

Fidelity Assets & Securities Company Limited
Balance Sheet (Un-audited)
As at March 31, 2010

| Particulars | Amount in Taka | |
|--|------------------------|------------------------|
| | At 31 Mar, 2010 | At 31 Dec, 2009 |
| PROPERTY AND ASSETS | | |
| Cash: | 1,435,084 | 1,030,554 |
| In hand (including foreign currencies) | 40,847 | 3,431 |
| Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) | 1,394,237 | 1,027,123 |
| Balance with other banks and financial institutions | 180,410,221 | 206,935,797 |
| In Bangladesh | 180,410,221 | 206,935,797 |
| Outside Bangladesh | - | - |
| Money at call and on short notice | | |
| Investments | 195,619,570 | 120,253,600 |
| Government | - | - |
| Others | 195,619,570 | 120,253,600 |
| Loans, advances and leases | 1,198,981,553 | 1,052,791,848 |
| Loans, cash credits, overdrafts, and leases etc | 1,198,981,553 | 1,052,791,848 |
| Bills purchases and discounted | - | - |
| Fixed assets including premises, furniture and fixtures | 84,248,560 | 85,017,549 |
| Others assets | 106,376,732 | 92,628,463 |
| Non-Financial Institution's assets | 53,271,231 | 53,271,231 |
| Total Assets | 1,820,342,951 | 1,611,929,042 |
| LIABILITIES AND CAPITAL | | |
| Liabilities: | | |
| Borrowings from other banks, financial institution, and agents | 750,750,262 | 587,545,574 |
| Deposits and other accounts: | 219,821,818 | 222,292,121 |
| Current deposits and other accounts | - | - |
| Bills payable | - | - |
| Savings bank deposits | - | - |
| Short-term deposit | - | - |
| Fixed deposits | 219,821,818 | 222,292,121 |
| Bearer certificates of deposit | - | - |
| Others deposits | - | - |
| Others liabilities | 268,560,449 | 242,796,714 |
| Total Liabilities | 1,239,132,529 | 1,052,634,409 |
| Capital/Shareholders' Equity | 581,210,422 | 559,294,633 |
| Paid-up capital | 390,657,000 | 390,657,000 |
| Statutory reserve | 55,099,334 | 50,716,176 |
| Other reserve | 315,000 | 315,000 |
| Retained earnings | 135,139,088 | 117,606,457 |
| Total Liabilities and Shareholders' Equity | 1,820,342,951 | 1,611,929,042 |
| OFF-BALANCE SHEET ITEMS | | |
| Contingent Liabilities | 70,000,000 | 70,000,000 |
| Acceptances and endorsements | - | - |
| Letters of guarantee | 70,000,000 | 70,000,000 |
| Irrevocable letters of credit | - | - |
| Bills for collection | - | - |
| 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 | 70,000,000 | 70,000,000 |
| Other memorandum items | 823,411,333 | 492,134,761 |

sd/- sd/- sd/- sd/-
Chairman Managing Director & CEO Sr. Vice President & CFO VP & Company Secretary

Fidelity Assets & Securities Company Limited
Profit and Loss Account (Un-audited)
For The Period from 1st January-2010 to 31st March-2010

| Particulars | Amount in Taka | |
|--|-----------------------|-------------------|
| | 31-03-2010 | 31-03-2009 |
| <u>OPERATING INCOME</u> | | |
| Interest Income | 35,872,754 | 41,920,119 |
| Less: Interest paid on deposit and borrowings, etc. | 12,378,739 | 13,951,607 |
| Net Interest income | 23,494,015 | 27,968,512 |
| Investment income | 14,771,754 | 7,041,309 |
| Commission, exchange and brokerage | - | - |
| Other operating income | 256,175 | 4,781,140 |
| | 15,027,929 | 11,822,449 |
| Total operating income (a) | 38,521,944 | 39,790,961 |
| <u>OPERATING EXPENSES</u> | | |
| Salary and allowances | 2,154,813 | 1,768,852 |
| Rent, taxes, insurance, electricity, etc. | 352,365 | 221,385 |
| Legal expenses | 226,340 | 99,001 |
| Postage, stamps, telecommunication, etc. | 147,769 | 139,065 |
| Stationery, Printing, advertisement, etc. | 97,870 | 185,413 |
| Chief executives salary & fees | 596,700 | 546,000 |
| Director's fees | - | - |
| Auditor's fees | - | - |
| Charge on loan losses | - | - |
| Depreciation and repairs of FI's assets | 1,580,437 | 471,644 |
| Other expenses | 1,565,775 | 884,798 |
| Total operating expenses (b) | 6,722,069 | 4,316,158 |
| Profit before provision (c=a-b) | 31,799,875 | 35,474,803 |
| Provision against loans, advances and Leases | 5,000,000 | 5,087,205 |
| Provision for diminution in value of investments | 8,148,667 | 21,620,682 |
| Other provisions | - | - |
| Total provision (d) | 13,148,667 | 26,707,887 |
| Profit before taxation (other than merchant bank) (c-d) | 18,651,208 | 8,766,916 |
| Profit on merchant banking operations (annexture-1) | 8,545,624 | 190,874 |
| Profit before taxation | 27,196,832 | 8,957,790 |
| Provision for taxation | 5,281,043 | 1,003,581 |
| Current tax | 5,281,043 | 1,003,581 |
| Deferred tax | - | - |
| Net profit after taxation | 21,915,789 | 7,954,209 |
| Appropriations | 4,383,158 | 1,590,842 |
| Statutory reserve | 4,383,158 | 1,590,842 |
| General reserve | - | - |
| Dividend, etc. | - | - |
| Retained surplus | 17,532,631 | 6,363,367 |
| Earnings per share (EPS) | 5.61 | 2.04 |

sd/-
Chairman

sd/-
Managing Director & CEO

sd/-
Sr. Vice President & CFO

sd/-
VP & Company Secretary

Fidelity Assets & Securities Company Limited
Profit and Loss Account (Un-audited)
Merchant Banking Operations
For The Period from 1st January-2010 to 31st March-2010

Annexure-1

| Particulars | Amount in Taka | |
|--|-----------------------|-------------------|
| | 31-03-2010 | 31-03-2009 |
| <u>OPERATING INCOME</u> | | |
| Interest Income | 13,642,782 | 1,256,372 |
| Interest paid on deposit and borrowings, etc. | 8,252,492 | 1,050,121 |
| Net Interest income | 5,390,290 | 206,251 |
| Investment income | - | - |
| Commission, exchange and brokerage | - | 35,000 |
| Other operating income | 7,366,951 | 857,375 |
| | 7,366,951 | 892,375 |
| Total operating income (a) | 12,757,241 | 1,098,626 |
| <u>OPERATING EXPENSES</u> | | |
| Salary and allowances | 454,515 | 238,817 |
| Rent, taxes, insurance, electricity, etc. | - | - |
| Legal expenses | - | - |
| Postage, stamps, telecommunication, etc. | 15,630 | 2,845 |
| Stationery, Printing, advertisement, etc. | 11,463 | 1,955 |
| Chief executives salary & fees | 456,300 | 234,000 |
| Director's fees | - | - |
| Auditor's fees | - | - |
| Charge on loan losses | - | - |
| Depreciation and repairs of FI's assets | 1,025,980 | 312,953 |
| Other expenses | 310,993 | 117,182 |
| Total operating expenses (b) | 2,274,881 | 907,752 |
| Profit before provision (c=a-b) | 10,482,360 | 190,874 |
| Provision against loans & advances | 1,936,736 | - |
| Other provisions | - | - |
| Total provision (d) | 1,936,736 | - |
| Profit/(Loss) transferred to combined profit and loss account | 8,545,624 | 190,874 |

sd/-
Chairman

sd/-
Managing Director & CEO

sd/-
Sr. Vice President & CFO

sd/-
VP & Company Secretary

Fidelity Assets & Securities Company Limited
Cash Flow Statement (Un-audited)
For The Period from 1st January-2010 to 31st March-2010

| Particulars | Amount in Taka | |
|--|-----------------------|---------------------|
| | 31-03-2010 | 31-03-2009 |
| Cash Flows From Operating Activities | | |
| Interest receipts | 34,068,294 | 24,513,129 |
| Interest payments | (19,848,937) | (12,464,024) |
| Dividend receipts | 1,923 | 945,380 |
| Fee and commission receipts | 75,000 | 35,000 |
| Payments to employees | (4,341,484) | (3,515,614) |
| Income taxes paid | (8,659,440) | (3,743,035) |
| Receipts from other operating activities | 22,447,957 | 11,734,444 |
| payment for other operating activities | (3,428,057) | (4,881,176) |
| Operating profit before changes in operating assets & liabilities | 20,315,256 | 12,624,104 |
| Increase/decrease in operating assets and liabilities | | |
| Loans advances and leases to customers | (140,540,408) | (51,276,795) |
| Other assets | 1,687,300 | (429,200) |
| Deposit from customers | (2,470,303) | 1,915,183 |
| Other liabilities to customer | 15,397,656 | 15,081,713 |
| Trading liabilities (short-term borrowing) | 38,390,364 | 35,916,855 |
| Other liabilities | 7,684 | 74,832 |
| | (87,527,707) | 1,282,588 |
| Net cash from/ (used in) operating activities (a) | (67,212,451) | 13,906,692 |
| Cash Flows From Investing Activities | | |
| Purchase/Sale of trading securities, shares, bonds, etc. | (81,926,960) | (8,482,764) |
| Purchase/Sale of property, plant and equipment | (1,795,960) | (51,975) |
| Net cash used in investing activities (b) | (83,722,920) | (8,534,739) |
| Cash Flows from Financing Activities | | |
| Increase/ (decrease) of long-term borrowings | 124,814,325 | (35,088,622) |
| Dividend paid | - | - |
| Net cash flow from financing activities (c) | 124,814,325 | (35,088,622) |
| Net increase/(decrease) in cash (a+b+c) | (26,121,046) | (29,716,669) |
| Effects of exchange rate changes on cash and cash equivalents | | |
| Cash and cash equivalents at beginning of the period | 207,966,351 | 52,783,913 |
| Cash and cash equivalents at end of the period* | 181,845,305 | 23,067,244 |
| *Cash and cash equivalents at end of the period | | |
| Cash in hand and balance with Bangladesh Bank | 1,435,084 | 661,489 |
| Balance with other banks | 180,410,221 | 22,405,755 |
| | 181,845,305 | 23,067,244 |

sd/-
Chairman

sd/-
Managing Director & CEO

sd/-
Sr. Vice President & CFO

sd/-
VP & Company Secretary

Fidelity Assets & Securities Company Limited
Statement of Changes in Equity (Un-audited)
For The Period from 1st January-2010 to 31st March-2010

Amount in Taka

| Particulars | Paid-up capital | Statutory reserve | General reserve | Capital reserve | Retained earning | Total |
|--|------------------------|--------------------------|------------------------|------------------------|-------------------------|--------------------|
| Balance as at 01 January 2010 | 390,657,000 | 50,716,176 | - | 315,000 | 117,606,457 | 559,294,633 |
| Effects of changes in accounting policy | - | - | - | - | - | - |
| Restated Balance | 390,657,000 | 50,716,176 | - | 315,000 | 117,606,457 | 559,294,633 |
| Surplus/deficit on account of revaluation of properties | - | - | - | - | - | - |
| Surplus/deficit on account of revaluation of investments | - | - | - | - | - | - |
| Currency translation differences | - | - | - | - | - | - |
| Net gains and losses not recognized in the Profit and Loss Account | - | - | - | - | - | - |
| Net profit after taxation for the period | - | - | - | - | 21,915,789 | 21,915,789 |
| Transfer to statutory reserve | - | 4,383,158 | - | - | (4,383,158) | - |
| Dividend | - | - | - | - | - | - |
| Issue of share capital | - | - | - | - | - | - |
| Balance as at 31 March 2010 | 390,657,000 | 55,099,334 | - | 315,000 | 135,139,088 | 581,210,422 |

For The Period from 1st January-2009 to 31st March-2009

Amount in Taka

| Particulars | Paid-up capital | Statutory reserve | General reserve | Capital reserve | Retained earning | Total |
|--|------------------------|--------------------------|------------------------|------------------------|-------------------------|--------------------|
| Balance as at 01 January 2009 | 390,657,000 | 33,595,503 | - | 315,000 | 96,002,607 | 520,570,110 |
| Effects of changes in accounting policy | - | - | - | - | - | - |
| Restated Balance | 390,657,000 | 33,595,503 | - | 315,000 | 96,002,607 | 520,570,110 |
| Surplus/deficit on account of revaluation of properties | - | - | - | - | - | - |
| Surplus/deficit on account of revaluation of investments | - | - | - | - | - | - |
| Currency translation differences | - | - | - | - | - | - |
| Net gains and losses not recognized in the Profit and Loss Account | - | - | - | - | - | - |
| Net profit after taxation for the period | - | - | - | - | 7,954,209 | 7,954,209 |
| Transfer to statutory reserve | - | 1,590,842 | - | - | (1,590,842) | - |
| Dividend | - | - | - | - | - | - |
| Issue of share capital | - | - | - | - | - | - |
| Balance as at 31 March 2009 | 390,657,000 | 35,186,345 | - | 315,000 | 102,365,974 | 528,524,319 |

sd/-
Chairman

sd/-
Managing Director & CEO

sd/-
Senior Vice President & CFO

sd/-
Vice President & Company Secretary