

**Arab Bangladesh Bank Limited**  
**Profit and Loss Statement for the year ended 31 December 2006**

	Notes	Amounts in Taka	
		Year ended 31 Dec 2006	Year ended 31 Dec 2005
<b>OPERATING INCOME</b>			
Interest income	20	3,378,338,544	2,262,947,768
Interest paid on deposits, borrowings, etc	21	(2,762,833,939)	(1,571,542,000)
<b>Net interest income</b>		<b>615,504,605</b>	<b>691,405,768</b>
Investment income	22	974,515,836	317,472,805
Commission, exchange and brokerage	23	740,610,379	486,441,224
Other income	24	319,535,254	82,178,472
		<b>2,034,661,469</b>	<b>886,092,501</b>
<b>Total operating income (a)</b>		<b>2,650,166,074</b>	<b>1,577,498,269</b>
<b>OPERATING EXPENSES</b>			
Salary and allowances	25	563,558,879	466,373,810
Rent, taxes, insurance, electricity, etc	26	111,800,004	142,943,673
Legal expenses	27	1,272,304	769,621
Postage, stamps, telecommunication, etc	28	34,257,906	28,528,866
Stationery, printing, advertisement, etc	29	27,218,559	23,404,603
Chief executive's salary and fees		5,119,996	4,691,609
Directors' fees	30	950,547	977,171
Auditors' fees	31	450,700	445,250
Charges on loan losses		-	-
Depreciation and repairs of Bank's assets	32	85,039,847	53,051,297
Other expenses	33	1,109,810,983	101,284,907
<b>Total operating expenses (b)</b>		<b>1,939,479,724</b>	<b>822,470,807</b>
<b>Profit before provision (c = a-b)</b>		<b>710,686,349</b>	<b>755,027,462</b>
Provision against loans and advances	34	162,500,000	212,111,511
Provision for diminution in value of investments	35	16,000,000	-
Other provision	36	-	135,462,343
<b>Total provision (d)</b>		<b>178,500,000</b>	<b>347,573,854</b>
<b>Profit before taxation (c-d)</b>		<b>532,186,349</b>	<b>407,453,608</b>
Provision for taxation	2.13	-	245,000,000
<b>Net profit after taxation</b>		<b>532,186,349</b>	<b>162,453,608</b>
<b>Appropriations</b>			
Statutory reserve	37	106,437,270	81,490,722
General reserve		-	-
Dividends, etc		-	-
		<b>106,437,270</b>	<b>81,490,722</b>
<b>Retained surplus</b>		<b>425,749,080</b>	<b>80,962,887</b>
<b>Earnings per share (EPS)</b>	38	<b>93.08</b>	<b>31.26</b>

The accompanying notes form an integral part of these financial statements.

for Arab Bangladesh Bank Limited

**Sajedur Seraj**  
Vice Chairman

**Golam Sarwar**  
Director

**D.S. Faisal Hyder**  
Director

**Kaiser A. Chowdhury**  
Managing Director

Signed in terms of our report of even date annexed

House 25, Road 13A, Block D  
Banani, Dhaka 1213, Bangladesh  
Dated, 07 May 2007

S. F. AHMED & CO  
Chartered Accountants