

NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

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

| | June 30, 2013 Taka | December 31, 2012 Taka |
|---|-----------------------------|-----------------------------|
| PROPERTY AND ASSETS | | |
| Cash: | | |
| In hand (including foreign currencies) | 112,677 | 25,864 |
| Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) | 58,426,873 | 48,935,649 |
| | 58,539,550 | 48,961,513 |
| Balance with banks and other financial institutions: | | |
| In Bangladesh | 1,133,465,021 | 694,639,508 |
| Outside Bangladesh | - | - |
| | 1,133,465,021 | 694,639,508 |
| Money at call and on short notice | | |
| | - | - |
| Investments: | | |
| Government securities | - | - |
| Others | 10,056,392 | 10,056,392 |
| | 10,056,392 | 10,056,392 |
| Loans, advances and leases: | | |
| Loans, cash credits, overdrafts etc. | 4,519,086,709 | 4,274,202,930 |
| Bills purchased and discounted | - | - |
| | 4,519,086,709 | 4,274,202,930 |
| Fixed assets including premises, furniture and fixtures | 34,377,743 | 35,980,730 |
| Other assets | 342,221,107 | 402,973,533 |
| Non-financial institution assets | - | - |
| TOTAL ASSETS | <u>6,097,746,522</u> | <u>5,466,814,606</u> |
| LIABILITIES AND CAPITAL | | |
| Liabilities: | | |
| Borrowing from banks, other financial institutions and agents | 1,323,099,064 | 1,193,263,888 |
| Deposits and other accounts: | | |
| Current deposits and other accounts etc. | 2,332,386,134 | 1,992,009,299 |
| Bills payable | - | - |
| Savings bank deposits | - | - |
| Fixed deposits | 620,000,000 | 700,000,000 |
| Bearer certificate of deposits | - | - |
| Other deposits | 35,473,977 | 47,705,856 |
| | 2,987,860,110 | 2,739,715,155 |
| Other liabilities | 802,882,439 | 618,430,287 |
| Total Liabilities | 5,113,841,613 | 4,551,409,330 |
| Capital/shareholders' equity: | | |
| Paid up capital | 720,720,000 | 686,400,000 |
| Statutory reserve | 203,695,102 | 189,995,175 |
| Retained earnings | 59,489,807 | 39,010,101 |
| Total shareholders' equity | 983,904,909 | 915,405,276 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | <u>6,097,746,522</u> | <u>5,466,814,606</u> |

OFF BALANCE SHEET ITEMS

Contingent Liabilities:

Acceptances and endorsements
Letters of Guarantee
Irrevocable letters of credit
Bills for collection
Tax liability
Other contingent liabilities

| | |
|---|---|
| - | - |
| - | - |
| - | - |
| - | - |
| - | - |
| - | - |
| - | - |

Other Commitments:

Documentary credits and short term trade related transactions
Forward assets purchased and forward deposits placed
Undrawn note issuance and revolving underwriting facilities

| | |
|---|---|
| - | - |
| - | - |
| - | - |
| - | - |

Undrawn formal standby facilities, credit lines and other commitments

| | |
|---|---|
| - | - |
|---|---|

TOTAL OFF BALANCE SHEET ITEMS INCLUDING CONTINGENT LIABILITIES

| | |
|---|---|
| - | - |
|---|---|

(Sayed Ahmed, ACMA)
AVP & Head of Finance

(Md. Abdur Rob)
Managing Director

NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

Profit and Loss Account
For the half year ended June 30, 2013
Provisional & Un-audited

| | January 01 to June 30, 2013 Taka | January 01 to June 30, 2012 Taka | April 01 to June 30, 2013 Taka | April 01 to June 30, 2012 Taka |
|---|--|--|--------------------------------------|--------------------------------------|
| Interest Income | 422,673,348 | 366,017,868 | 221,777,208 | 205,265,124 |
| Interest paid on deposits, borrowings etc. | 266,763,347 | 225,854,205 | 138,399,838 | 115,568,963 |
| Net interest income | 155,910,001 | 140,163,662 | 83,377,370 | 89,696,162 |
| Income from investment | - | 20,405 | - | 3,297 |
| Commission, exchange and brokerage | 44,025 | 33,423 | 31,775 | 10,000 |
| Other operating income | 8,582,122 | 3,423,462 | 4,333,602 | 2,059,718 |
| | 8,626,147 | 3,477,290 | 4,365,377 | 2,073,015 |
| Total operating income (A) | 164,536,148 | 143,640,952 | 87,742,747 | 91,769,176 |
| Salaries and allowances | 16,702,996 | 16,488,245 | 8,325,893 | 8,004,673 |
| Rent, taxes, insurance, electricity etc. | 2,773,313 | 2,688,180 | 1,404,252 | 1,339,157 |
| Legal expenses | 1,194,685 | 1,379,402 | 620,985 | 1,100,702 |
| Postage, stamps, telecommunication etc. | 715,817 | 644,747 | 283,720 | 355,313 |
| Stationery, printing, advertisement etc. | 1,782,029 | 2,052,256 | 1,375,961 | 1,376,551 |
| Managing Director's salary & fees | 2,580,000 | 2,580,000 | 1,290,000 | 1,290,000 |
| Directors' fees and expenses | 517,000 | 215,000 | 282,000 | 135,000 |
| Auditors' fees | - | - | - | - |
| Depreciation on and repairs to institution's assets | 2,361,592 | 2,658,125 | 1,216,615 | 1,397,597 |
| Other expenses | 4,800,066 | 5,055,763 | 3,594,243 | 3,216,097 |
| Total operating expenses (B) | 33,427,498 | 33,761,718 | 18,393,669 | 18,215,090 |
| Profit before provisions (C=A-B) | 131,108,650 | 109,879,234 | 69,349,079 | 73,554,086 |
| Provisions for | | | | |
| Loans, advances and leases | 58,160,333 | 60,958,077 | 771,260 | 55,786,870 |
| Diminution in value of investments | 1,761,930 | 1,062,563 | 1,754,350 | 1,062,563 |
| Others | - | - | - | - |
| Total provisions (D) | 59,922,263 | 62,020,640 | 2,525,610 | 56,849,433 |
| Total profit before taxation (E=C-D) | 71,186,387 | 47,858,594 | 66,823,469 | 16,704,653 |
| Provisions for taxation (F)* | (2,686,754) | (45,223,458) | 1,132,219 | (29,790,831) |
| Net profit after taxation (E-F) | 68,499,633 | 2,635,135 | 67,955,688 | (13,086,178) |
| | | | | |
| Earnings per share | 0.95 | 0.04 | 0.94 | (0.18) |

* Tax Provision adjusted from previous year

(Sayed Ahmed, ACMA)
AVP & Head of Finance

(Md. Abdur Rob)
Managing Director

NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

Cash Flow Statement

For the half year ended June 30, 2013

Provisional & Un-audited

| | January 01 to June 30, 2013 Taka | January 01 to June 30, 2012 Taka |
|--|--|--|
| A. CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Interest receipts in cash | 405,705,339 | 378,584,730 |
| Interest payments | (266,255,503) | (219,937,406) |
| Dividend receipts | - | - |
| Fees and commissions receipts in cash | 44,025 | 33,423 |
| Cash payments to employees | (19,282,996) | (19,068,245) |
| Cash payments to suppliers | (2,728,548) | (3,036,817) |
| Income taxes paid | (15,223,785) | - |
| Cash receipts from other operating activities | 8,582,122 | 3,443,867 |
| Cash payments for other operating activities | (9,411,564) | (9,432,395) |
| Cash generated from operating activities before changes in operating assets and liabilities (i) | 101,429,090 | 130,587,156 |
| Increase/(decrease) in operating assets and liabilities: | | |
| Loans, advances and leases to the client | (281,311,937) | (125,925,068) |
| Other assets | (81,383,607) | (31,855,700) |
| Fixed deposits | (80,000,000) | (300,000,000) |
| Deposits from customers | 340,376,835 | 310,635,767 |
| Other deposits | (12,231,880) | (17,586,383) |
| Other liabilities | (7,516,699) | (8,807,501) |
| Cash utilized in operating assets and liabilities (ii) | (122,067,288) | (173,538,885) |
| Net cash flow from operating activities (i+ii) | (20,638,198) | (42,951,730) |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Sale/(investment) in shares | - | (5,761,042) |
| Acquisition of fixed assets | (477,903) | (2,312,105) |
| Net cash flow from investing activities | (477,903) | (8,073,147) |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Receipt from Issue of right shares | 339,684,475 | - |
| Loan from banks | 129,835,176 | 89,050,357 |
| Cash dividend for the year 2012 & 2011 | - | - |
| Net cash flow from financing activities | 469,519,651 | 89,050,357 |
| D. Net increase/(decrease) in cash and bank balances (A+B+C) | 448,403,550 | 38,025,480 |
| E. Effects of exchange rate changes on cash and cash equivalent | - | - |
| F. Cash and bank balances at beginning of the period | 743,601,021 | 495,590,679 |
| G. Cash and bank balance at closing of the period (D+E+F) | 1,192,004,571 | 533,616,159 |
| Cash and bank balances at end of the period: | | |
| Cash in hand (including foreign currencies) | 112,677 | 52,252 |
| Balance with Bangladesh Bank and its agent bank(s) (including foreign currency) | 58,426,873 | 41,860,715 |
| Balance with banks and other financial institutions | 1,133,465,021 | 491,703,192 |
| Money at call and on short notice | - | - |
| | 1,192,004,571 | 533,616,159 |

(Sayed Ahmed, ACMA)
AVP & Head of Finance

(Md. Abdur Rob)
Managing Director

NATIONAL HOUSING FINANCE AND INVESTMENTS LIMITED

Statement of Changes in Equity
For the half year ended June 30, 2013

Provisional & Un-audited

Figures in Taka

| Particulars | Paid-up Capital | Retained Earnings | Statutory Reserve | Total |
|--|--------------------|-------------------|--------------------|--------------------|
| As at January 01, 2012 | 572,000,000 | 120,259,779 | 181,707,595 | 873,967,374 |
| Net profit for the year | - | 2,635,135 | - | 2,635,135 |
| Cash dividend for the year 2011 | - | - | - | - |
| Issue of Bonus share for the year 2011 | 114,400,000 | (114,400,000) | - | - |
| Transfer to statutory reserve | - | (527,027) | 527,027 | - |
| Balance as at June 30, 2012: | 686,400,000 | 7,967,887 | 182,234,622 | 876,602,509 |
| As at January 01, 2013 | 686,400,000 | 39,010,101 | 189,995,175 | 915,405,276 |
| Changes in accounting policy | - | - | - | - |
| Restated balance | 686,400,000 | 39,010,101 | 189,995,175 | 915,405,276 |
| Surplus/deficit on account of revaluation of properties | - | - | - | - |
| Surplus/deficit on account of revaluation of Investments | - | - | - | - |
| Currency transaction differences | - | - | - | - |
| Net gain/loss not recognized in the income statement | - | - | - | - |
| Net profit for the year | - | 68,499,633 | - | 68,499,633 |
| Cash dividend for the year 2012 | - | - | - | - |
| Issue of bonus share for the year 2012 | 34,320,000 | (34,320,000) | - | - |
| Transfer to statutory reserve | - | (13,699,927) | 13,699,927 | - |
| Balance as at June 30, 2013: | 720,720,000 | 59,489,807 | 203,695,102 | 983,904,909 |

(Sayed Ahmed, ACMA)
AVP & Head of Finance

(Md. Abdur Rob)
Managing Director

National Housing Finance And Investments Limited

Selected Explanatory Notes

Reporting

This half yearly 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 statements for the year ended December 31, 2012, as they provide an update to previously reported information.

Legal Framework

National Housing Finance and Investments Limited is one of the Leading Non Banking Financial Institutions, known of its diversified financial services. The company was incorporated in the year 1998 as a Public Limited Company under the Companies Act, 1994 and licensed by Bangladesh Bank under the Financial Institutions Act, 1993.

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 December 31, 2012.

Net profit after tax of National Housing Finance and Investments Limited

Net profit after tax of National Housing Finance and Investments Limited for the half year ended on June 30, 2013 does not include the profit earned from other concerned.

Capitalization of Right Shares

The company raised regulatory capital Tk. 1000.00 million by issuing 1 (one) right share for every 2 (two) shares of Tk. 10.00 each on July 04, 2013.

Earnings per Share (EPS)

Earnings per Share has been calculated based on number of shares outstanding for the period ended June 30, 2013 and profit for the same period. The number of shares outstanding for the period was 72.072 million. Earnings per shares for the preceding half year of 2012 have also been calculated based on 72.072 million shares.

Approval of half-yearly report

The financial statements for the half-year ended June 30, 2013 were approved by the Board of Directors in its 142th meeting held on July 25, 2013.

Subsequent events

No material events occurred after the reporting date, except increased of capital by Tk. 343.20 million on July 04, 2013, non-disclosure of which could affect the ability of the users of this financial statement to make proper evaluation and decision.

General

The half yearly financial statements for the period ended June 30, 2013 are un-audited. The comparative figures have been restated and rearranged whenever considered necessary to ensure comparability with the current financial statements.

Copies of the half-yearly report

The Company will send its half-yearly report to the shareholders as per rule 13 of Securities and Exchange Rule 1987 and will make copies available from the registered office of the company at National Plaza (7th & 8th floor), 109, Bir Uttam, C.R Datta Road, Dhaka-1205.