

Consolidated Financial Statements (Un-audited)
Union Capital Limited
For the first quarter (Q1) ended 31 March 2015

Union Capital Limited
Consolidated Balance Sheet (Un-Audited) as at 31 March 2015

Figures in BDT

Particulars	31-Mar-15	31-Dec-14
PROPERTY AND ASSETS		
Cash		
In hand (including foreign currencies)	94,000	94,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	153,478,364	153,053,421
	153,572,364	153,147,421
Balance with other banks and financial institutions		
In Bangladesh	964,980,018	584,665,127
Outside Bangladesh	-	-
	964,980,018	584,665,127
Money at call and short notice		
	-	-
Investments		
Government	-	-
Others	1,542,439,404	1,488,135,388
	1,542,439,404	1,488,135,388
Loans, advances and leases		
Loans, advances and leases	15,465,507,204	14,739,579,044
Bills purchased and discounted	-	-
	15,465,507,204	14,739,579,044
Fixed assets including land, building, furniture and fixtures	22,542,548	24,186,716
Other assets	1,394,074,551	1,184,609,204
TOTAL ASSETS	19,543,116,089	18,174,322,899
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	3,525,410,462	2,985,042,753
Deposits and other accounts		
Term deposits	9,912,375,109	9,695,588,734
Other deposits	1,069,004,017	1,009,852,850
	10,981,379,126	10,705,441,584
Other liabilities	2,709,730,556	2,676,662,004
Total liabilities	17,216,520,144	16,367,146,340
Shareholders' equity		
Paid up capital	1,329,902,836	1,209,002,586
Preference share capital	500,000,000	-
Statutory reserve	323,835,724	323,835,724
Revaluation reserve	102,024,360	102,024,360
Retained earnings	70,832,906	172,313,739
Total equity attributable to equity holders of the Company	2,326,595,825	1,807,176,409
Non-controlling interest	120	149
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	19,543,116,089	18,174,322,899
OFF-BALANCE SHEET ITEMS		
Contingent liabilities		
Letters of guarantee	-	-
Irrevocable letters of credit	-	-
Other contingent liabilities	-	-
Other commitments		
Undisbursed contracted loans, advances and leases	678,324,000	936,000,000
TOTAL OFF BALANCE SHEET ITEMS	678,324,000	936,000,000

sd/-

Md. Forhad Hossain ACA
Chief Financial Officer

sd/-

Md. Akter Hossain Sannamat FCA, FCS
Managing Director & CEO

Union Capital Limited
Consolidated Profit and Loss Account (Un-Audited)
For the first quarter (Q1) ended 31 March 2015

Figures in BDT

Particulars	31-Mar-15	31-Mar-14
Interest income	543,314,940	363,499,926
Interest paid on deposits and borrowings etc.	(339,113,542)	(321,798,821)
Net interest income	204,201,399	41,701,105
Investment income	(63,638,083)	66,591,778
Fees, commissions, exchange and brokerage	28,365,664	59,926,901
Other operating income	2,363,817	2,320,968
Total operating income	171,292,797	170,540,753
Salaries and other employee benefits	24,334,713	19,251,448
Rent, taxes, insurance, electricity etc.	6,809,940	5,022,637
Legal expenses	76,340	(248,767)
Postage, stamp, telecommunication etc.	945,789	677,908
Stationery, printing, advertisements etc.	783,627	1,927,287
Managing Director's salary and fees	1,560,000	1,560,000
Directors' fees	772,479	393,500
Depreciation and repair of assets	2,336,752	2,081,164
Other expenses	9,819,159	6,333,714
Total operating expenses	47,438,799	36,998,890
Profit before provision	123,853,998	133,541,863
Provision for loans, advances, leases and investments		
Provision for loans, advances and leases	34,466,966	17,859,962
Provision for diminution in value of investments	41,727,095	23,397,817
Total provision	76,194,061	41,257,779
Total profit before tax	47,659,937	92,284,084
Provision for taxation		
Current tax	28,240,550	29,484,976
Deferred tax	-	-
	28,240,550	29,484,976
Net profit after tax	19,419,387	62,799,108
Weighted average no. of outstanding share	132,990,283	132,990,283
Earnings per share (2014: Restated)	0.15	0.47

sd/-

Md. Forhad Hossain ACA
Chief Financial Officer

sd/-

Md. Akter Hossain Sannamat FCA, FCS
Managing Director & CEO

Union Capital Limited
Consolidated Cash Flow Statement (Un-audited)
For the first quarter (Q1) ended 31 March 2015

Figures in BDT

Particulars	31-Mar-15	31-Mar-14
Cash flows from operating activities		
Interest receipts	484,360,349	348,464,999
Interest payments	(337,086,555)	(270,187,858)
Fee and commission receipts	28,365,664	59,926,901
Dividend receipts	16,911,150	-
Cash payments to employees	(25,894,713)	(20,811,448)
Cash payments to suppliers and management expenses	(5,535,157)	(10,692,201)
Income taxes paid	(81,775,377)	(45,879,347)
Receipts from other operating activities	2,363,817	2,320,968
Payments for other operating activities	(10,667,978)	(6,478,447)
Cash generated before changes in operating assets and liabilities	71,041,200	56,663,567
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	(725,928,160)	(1,241,422,434)
Other assets	209,465,348	(132,536,384)
Deposits from banks and other financial institutions	40,000,000	189,639,387
Deposits from customers	235,937,542	963,617,235
Other liabilities account of customers	-	-
Trading liabilities	-	-
Other liabilities	296,910,227	418,521,984
Cash generated from operating assets and liabilities	56,384,957	197,819,788
Net cash generated from/(used) in operating activities	127,426,156	254,483,355
Cash flows from investing activities		
Proceeds from sale of securities	349,908,924	792,851,320
Payments for purchases of securities	(516,348,605)	(891,610,669)
Purchase of property, plant and equipment	(2,249,939)	(1,513,454)
Proceeds from sale of property, plant and equipment	-	-
Net cash used in investing activities	(168,689,621)	(100,272,803)
Cash flows from financing activities		
Dividend paid	-	-
Issuance of preference share	500,000,000	-
Receipts of long term loan	346,972,851	14,296,400
Repayment of long term loan	(138,243,166)	(171,618,061)
Non-controlling interest	-	-
Net draw down/(payment) of short term loan	(286,726,387)	82,595,738
Net cash generated from/(used) in financing activities	422,003,298	(74,725,923)
Net (decrease)/increase in cash and cash equivalents	380,739,833	79,484,629
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the quarter	737,812,549	385,174,497
Cash and cash equivalents at end of the quarter	1,118,552,382	464,659,126
Cash and cash equivalents at end of the year represents		
Cash in hand	94,000	89,000
Balance with Bangladesh Bank and its agent bank	153,478,364	117,829,294
Balance with other banks and financial institutions	964,980,018	346,740,831
	1,118,552,382	464,659,126

sd/-

Md. Forhad Hossain ACA
Chief Financial Officer

sd/-

Md. Akter Hossain Sannamat FCA, FCS
Managing Director & CEO

Union Capital Limited
Consolidated statement of changes in shareholders' equity (Un-audited)
For the first quarter (Q1) ended 31 March 2015

Figures in BDT

Particulars	Paid-up capital	Preference share	Statutory reserve	Revaluation reserves	Retained earnings	Non-controlling interest	Total
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 quarter	-	-	-	-	19,419,416	(29)	19,419,387
Issuance of preference share	-	500,000,000	-	-	-	-	500,000,000
Issuance of bonus share	120,900,250	-	-	-	(120,900,250)	-	-
Balance as at 31 March 2015	1,329,902,836	500,000,000	323,835,724	102,024,360	70,832,906	120	2,326,595,946
Balance as at 1 January 2014	1,099,093,260	-	281,817,425	505,500,000	124,254,558	170	2,010,665,412
Net profit for the quarter	-	-	-	-	62,799,108	-	62,799,108
Issuance of bonus share	109,909,331	-	-	-	(109,909,331)	-	-
Balance as at 31 March 2014	1,209,002,591	-	281,817,425	505,500,000	77,144,335	170	2,073,464,520

sd/-

Md. Forhad Hossain ACA
Chief Financial Officer

sd/-

Md. Akter Hossain Sannamat FCA, FCS
Managing Director & CEO

Union Capital Limited
Balance Sheet

Figures in BDT

As at	31-Mar-15	31-Dec-14
PROPERTY AND ASSETS		
Cash		
In hand (including foreign currencies)	59,000	59,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	153,478,364	153,053,421
	153,537,364	153,112,421
Balance with other banks and financial institutions		
In Bangladesh	860,551,352	436,665,949
Outside Bangladesh	-	-
	860,551,352	436,665,949
Money at call and short notice		
	-	-
Investments		
Government	-	-
Others	411,602,745	394,219,407
	411,602,745	394,219,407
Loans, advances and leases		
Loans, advances and leases	14,793,173,979	14,296,223,795
Bills purchased and discounted	-	-
	14,793,173,979	14,296,223,795
Fixed assets including land, building, furniture and fixtures	14,572,869	16,221,475
Other assets	2,329,850,069	2,014,326,544
TOTAL ASSETS	18,563,288,378	17,310,769,590
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	3,220,586,899	2,798,583,601
Deposits and other accounts		
Term deposits	9,912,375,109	9,695,588,734
Other deposits	1,069,004,017	1,009,852,850
	10,981,379,126	10,705,441,584
Other liabilities	2,104,618,706	2,104,610,311
Total liabilities	16,306,584,731	15,608,635,496
Shareholders' equity		
Paid up capital	1,329,902,836	1,209,002,586
Preference share capital	500,000,000	-
Statutory reserve	323,835,723	323,835,724
Retained earnings	102,965,088	169,295,784
Total shareholders' equity	2,256,703,648	1,702,134,094
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	18,563,288,378	17,310,769,590
OFF-BALANCE SHEET ITEMS		
Contingent liabilities		
Letters of guarantee	-	-
Irrevocable letters of credit	-	-
Other contingent liabilities	-	-
Other commitments		
Undisbursed contracted loans, advances and leases	678,324,000	936,000,000
TOTAL OFF BALANCE SHEET ITEMS	678,324,000	936,000,000

sd/-
Md. Forhad Hossain ACA
Chief Financial Officer

sd/-
Md. Akter Hossain Sannamat FCA, FCS
Managing Director & CEO

Union Capital Limited
Profit and Loss Account

Figures in BDT

For the 1st quarter ended 31 March	2015	2014
Interest income	507,454,868	402,568,994
Interest paid on deposits and borrowings etc.	(332,112,838)	(320,307,550)
Net interest income	175,342,031	82,261,444
Investment income	(31,014,305)	26,164,646
Fees, commissions, exchange and brokerage	3,604,605	7,058,076
Other operating income	1,599,538	1,508,820
Total operating income	149,531,869	116,992,987
Salaries and other employee benefits	15,392,863	13,272,310
Rent, taxes, insurance, electricity etc.	2,597,389	2,675,349
Legal expenses	76,340	(248,767)
Postage, stamp, telecommunication etc.	503,848	267,416
Stationery, printing, advertisements etc.	603,819	1,825,693
Managing Director's salary and fees	1,560,000	1,560,000
Directors' fees	155,000	290,000
Auditors' fees	-	-
Depreciation and repair of assets	2,190,181	1,858,256
Other expenses	6,178,223	3,540,093
Total operating expenses	29,257,663	25,040,349
Profit before provision	120,274,206	91,952,638
Provision for loans, advances, leases and investments		
Provision for loans, advances and leases	34,466,966	15,000,000
Provision for diminution in value of investments	16,237,686	-
Total provision	50,704,652	15,000,000
Total profit before tax	69,569,554	76,952,638
Provision for taxation		
Current tax	15,000,000	18,883,820
Deferred tax	-	-
	15,000,000	18,883,820
Net profit after tax	54,569,554	58,068,818
Weighted average no. of outstanding share	132,990,283	132,990,283
Earnings per share (2014: Restated)	0.41	0.44

sd/-

Md. Forhad Hossain ACA
Chief Financial Officer

sd/-

Md. Akter Hossain Sannamat FCA, FCS
Managing Director & CEO

Union Capital Limited
Cash Flow Statement for the 1st quarter ended 31 March 2015

Figures in BDT

Particulars	2015	2014
Cash flows from operating activities		
Interest receipts	448,500,276	370,330,966
Interest payments	(380,085,851)	(291,211,022)
Fee and commission receipts	3,604,605	7,058,076
Dividend receipts	75,000	975,036
Cash payments to employees	(16,952,863)	(17,798,750)
Cash payments to suppliers and management expenses	(8,798,333)	(6,323,929)
Income taxes paid	(62,696,662)	(38,525,196)
Receipts from other operating activities	1,018,934	1,478,820
Payments for other operating activities	(6,178,223)	(3,540,094)
Cash generated before changes in operating assets and liabilities	(21,513,117)	22,443,906
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	(496,950,184)	(1,116,105,024)
Other assets	204,260,612	136,839,212
Deposits from banks and other financial institutions	40,000,000	2,775,639,387
Deposits from customers	235,937,542	(1,905,916,421)
Other liabilities account of customers	-	-
Trading liabilities	-	-
Other liabilities	192,333,267	88,608,627
Cash generated from operating assets and liabilities	175,581,237	(20,934,219)
Net cash generated from/(used) in operating activities	154,068,120	1,509,687
Cash flows from investing activities		
Proceeds from sale of securities	340,608,905	772,701,070
Payments for purchases of securities	(452,142,211)	(881,226,049)
Purchase of property, plant and equipment	(2,075,350)	(3,218,377)
Proceeds from sale of property, plant and equipment	-	19,501
Net cash used in investing activities	(113,608,656)	(111,723,856)
Cash flows from financing activities		
Dividend paid	-	-
Issuance of preference share	500,000,000	-
Receipts of long term loan	306,972,851	225,381,765
Repayment of long term loan	(136,395,582)	(248,061,626)
Net draw down/(payment) of short term loan	(286,726,387)	82,595,738
Net cash generated from/(used) in financing activities	383,850,882	59,915,877
Net (decrease)/increase in cash and cash equivalents	424,310,346	(50,298,291)
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the quarter	589,778,370	373,781,267
Cash and cash equivalents at end of the quarter	1,014,088,716	323,482,976
Cash and cash equivalents at end of the year represents		
Cash in hand	59,000	59,000
Balance with Bangladesh Bank and its agent bank	153,478,364	117,829,294
Balance with other banks and financial institutions	860,551,352	205,594,681
	1,014,088,716	323,482,976
Supplemental schedule for non-cash financing activities		
Bonus share issued	120,900,250	109,909,326

sd/-

Md. Forhad Hossain ACA
Chief Financial Officer

sd/-

Md. Akter Hossain Sannamat FCA, FCS
Managing Director & CEO

Union Capital Limited

Statement of Changes in shareholders' equity for the year ended 31 March 2015

Figures in BDT

Particulars	Paid-up capital	Preference share	Statutory reserve	Retained earnings	Total
Balance as at 1 January 2015	1,209,002,586	-	323,835,724	169,295,784	1,702,134,094
Net profit for the quarter 2015	-	-	-	54,569,554	54,569,554
Issuance of preference share	-	500,000,000	-	-	500,000,000
Issuance of bonus share (year 2014)	120,900,250	-	-	(120,900,250)	-
Balance as at 31 March 2015	1,329,902,836	500,000,000	323,835,724	102,965,087	2,256,703,648
Balance as at 1 January 2014	1,099,093,265	-	281,817,424	111,131,911	1,492,042,600
Net profit for the quarter 2014	-	-	-	58,068,818	58,068,818
Issuance of bonus share (year 2013)	109,909,326	-	-	(109,909,326)	-
Balance as at 31 March 2014	1,209,002,591	-	281,817,424	59,291,403	1,550,111,418

sd/-

Md. Forhad Hossain ACA
Chief Financial Officer

sd/-

Md. Akter Hossain Sannamat FCA, FCS
Managing Director & CEO

Union capital Limited
Selected explanatory notes to the Financial Statements
As at and for the first quarter (Q1) ended 31 March 2015

Reporting

This first quarterly financial statement 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 2014 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 2014.

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 31 March 2015 and profit for the same period. The number of shares outstanding for the period was 132.99 million.

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 year have been rearranged/restated/reclassified, whenever considered necessary, to conform to current period's presentation.