962,369
Investment income	21.0	(993,067)	(71,489,227)	3,629,116	(40,474,922)
Fees, commissions, exchange and brokerage	22.0	6,256,543	6,111,105	4,041,543	2,506,500
Other operating income	23.0	32,894,869	6,112,705	27,847,929	4,513,167
Total operating income		323,074,588	282,038,984	182,362,500	132,507,115
Salaries and other employee benefits	24.0	34,376,033	27,756,446	19,237,231	12,363,583
Rent, taxes, insurance, electricity etc.	25.0	7,241,563	7,128,203	4,068,139	4,530,814
Legal expenses	26.0	(221,703)	1,800,385	(264,337)	1,724,045
Postage, stamp, telecommunication etc.	27.0	914,281	1,033,576	632,869	529,728
Stationery, printing, advertisements etc.	28.0	2,122,469	2,482,173	929,966	1,878,354
Managing Director's salary and fees	29.0	2,838,710	3,120,000	1,500,000	1,560,000
Directors' fees	30.0	680,000	415,000	368,000	260,000
Auditors' fees		-	-	-	-
Depreciation and repair of assets	31.0	3,416,875	4,405,149	1,949,912	2,214,968
Other expenses	32.0	10,978,343	8,543,712	4,297,769	2,365,489
Total operating expenses		62,346,571	56,684,644	32,719,548	27,426,981
Profit before provision		260,728,017	225,354,339	149,642,952	105,080,134
Provision for loans, leases and investments					
General provision for loans and leases		18,472,955	16,820,477	3,212,830	3,882,898
Specific provision for loans and leases		125,175,712	38,779,113	86,247,651	17,249,726
Provision for diminution in value of investments		28,180,537	57,791,248	22,195,287	41,553,562
Total provision		171,829,204	113,390,838	111,655,768	62,686,187
Total profit before tax		88,898,813	111,963,501	37,987,184	42,393,947
Provision for taxation					
Current tax		31,578,916	60,000,000	20,000,000	45,000,000
Deferred tax		-	-	-	-
		31,578,916	60,000,000	20,000,000	45,000,000
Net profit after tax		57,319,897	51,963,501	17,987,184	(2,606,053)
Dividend on preference shares		27,815,066	15,847,603	12,294,519	15,847,603
Retained surplus		29,504,831	36,115,898	5,692,665	(18,453,656)
Earnings per share (2015: Restated)		0.21	0.25	0.04	(0.13)

Union Capital Limited
Cash Flow Statement (Un-audited)

Figures in BDT

For the half year ended	30-Jun-16	30-Jun-15
Cash flows from operating activities		
Interest receipts	719,939,413	898,254,550
Interest payments	(655,414,264)	(704,896,827)
Fee and commission receipts	6,256,543	6,111,105
Dividend receipts	8,709,350	6,302,196
Cash payments to employees	(41,214,743)	(38,083,036)
Cash payments to suppliers and management expenses	(12,462,207)	(18,104,945)
Income taxes paid	(207,039,055)	(125,117,687)
Receipts from other operating activities	12,564,279	3,300,026
Payments for other operating activities	(10,978,343)	(8,543,712)
Cash generated before changes in operating assets and liabilities	(179,639,027)	19,221,671
Increase/decrease in operating assets and liabilities		
Statutory deposits	-	-
Purchase of trading securities (treasury bills)	-	-
Loans, advances and leases to banks and financial institutions	-	-
Loans, advances and leases to customers	(524,732,493)	47,622,399
Other assets	(101,139,921)	48,731,970
Deposits from banks and other financial institutions	450,000,000	(810,000,000)
Deposits from customers	(71,730,609)	(180,891,050)
Other liabilities account of customers	-	-
Trading liabilities	-	-
Other liabilities	18,378,447	165,687,359
Cash generated from operating assets and liabilities	(229,224,575)	(728,849,322)
Net cash generated from/(used) in operating activities	(408,863,602)	(709,627,651)
Cash flows from investing activities		
Proceeds from sale of securities	482,667,989	730,378,269
Payments for purchases of securities	(484,720,141)	(734,902,068)
Purchase of property, plant and equipment	(3,598,609)	(405,489)
Proceeds from sale of property, plant and equipment	-	-
Net cash used in investing activities	(5,650,760)	(4,929,288)
Cash flows from financing activities		
Dividend paid	(119,919,917)	-
Issuance of preference share	-	500,000,000
Redemption of preference share	(100,000,000)	-
Receipts of long term loan	655,738,500	-
Repayment of long term loan	(656,413,219)	(299,929,267)
Net draw down/(payment) of short term loan	1,057,402,558	503,273,613
Net cash generated from/(used) in financing activities	836,807,923	703,344,346
Net (decrease)/increase in cash and cash equivalents	422,293,561	(11,212,592)
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the half year	1,098,838,629	589,778,370
Cash and cash equivalents at end of the half year	1,521,132,190	578,565,777
Cash and cash equivalents at end of the half year represents		
Cash in hand	64,000	59,000
Balance with Bangladesh Bank and its agent bank	180,598,855	153,352,768
Balance with other banks and financial institutions	1,340,469,335	425,154,009
	1,521,132,190	578,565,777
Supplemental schedule for non-cash financing activities		
Bonus share issued	93,093,198	120,900,250

Union Capital Limited

Statement of Changes in shareholders' equity (Un-audited) for the half year ended 30 June 2016

Figures in BDT

Particulars	Paid-up capital	Preference share	Statutory reserve	Retained earnings	Total
Balance as at 1 January 2016	1,329,902,836	500,000,000	364,815,071	164,915,661	2,359,633,568
Net profit for the half year 2016	-	-	-	57,319,897	57,319,897
Redemption of preference shares	-	(100,000,000)	-	-	(100,000,000)
Dividend on preference share	-	-	-	(27,815,066)	(27,815,066)
Payment of cash dividend (year 2015)	-	-	-	(66,495,142)	(66,495,142)
Issuance of bonus share (year 2015)	93,093,198	-	-	(93,093,198)	-
Balance as at 30 June 2016	1,422,996,034	400,000,000	364,815,072	34,832,150	2,222,643,256
Balance as at 1 January 2015	1,209,002,586	-	323,835,724	169,295,784	1,702,134,094
Net profit for the half year 2015	-	-	-	51,963,501	51,963,501
Issuance of preference shares	-	500,000,000	-	-	500,000,000
Issuance of bonus share (year 2014)	120,900,259	-	-	(120,900,259)	-
Balance as at 30 June 2015	1,329,902,845	500,000,000	323,835,724	100,359,027	2,254,097,595

Union Capital Limited
Notes to the Condensed Financial Statements (Un-audited)

Figures in BDT

As at	30-Jun-16	31-Dec-15
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4.0 CASH

In hand		
Local currency	64,000	64,000
Foreign currencies	-	-
	64,000	64,000
Balance with Bangladesh Bank		
Local currency	180,598,855	156,930,308
Foreign currencies	-	-
	180,598,855	156,930,308
Total	180,662,855	156,994,308

4.a CASH (Consolidated)

In hand		
Union Capital Ltd.	64,000	64,000
UniCap Securities Ltd.	25,000	25,000
UniCap Investments Ltd.	14,093	14,093
	103,093	103,093
Balance with Bangladesh Bank		
Union Capital Ltd.	180,598,855	156,930,308
UniCap Securities Ltd.	-	-
UniCap Investments Ltd.	-	-
	180,598,855	156,930,308
Total	180,701,948	157,033,401

5.0 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS

This represents balance with various banks and financial institutions in Bangladesh.

Fixed deposit account

Bangladesh Industrial Finance Company	100,000,000	-
Social Islami Bank Ltd.	700,000,000	200,000,000
International leasing and financial services ltd.	130,000,000	-
FAS Finance & Investment Ltd.	-	50,000,000
Union Bank Ltd.	-	126,137,657
EXIM Bank Ltd.	-	50,000,000
Reliance Finance Limited	-	50,000,000
Midland Bank Limited	-	100,000,000
	930,000,000	576,137,657

Current account

Mutual Trust Bank Limited, Dilkusha Branch	394,588	395,163
Southeast Bank Limited, Islamic Banking Branch	711,830	712,405
NRB Bank Limited	8,531,505	-
Shahjalal Islami Bank Limited, Dhaka Main Branch	453	453
BRAC Bank Limited, Gulshan Branch	71,114	71,839
Bank Asia Limited, Moghbazar Branch	(60)	2
Bank Asia Limited, Bashundhara Branch	(0)	139
BASIC Bank Limited, Bangshal Branch	1	483
The Premier Bank Limited, New Market Branch	33,372	34,292
Bank Alfalah	50,000	-
Shahjalal Islami Bank Limited	10,000	-
State Bank of India	5,000	-
AB Bank Limited, Karwan Bazar Branch	14,361	16,281
BASIC Bank Limited, Shantinagar Branch	1	1
Dhaka Bank Limited, Kakrail Branch	2,001,000	-
State Bank of India, Dhaka Office	79,798	81,098
Uttara Bank Limited, Local Office	19,133	19,708
United Commercial Bank Limited	-	4,326,821
	11,922,096	5,658,685

Union Capital Limited
Notes to the Condensed Financial Statements (Un-audited)

Figures in BDT

As at	30-Jun-16	31-Dec-15
Short term deposit		
HSBC, Dhaka Main Office	87,930	-
HSBC, Dhaka Main Office	517,102	70,593
Southeast Bank Limited, Islamic Banking Branch	2,500,148	2,049,889
Bank Asia Limited, Corporate Branch	14,710,998	336,138,429
Dhaka Bank Limited, Local Office	3,203,601	10,805,800
Jamuna Bank Limited	3,005,613	10,153,545
Dutch Bangla Bank Limited	4,020,645	525,616
Peoples Leasing and Financial Services Ltd.	260,000,000	-
Bangladesh Industrial Finance Company Ltd.	110,000,000	-
Mutual Trust Bank Limited, Principal Branch	501,203	304,107
	398,547,239	360,047,979
Total	1,340,469,335	941,844,321

5.a BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS (consolidated)

Union Capital Ltd.	1,340,469,335	941,844,321
UniCap Securities Ltd.	131,536,175	57,357,260
UniCap Investments Ltd.	54,446,035	50,741,976
	1,526,451,546	1,049,943,557
Less: Inter-company transactions	-	-
Total	1,526,451,546	1,049,943,557

6.0 INVESTMENTS

The investment is made up as under:

Government securities	-	-
Other investments	545,137,849	562,788,114
Total	545,137,849	562,788,114

This represents investment made by the company in listed securities.

Sector wise investment in listed securities at cost

Banking companies	51,141,136	1,211,832
Insurance companies	14,381,778	14,381,778
Investment companies	29,255,695	-
Fuel & power	34,193,584	3,075,058
Manufacturing companies and others	416,165,656	544,119,446
Total	545,137,849	562,788,114

6.a INVESTMENTS (consolidated)

Union Capital Ltd.	545,137,849	562,788,114
UniCap Securities Ltd.	791,256,553	659,688,252
UniCap Investments Ltd.	419,440,148	398,353,450
Total	1,755,834,550	1,620,829,816

7.0 LOANS, ADVANCES AND LEASES

Lease finance	1,926,984,157	2,392,844,027
Term finance	8,752,562,881	7,457,629,305
Home loan	2,794,778	3,076,934
Loan to subsidiary	5,861,802,465	5,712,559,061
Loan against deposits	4,237,770	4,107,000
Staff loan	26,772,482	24,254,323
Total	16,575,154,535	15,594,470,650

This represents loans, advances and leases financed fully in Bangladesh.

Union Capital Limited
Notes to the Condensed Financial Statements (Un-audited)

Figures in BDT

As at	30-Jun-16	31-Dec-15
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7.a LOANS, ADVANCES AND LEASES (consolidated)

Union Capital Ltd.	16,575,154,535	15,594,470,650
UniCap Securities Ltd.	838,259,931	722,893,717
UniCap Investments Ltd.	5,353,375,534	5,039,213,017
	22,766,789,999	21,356,577,384
Less: Inter-company transactions	5,861,802,465	5,712,559,061
Total	16,904,987,534	15,644,018,323

8.0 FIXED ASSETS INCLUDING LAND, BUILDING, FURNITURE AND FIXTURES

Furniture and fixtures	7,031,438	7,031,438
Office decoration	18,358,286	18,358,289
Electric equipment	27,083,642	26,532,142
Owned vehicles	12,535,992	3,162,133
Leased vehicles	3,760,000	3,760,000
Intangible assets (software)	1,122,881	943,881
Mobile phones	367,085	367,085
Staff appliances	41,328	41,328
Total cost	70,300,652	60,196,296
Less: Accumulated depreciation and amortization	54,586,326	52,087,649
Written down value	15,714,327	8,108,648

8.a FIXED ASSETS INCLUDING LAND, BUILDING, FURNITURE AND FIXTURES (consolidated)

Union Capital Ltd.	15,714,327	8,108,648
UniCap Securities Ltd.	15,646,071	15,625,218
UniCap Investments Ltd.	4,706,192	5,519,805
Total	36,066,590	29,253,671

9.0 OTHER ASSETS

Investment in subsidiary	347,498,771	347,498,771
Accrued interest	72,039,336	65,346,310
Others	21,477,259	9,332,511
Income generating other assets	441,015,365	422,177,592
Advance office rent	2,772,846	2,824,909
Advance to employees	1,257,168	639,029
Security deposits for T & T, water etc.	37,500	37,500
Advance corporate tax	1,121,093,391	914,054,336
Receivable against sale of shares	4,749,664	157,501,815
Transfer price receivable	1,287,376	1,287,376
Deferred tax assets	11,357,529	11,357,529
Others	54,396,824	26,947,657
Non income generating other assets	1,196,952,298	1,114,650,151
Total	1,637,967,664	1,536,827,743

9.a OTHER ASSETS (consolidated)

Union Capital Ltd.	1,637,967,664	1,536,827,743
UniCap Securities Ltd.	226,253,913	441,572,133
UniCap Investments Ltd.	184,660,109	198,923,105
	2,048,881,686	2,177,322,981
Less: Inter-company transactions	347,746,517	627,797,000
Total	1,701,135,169	1,549,525,981

Union Capital Limited
Notes to the Condensed Financial Statements (Un-audited)

Figures in BDT

As at	30-Jun-16	31-Dec-15
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10.0 NON-BANKING ASSETS

Non-banking assets	215,129,173	215,129,173
	215,129,173	215,129,173

This represents assets owned under the 'Certificate of Ownership' given by the competent court under section 33(7) of Artha Rin Adalat Ain 2003.

11.0 BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS

Borrowings from other banks

In Bangladesh

Secured long term loans		
Bank loan	1,453,824,590	1,428,398,904
Un secured		
Bangladesh Bank (Small Enterprise refinancing scheme-JICA)	575,931,889	574,503,371
Bangladesh Bank (Women entrepreneurship refinance scheme)	95,051,786	89,239,286
Bangladesh Bank (Agriculture refinance scheme)	28,125,000	19,375,000
Short term borrowing	1,331,355,677	273,953,119
	2,030,464,352	957,070,776
	3,484,288,942	2,385,469,680

Outside Bangladesh

Borrowings from banks	3,484,288,942	2,385,469,680
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Borrowings from financial institutions

The UAE-Bangladesh Investment Company Limited	16,339,242	58,430,665
Total	3,500,628,184	2,443,900,345

11.a Borrowings from other banks, financial institutions and agents (consolidated)

Union Capital Limited	3,500,628,184	2,443,900,345
UniCap Securities Limited	1,390,973,819	1,174,373,635
UniCap Investments Limited	5,068,990,413	4,909,586,960
	9,960,592,416	8,527,860,940
Less: Inter-company transactions	5,861,802,465	5,712,559,061
Total	4,098,789,951	2,815,301,879

12.0 Term Deposits

This comprises interest bearing deposits from individuals and organizations for period ranging from 3 months to 10 years.

Banks and financial institutions	5,220,000,000	4,770,000,000
Other institutions	5,900,368,385	5,131,779,949
Total institutional deposits	11,120,368,385	9,901,779,949
Term deposit	-	566,692,530
Income deposit	193,355,560	239,270,003
Monthly savings scheme	4,603,325	5,006,725
Total individual deposits	197,958,885	810,969,258
Total	11,318,327,270	10,712,749,207

12.a Term deposits (consolidated)

Union Capital Limited	11,318,327,270	10,712,749,207
UniCap Securities Limited	-	-
UniCap Investments Limited	-	-
	11,318,327,270	10,712,749,207
Less: Inter-company transactions	-	-
Total	11,318,327,270	10,712,749,207

Union Capital Limited
Notes to the Condensed Financial Statements (Un-audited)

Figures in BDT

As at	30-Jun-16	31-Dec-15
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13.0 Other deposits

The amount received from clients as advance against finance and cash security deposit on the stipulation that the amount will be either adjusted with the outstanding rentals/installments or repaid at the end of term. This is made up as under:

Lease advance	57,451,530	121,509,616
Term finance advance	127,252,136	239,308,090
Cash security	674,025,384	725,220,014
Total	858,729,049	1,086,037,720

Advance and security deposit reduce the exposure with the clients and thereby reduce the risks. No interest is payable on advances while cash security deposits are interest bearing.

14.0 OTHER LIABILITIES

Provision for loans, advances and leases	577,494,353	433,845,684
Provision for diminution in value of investments	56,509,792	28,329,255
Provision for other assets	4,311,000	4,311,000
Interest suspense	265,995,314	200,243,504
Provision for tax	1,213,177,197	1,181,598,281
Financial expenses payable	451,156,754	481,341,223
Deferred liability-employee gratuity	9,484,999	9,595,999
Dividend payable	21,787,552	47,397,261
Excise duty	3,642,829	4,071,110
Withholding tax payable	2,460,537	14,066,692
VAT payable	869,710	298,573
Accrued expenses and other payable	3,017,939	8,743,535
Total	2,609,907,977	2,413,842,117

14.a OTHER LIABILITIES (consolidated)

Union Capital Limited	2,609,907,977	2,413,842,117
UniCap Securities Limited	393,029,602	674,589,521
UniCap Investments Limited	677,797,004	1,514,334,797
	3,680,734,582	4,602,766,436
Less: Inter-company transactions	247,746	1,445,048,193
Total	3,680,486,835	3,157,718,243

15.0 Share capital

As at 30 June 2016, a total number of 142,299,603 (As at 31 December 2015: 132,990,284) ordinary shares of Tk.10 each were issued, subscribed and fully paid up. Details are as follows:

Authorized capital

200,000,000 ordinary shares of Tk. 10 each	2,000,000,000	2,000,000,000
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Issued, subscribed and paid up capital:

132,990,283 ordinary shares of Tk.10 each	1,329,902,836	1,209,002,586
9,309,320 bonus shares	93,093,198	120,900,250
Total 142,299,603	1,422,996,034	1,329,902,836

Union Capital Limited
Notes to the Condensed Financial Statements (Un-audited)

Figures in BDT

As at	30-Jun-16	31-Dec-15
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16.0 Preference share capital

40 cumulative non-convertible redeemable preference shares of Tk. 10,000,000 each (fully paid up)	400,000,000	500,000,000
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The Company issued 50 cumulative non-convertible redeemable preference share of Tk. 10,000,000 to the tune of Tk. 500,000,000 in March 2015. Rate of dividend payable on the preference shares is 12.50 percent per annum.

16.1 Details of preference share capital

The Company issued 50 cumulative non-convertible redeemable preference share of Tk. 10,000,000 each to the tune of Tk. 500,000,000 in March 2015. Rate of dividend payable on the preference shares is 12.50 percent per annum. Particulars of the subscribers are as follows:

Name of subscriber	No. of share	Total	Outstanding	Outstanding
ICB Asset Management Company	10	100,000,000	80,000,000	100,000,000
National Housing Finance Co. Ltd.	10	100,000,000	80,000,000	100,000,000
DBH Corporation Ltd.	5	50,000,000	40,000,000	50,000,000
Uttara Finance & Investment Co. Ltd.	5	50,000,000	40,000,000	50,000,000
Brac Bank Ltd.	5	50,000,000	40,000,000	50,000,000
Midland Bank Ltd.	5	50,000,000	40,000,000	50,000,000
NRB Bank Ltd.	5	50,000,000	40,000,000	50,000,000
NRB Global Bank Ltd.	5	50,000,000	40,000,000	50,000,000
Total	50	500,000,000	400,000,000	500,000,000

17.0 STATUTORY RESERVE

Balance as on 1 January	364,815,071	323,835,724
Add: Transferred from profit during the year	-	40,979,347
Total	364,815,071	364,815,071

18.0 Retained earnings

Balance as on 1 January	164,915,661	169,295,784
Add: Profit after tax for the half-year	57,319,897	204,896,736
Less: Issuance of bonus shares (2015)	(93,093,198)	(120,900,250)
Less: Payment of cash dividend	(66,495,142)	-
Less: Dividend on preference shares	(27,815,066)	(47,397,261)
Less: Transferred to statutory reserve	-	(40,979,348)
Total	34,832,151	164,915,661

18.a RETAINED EARNINGS (consolidated)

Balance as on 1 January	197,184,426	172,313,739
Add: Profit after tax for the half-year	64,356,733	234,147,546
Less: Issuance of bonus shares (2015)	(93,093,198)	(120,900,250)
Less: Payment of cash dividend	(66,495,142)	-
Less: Dividend on preference shares	(27,815,066)	(47,397,261)
Less: Transferred to statutory reserve	-	(40,979,348)
Total	74,137,752	197,184,426

Union Capital Limited
Notes to the Condensed Financial Statements (Un-audited)

Figures in BDT

For the half year ended 30 June **2016** **2015**

19.0 INTEREST INCOME

Income from lease finance	127,110,500	184,679,214
Income from term finance	461,604,260	483,489,760
Income from home finance	202,511	166,245
Interest on loan to subsidiaries	284,049,654	322,121,095
Income form other finance	816,518	671,740
Total	873,783,443	991,128,054
Interest income on balance with bank & FI	36,362,596	16,996,055
Total	910,146,039	1,008,124,108

19.a INTEREST INCOME (consolidated)

Union Capital Limited	910,146,039	1,008,124,108
UniCap Securities Limited	61,156,804	44,988,093
UniCap Investments Limited	254,439,628	359,882,804
	1,225,742,471	1,412,995,006
Less: Inter-company transactions	284,049,654	322,121,095
Total	941,692,817	1,090,873,911

20.0 INTEREST PAID ON DEPOSITS, BORROWINGS, etc.

Interest on bank loan	69,321,090	70,209,337
Interest on JICA fund	14,711,863	14,918,062
Interest on women entrepreneurship fund	2,554,330	2,022,917
Interest on Agriculture Fund	524,132	-
Interest on term deposits	493,397,920	508,060,636
Interest on money at call & short notice	15,021,964	34,728,861
Interest on cash security deposit	29,059,004	35,656,652
Interest on obligation under capital leases	-	233,523
Bank charges	639,492	989,722
Total	625,229,795	666,819,708

20.a INTEREST PAID ON DEPOSITS, BORROWINGS etc. (consolidated)

Union Capital Limited	625,229,795	666,819,708
UniCap Securities Limited	74,819,738	68,585,871
UniCap Investments Limited	244,371,706	270,489,302
	944,421,239	1,005,894,881
Less: Inter-company transactions	284,049,654	322,121,095
Total	660,371,585	683,773,786

21.0 INVESTMENT INCOME

Capital gain/(loss) on sale of securities	(9,702,417)	(77,791,423)
Dividend income	8,709,350	6,302,196
Total	(993,067)	(71,489,227)

21.a INVESTMENT INCOME (consolidated)

Union Capital Limited	(993,067)	(71,489,227)
UniCap Securities Limited	21,428,341	(24,839,521)
UniCap Investments Limited	(2,090,112)	(64,601,862)
	18,345,162	(160,930,609)
Less: Inter-company transactions	-	-
Total	18,345,162	(160,930,609)

Union Capital Limited
Notes to the Condensed Financial Statements (Un-audited)

Figures in BDT

For the half year ended 30 June **2016** **2015**

22.0 FEES, COMMISSIONS, EXCHANGE AND BROKERAGE

Fees and commission income	6,256,543	6,111,105
Exchange income	-	-
Total	6,256,543	6,111,105

22.a FEES, COMMISSIONS, EXCHANGE AND BROKERAGE (consolidated)

Union Capital Limited	6,256,543	6,111,105
UniCap Securities Limited	71,786,574	48,151,687
UniCap Investments Limited	20,404,516	25,503,318
Total	98,447,633	79,766,111

23.0 OTHER OPERATING INCOME

Renewals and proceeds	12,564,279	3,300,026
Recovery from written off accounts	20,330,590	2,622,416
Profit/(loss) on sale of fixed assets	-	190,263
Total	32,894,869	6,112,705

23.a OTHER OPERATING INCOME (consolidated)

Union Capital Limited	32,894,869	6,112,705
UniCap Securities Limited	2,361,346	1,112,223
UniCap Investments Limited	64,318	9,645
Total	35,320,532	7,234,574

24.0 SALARIES AND OTHER EMPLOYEE BENEFITS

Salaries & allowances	34,376,033	27,756,446
Total	34,376,033	27,756,446

24.a SALARIES AND OTHER EMPLOYEE BENEFITS (consolidated)

Union Capital Limited	34,376,033	27,756,446
UniCap Securities Limited	20,816,199	13,246,022
UniCap Investments Limited	4,323,809	3,977,475
Total	59,516,042	44,979,943

25.0 RENT, TAXES, INSURANCE, ELECTRICITY etc.

Office rent, rates and taxes	6,262,811	6,393,665
Insurance	128,755	73,485
Power and electricity	849,997	661,053
Total	7,241,563	7,128,203

25.a RENT, TAXES, INSURANCE, ELECTRICITY etc. (consolidated)

Union Capital Limited	7,241,563	7,128,203
UniCap Securities Limited	6,342,773	6,045,191
UniCap Investments Limited	2,413,562	2,394,280
Total	15,997,898	15,567,674

26.0 LEGAL EXPENSES

Court fees	(359,153)	81,920
Professional Fees	137,450	1,718,465
Total	(221,703)	1,800,385

Union Capital Limited
Notes to the Condensed Financial Statements (Un-audited)

Figures in BDT

For the half year ended 30 June **2016** **2015**

26.a LEGAL EXPENSES (consolidated)

Union Capital Limited	(221,703)	1,800,385
UniCap Securities Limited	8,625	20,470
UniCap Investments Limited	-	-
Total	(213,078)	1,820,855

27.0 POSTAGE, STAMP, TELECOMMUNICATION etc.

Postage	130,008	66,667
Telegram, telex, fax and e-mail	270,231	415,403
Telephone - office	514,043	551,506
Total	914,281	1,033,576

27.a POSTAGE, STAMP, TELECOMMUNICATION etc. (consolidated)

Union Capital Limited	914,281	1,033,576
UniCap Securities Limited	1,131,738	897,605
UniCap Investments Limited	90,604	104,588
Total	2,136,623	2,035,770

28.0 STATIONERY, PRINTING, ADVERTISEMENTS etc.

Printing and stationery	605,852	388,956
Advertisement and publicity	1,516,617	2,093,217
Total	2,122,469	2,482,173

28.a STATIONERY, PRINTING, ADVERTISEMENTS etc.(consolidated)

Union Capital Limited	2,122,469	2,482,173
UniCap Securities Limited	306,114	360,774
UniCap Investments Limited	97,996	94,077
Total	2,526,579	2,937,024

29.0 MANAGING DIRECTOR'S SALARY AND FEES **2,838,710** **3,120,000**

30.0 DIRECTORS' FEES

The Company pays fees to its Directors for attending the Board meetings and its Committee meetings as permitted by the Bangladesh Bank. As per Bangladesh Bank's DFIM circular no. 13 dated 30 November 2015, a Director may be paid fees for attending Board or its Committee meetings which shall not exceed Tk. 8,000 for attending each meeting subject to certain limits.

Directors' fees	680,000	415,000
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30.a DIRECTORS' FEES (consolidated)

Union Capital Limited	680,000	415,000
UniCap Securities Limited	212,500	207,000
UniCap Investments Limited	82,110	149,500
Total	974,610	771,500

31.0 DEPRECIATION AND REPAIR OF ASSETS

Depreciation of fixed assets-freehold	2,272,303	2,617,004
Depreciation of fixed assets-leasehold vehicle	148,665	792,667
Amortization of intangible assets	77,709	73,396
Repairs and maintenance	918,198	922,082
Total	3,416,875	4,405,149

Union Capital Limited
Notes to the Condensed Financial Statements (Un-audited)

Figures in BDT

For the half year ended 30 June **2016** **2015**

31.a DEPRECIATION AND REPAIR OF ASSETS (consolidated)

Union Capital Limited	3,416,875	4,405,149
UniCap Securities Limited	2,739,353	1,400,234
UniCap Investments Limited	1,045,454	459,994
Total	7,201,682	6,265,377

32.0 OTHER EXPENSES

HR development	166,398	168,375
Travelling and conveyance	2,410,463	616,702
Motor vehicle expenses	496,419	1,493,864
Subscription and fees	1,784,277	895,696
Books, magazines, newspapers, etc	15,478	27,840
AGM expenses	1,908,721	1,843,982
Entertainment and public relation & others	3,560,927	2,933,205
Donation	635,660	564,048
Total	10,978,343	8,543,712

32.a OTHER EXPENSES (consolidated)

Union Capital Limited	10,978,343	8,543,712
UniCap Securities Limited	15,577,006	10,286,729
UniCap Investments Limited	457,949	577,249
	27,013,297	19,407,690
Less: Inter-company transactions	-	-
Total	27,013,297	19,407,690

33.0 RECEIPTS FROM OTHER OPERATING ACTIVITIES

Renewals and proceeds	12,564,279	3,300,026
Others	-	-
Total	12,564,279	3,300,026

34.0 PAYMENTS FOR OTHER OPERATING ACTIVITIES

HR development	166,398	168,375
Travelling and conveyance	2,410,463	616,702
Motor vehicle expenses	496,419	1,493,864
Subscription and fees	1,784,277	895,696
Books, magazines, newspapers, etc	15,478	27,840
AGM expenses	1,908,721	1,843,982
Entertainment and public relation & others	3,560,927	2,933,205
Donation	635,660	564,048
Total	10,978,343	8,543,712

35.0 EARNINGS PER SHARE

Earnings Per Share (EPS) is calculated in accordance with Bangladesh Accounting Standard 33: *Earnings Per Share* which has been shown on the face of Profit and Loss account.

Basic earnings per share

The calculation of basic earnings per share at 30 June 2016 was based on the profit attributable to ordinary shareholders of Tk. 29,504,831 (30 June 2015: Tk. 36,115,898) and a weighted average number of ordinary shares outstanding for the half year ended 30 June 2016 was 142,299,603 (30 June 2015: 132,990,284).

Profits attributable to ordinary shareholders

Net profit for the year	29,504,831	36,115,898
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Union Capital Limited
Notes to the Condensed Financial Statements (Un-audited)

Figures in BDT

For the half year ended 30 June	2016	2015
Weighted average number of ordinary shares		
Ordinary shares at 1 January	132,990,284	120,900,259
Bonus shares issued	9,309,319	12,090,026
Weighted average number of ordinary shares at 30 June	142,299,603	132,990,284
Restated weighted average number of ordinary shares	142,299,603	142,299,603
Earnings per share	0.21	0.27
Earnings per share (restated)	0.21	0.25

Diluted earnings per share

The dilutive effect relates to the average number of potential ordinary share held under option of convertibility. There was no such dilutive potential ordinary share during the half year ended 30 June 2016 and hence no diluted earnings per share is required to be calculated.

35.a EARNINGS PER SHARE (consolidated)

Profits attributable to ordinary shareholders

Net profit for the year (consolidated)	36,541,672	38,878,866
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Weighted average number of ordinary shares

Ordinary shares at 1 January	132,990,284	120,900,259
Bonus shares issued	9,309,319	12,090,026
Weighted average number of ordinary shares at 30 June	142,299,603	132,990,284
Restated weighted average number of ordinary shares	142,299,603	142,299,603
Earnings per share- consolidated	0.26	0.29
Earnings per share- consolidated (restated)	0.26	0.27

36.0 INCREASE/(DECREASE) IN OTHER LIABILITIES

Interest suspense	65,751,811	(31,523,425)
Financial expenses payable	(30,184,468)	68,461,247
Obligation under capital lease	-	(697,679)
Excise duty	(428,281)	766,180
Withholding tax payable	(11,606,155)	(4,482,363)
VAT payable	571,137	361,308
Accrued expenses and other payable	(5,725,596)	(268,336,598)
Total	18,378,447	(235,451,329)

37.0 (INCREASE)/DECREASE IN OTHER ASSETS

Accrued interest	(6,693,026)	37,172,700
Advance office rent	52,063	471,500
Advance to employees	(618,139)	(341,587)
Receivable from brokerage houses against sale of shares	152,752,151	250,719,068
Receivable from subsidiary company	-	(791,519)
Transfer price receivable	-	-
Others	(39,593,915)	(62,919,199)
Total	105,899,134	224,310,964