



Union Capital Limited

UNION CAPITAL LIMITED AND ITS SUBSIDIARIES

3rd Quarter un-audited consolidated Financial Statements as at and for the quarter ended September 30, 2012

In compliance with the Securities and Exchange Commission (SEC) 's Notification No. SEC/CMRRCD/2008-183/Admin/03-34 dated September 27, 2009 and SEC letter No. SEC/CFD/Misc/233/2004/615 dated February 2, 2010, we are pleased to present the 3rd quarter un-audited consolidated Financial Statements of Union Capital Limited as at and for the quarter ended September 30, 2012. The consolidated Financial Statements are comprised of the financials of Union Capital Limited and its wholly owned subsidiaries SES Company Limited and UniCap Investments Limited are prepared as per Bangladesh Accounting Standard(BAS) 34 "Interim Financial Reporting".

Consolidated Balance Sheet as at September 30, 2012

Particulars	30 Sep 12 Taka	31 Dec 11 Taka
PROPERTY AND ASSETS		
Cash		
In hand	21,100	41,100
Balance with Bangladesh Bank	92,999,111	104,750,421
Balance with other banks and financial institutions in Bangladesh	190,073,596	278,873,851
Investments	1,229,297,186	1,227,610,559
Loans, advances and leases	6,904,107,858	6,871,099,748
Fixed assets including land, building, furniture and fixtures	17,702,167	28,026,737
Other assets	1,841,678,557	1,382,132,283
Total Assets	10,275,879,575	9,892,534,699
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks and financial institutions	2,271,631,143	2,143,482,821
Deposits and other accounts		
Term deposits	3,801,157,613	3,571,482,776
Other deposits	259,214,503	415,151,974
	4,060,372,116	3,986,634,750
Other liabilities	2,078,935,332	1,855,076,985
Total liabilities	8,410,938,591	7,985,194,556
Capital / Shareholders' equity		
Paid-up capital	1,046,755,490	951,595,900
Statutory reserves	243,107,034	243,107,034
Revaluation reserve	505,500,000	505,500,000
Dividend Equilization reserve	7,000,000	55,000,000
Retained earnings	62,578,395	152,137,144
Total equity attributable to equity holders of the company	1,864,940,919	1,907,340,078
Non-controlling interest	65	65
Total liabilities and Shareholders' equity	10,275,879,575	9,892,534,699
OFF - BALANCE SHEET ITEMS		
Contingent liabilities		
Contingent liabilities	-	-
Letters of guarantee	-	-
Irrevocable letters of credit	-	-
Other commitments	-	-
Total Off-Balance Sheet items	-	-

Consolidated Profit and Loss Account for the period ended September 30, 2012

Particulars	Jan to Sep 12 Taka	Jan to Sep 11 Taka	Jul to Sep 12 Taka	Jul to Sep 11 Taka
Interest income	699,807,070	709,898,521	186,704,998	240,235,219
Interest expenses	(609,584,572)	(422,704,656)	(163,722,319)	(163,501,950)
Net interest income	90,222,499	287,193,865	22,982,680	76,733,269
Investment income	43,966,097	24,069,980	25,567,250	6,767,807
Commission and brokerage	36,458,552	79,448,199	15,335,393	28,044,951
Other operating income	87,206,172	85,943,554	28,430,887	27,973,027
Total operating income	257,853,319	476,655,598	92,316,209	139,519,054
Salaries and allowances	37,648,353	28,396,931	14,287,078	11,339,033
Charges for stock exchanges, etc	5,693,427	7,727,308	2,266,115	(1,554,104)
Rent, taxes, insurance, electricity, etc.	12,987,140	12,361,463	4,917,885	4,943,935
Legal expenses	139,524	527,474	(26,374)	4,292
Postage, stamp, telecommunication, etc.	2,444,294	2,646,831	902,225	920,181
Stationery, printing, advertisements, etc.	3,852,382	2,484,239	990,352	(41,858)
Managing Director's salary and benefits	1,560,000	4,950,000	1,560,000	1,650,000
Directors' fees	500,000	650,000	115,000	100,000
Depreciation and repair of Company's assets	8,066,172	8,701,347	2,692,226	1,633,270
Other expenses	10,273,690	14,075,921	3,723,241	3,783,634
Total operating expenses	83,164,981	82,521,514	31,427,747	22,778,383
Profit before provision	174,688,338	394,134,084	60,888,462	116,740,671
Provision for loans / investments				
General provision	(21,741,994)	38,571,530	(58,390,180)	8,888,713
Specific provision	112,972,100	28,527,000	68,836,500	16,078,026
Total provision	91,230,106	67,098,530	10,446,320	24,966,739
Total profit before taxes	83,458,232	327,035,554	50,442,142	91,773,932
Provision for taxation	30,697,801	142,823,915	4,380,683	37,482,887
Net profit after taxation	52,760,431	184,211,639	46,061,459	54,291,045
Earnings per share (EPS)	0.50	1.94	0.44	0.57
Weighted average no. of outstanding shares	104,675,549	95,159,590	104,675,549	95,159,590

Consolidated Cash Flow Statement for the period ended September 30, 2012

Particulars	30 Sep 12 Taka	30 Sep 11 Taka
(A) Cash flows from operating activities		
Interest receipts in cash	705,897,959	709,898,521
Interest payments	(609,584,572)	(422,704,656)
Dividend receipts	1,566,863	2,771,574
Fee and commission receipts in cash	36,458,552	79,448,199
Cash payments to employees	(39,208,353)	(33,346,931)
Cash payments to suppliers	(17,317,235)	(17,679,824)
Income taxes paid	(147,423,448)	(264,205,011)
Receipts from other operating activities	81,169,206	87,781,353
Payments for other operating activities	(19,050,935)	(23,920,147)
Cash generated from operating activities before changes in operating assets and liabilities	(7,491,963)	118,043,078
Increase/(decrease) in operating assets and liabilities		
Lease, loans and advances to customers	(33,008,110)	(234,869,990)
Other assets	74,004,874	(571,670,533)
Deposits from banks and other financial institutions	200,000,000	(690,000,000)
Deposits from customers	(126,262,634)	1,320,552,215
Other liabilities	101,930,440	(213,959,028)
	216,664,570	(389,947,336)
Net cash flows from operating activities	209,172,606	(271,904,258)
(B) Cash flows from investing activities		
Proceeds from sale of securities	649,127,269	80,876,592
Payments for purchases of securities	(994,542,362)	(295,727,672)
Purchase of property, plant and equipment	(942,877)	(13,207,984)
Proceeds from sale of property, plant and equipment	3,625,067	15,720
Net cash used in investing activities	(342,732,903)	(228,043,344)
(C) Cash flows from financing activities		
Receipts of long term loan	350,000,000	340,000,000
Repayment of long term loan	(404,014,609)	(387,746,890)
Net draw down/(payment) of short term loan	182,162,931	512,601,991
Cash dividend paid	(95,159,590)	-
Net Cash from financing activities	32,988,732	464,855,101
(D) Net increase/(decrease) in cash and cash equivalents (A+B+C)	(100,571,565)	(35,092,501)
(E) Opening cash and cash equivalents	383,665,372	311,609,512
(F) Closing cash and cash equivalents (D+E)	283,093,807	276,517,012
Closing cash and cash equivalents		
Cash in hand (including foreign currencies)	21,100	41,100
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	92,999,111	76,001,459
Balance with other banks and financial institutions	190,073,596	200,474,453
Total	283,093,807	276,517,012

Consolidated Statement of Changes in Equity for the period ended September 30, 2012

Particulars	Amounts in Taka						Retained earnings	Total
	Paid-up capital	Statutory reserve	Dividend equilization reserve	Revaluation reserve	Non-controlling interest			
Balance at 01 January 2012	951,595,900	243,107,034	55,000,000	505,500,000	65	152,137,144	1,907,340,143	
Net profit after tax	-	-	-	-	-	52,760,431	52,760,431	
Transfer from DER	-	-	(48,000,000)	-	-	48,000,000	-	
Dividend (bonus shares)	95,159,590	-	-	-	-	(95,159,590)	-	
Cash dividend (FY2011)	-	-	-	-	-	(95,159,590)	(95,159,590)	
Balance at 30 September 2012	1,046,755,490	243,107,034	7,000,000	505,500,000	65	62,578,395	1,864,940,984	
Balance at 30 September 2011	951,595,900	207,554,744	55,000,000	505,500,000	-	193,625,533	1,913,276,177	

Union Capital Limited Selected explanatory notes to the Financial Statements

Reporting
This 3rd quarterly financial report has 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 statement for the year ended December 31, 2011, as they provide an update to previously reported information.

Accounting policies and method of computations
Accounting policies and methods of computations followed in preparing this financial statement are consistent with those used in the annual financial statements, prepared and published for the year ended December 31, 2011.

Consolidation of operations of subsidiaries
The consolidation of the financial statements have been made after eliminating all material intra group transactions. The total profits 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 September 30, 2012 and profit for the same period. The number of shares outstanding for the period was 104.67 million. Earnings per shares for the preceding period of 2011 has also been calculated based on 104.67 million shares.

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

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

The details of the published 3rd quarter un-audited Financial Statements as at and for the quarter ended September 30, 2012 are available at www.unicap-bd.com

Registered and Corporate Office: Noor Tower, 1/F Free School Street, 73 Sonargaon Road, Dhaka- 1205, Bangladesh.