

FINANCIAL STATEMENTS (UNAUDITED)

OF

TRUST BANK LIMITED

FOR THE SECOND QUARTER ENDED 30 JUNE 2018

TRUST BANK LIMITED
and its subsidiaries
Consolidated Balance Sheet (Unaudited)
As at 30 June 2018

	Notes	30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
PROPERTY AND ASSETS			
Cash			
Cash in hand (including foreign currencies)	3	3,381,402,983	3,200,839,875
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		15,289,811,604	12,533,909,320
		18,671,214,587	15,734,749,195
Balance with other banks and financial institutions			
In Bangladesh	4 (a)	5,855,712,503	2,401,769,977
Outside Bangladesh		1,611,493,412	1,647,171,366
		7,467,205,915	4,048,941,343
Money at call and short notice			
	5	1,700,000,000	-
Investments			
Government	6 (a)	25,615,268,719	25,596,870,065
Others		6,111,693,365	5,018,363,741
		31,726,962,084	30,615,233,806
Loans and Advances/Islami Banking Investments			
Loans, Cash Credit, Overdrafts etc./ Investment	7 (a)	184,323,563,078	182,876,655,537
Bills purchased and discounted		3,890,765,512	4,369,853,447
		188,214,328,590	187,246,508,984
Fixed assets including premises, furniture and fixtures			
	8 (a)	679,912,363	712,868,478
Other assets			
	9 (a)	4,467,365,689	2,960,877,649
Non-banking assets			
		-	-
Total Assets		252,926,989,228	241,319,179,455
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10 (a)	15,379,900,759	16,565,960,958
Deposits and other accounts			
Current / Al-wadeeah Current Accounts and other Accounts	11 (a)	24,419,408,816	28,172,405,389
Bills Payable		4,547,244,280	2,685,106,501
Savings Bank / Mudaraba Savings Deposits		29,824,354,147	28,898,709,201
Fixed Deposits / Mudaraba Term Deposits		153,347,210,588	140,517,973,798
Bearer Certificates of Deposit		-	-
Other Deposits		-	-
		212,138,217,831	200,274,194,889
Other liabilities	12 (a)	13,451,149,379	12,004,121,227
Total Liabilities		240,969,267,969	228,844,277,074
Capital/Shareholders' Equity			
Paid up Capital	13	5,569,662,160	5,569,662,160
Minority Interest	13 (a)	795	789
Foreign Currency Translation Reserve		1,879,623	1,780,871
Statutory Reserve	14	5,152,385,449	4,815,477,540
Other Reserve	15	922,420	5,447,527
Retained Earnings	16 (a)	1,232,870,812	2,082,533,494
Total Shareholders' Equity		11,957,721,259	12,474,902,381
Total Liabilities and Shareholders' Equity		252,926,989,228	241,319,179,455

Notes	30.06.2018 (Uaudited) Taka	31.12.2017 (Audited) Taka
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OFF-BALANCE SHEET ITEMS

Contingent Liabilities

17 (a)

Acceptances and endorsements	24,641,380,471	17,979,437,869
Letter of Guarantees	35,810,740,782	32,401,820,473
Irrevocable Letter of Credits	28,385,453,464	37,093,735,397
Bills for collection	3,775,395,450	3,706,832,462
	92,612,970,167	91,181,826,201

Other Contingent Liabilities

Value of travelers' cheques in hand

Total:

-	-
92,612,970,167	91,181,826,201

Other commitments

Documentary Credit and short term trade -related transactions
 Forward assets purchased and forward deposits placed
 Undrawn note issuance and revolving facilities
 Undrawn formal standby facilities, credit lines and other commitments

-	-
-	-
-	-
-	-
92,612,970,167	91,181,826,201

Total Off-Balance Sheet items including contingent liabilities



Chief Financial Officer



Company Secretary



Managing Director



Director




Vice Chairman

TRUST BANK LIMITED
and its subsidiaries
Consolidated Profit and Loss Account
For the half-year ended 30 June 2018

Notes	1 January to 30 June 2018 Taka	1 January to 30 June 2017 Taka	1 April to 30 June 2018 Taka	1 April to 30 June 2017 Taka
Interest income / Profit on Investment	18 (a) 8,420,891,481	6,723,009,095	4,399,768,911	3,480,614,518
Interest / Profit paid on deposits and borrowings etc.	19 (a) 5,352,128,008	4,260,608,277	2,893,733,466	2,137,947,658
Net interest income	3,068,763,473	2,462,400,818	1,506,035,445	1,342,666,860
Income from investments	20 (a) 1,026,668,475	1,165,449,176	513,231,371	546,832,721
Commission, exchange and brokerage	21 (a) 450,179,614	745,945,585	200,543,901	447,708,323
Other operating income	22 (a) 240,297,425	300,509,057	154,825,065	199,148,951
	1,717,145,514	2,211,903,818	868,600,337	1,193,689,995
Total operating income	4,785,908,987	4,674,304,636	2,374,635,782	2,536,356,855
Salaries and allowances	23 (a) 981,007,354	909,223,146	534,954,471	479,042,346
Rent, taxes, insurance, electricity, etc.	24 (a) 365,617,328	342,528,437	179,561,150	172,581,280
Legal expenses	511,335	564,230	161,551	520,680
Postage, stamps, telecommunications, etc.	25 (a) 44,285,353	56,506,622	27,663,311	28,604,388
Stationery, printing, advertisement etc.	26 (a) 24,316,642	23,075,084	12,620,083	13,367,005
Managing Director's salary and benefits	5,854,009	6,835,800	3,734,550	3,732,900
Directors' fees	27 (a) 1,659,000	1,820,000	949,000	1,072,000
Auditors' fee	-	-	-	-
Charges on loan losses	-	-	-	-
Depreciation and repair of bank's assets	28 (a) 124,139,202	116,984,317	62,462,902	62,067,981
Other expenses	29 (a) 280,905,021	284,238,249	139,536,639	143,302,335
Total operating expenses	1,828,295,244	1,741,775,885	961,643,657	904,290,915
Profit before provision	2,957,613,743	2,932,528,751	1,412,992,125	1,632,065,940
Provision for loans & advances / Investments	30 (a) 1,258,041,000	378,153,000	795,072,000	184,725,500
Provision for Diminution in value of Investment	31 (a) 2,034,932	(3,853,863)	1,903,340	1,037,535
Other provision	32 (26,334,720)	248,099,335	(23,853,820)	211,247,521
	1,233,741,212	622,398,472	773,121,520	397,010,556
Total Profit before Taxes	1,723,872,531	2,310,130,279	639,870,605	1,235,055,384
Provision for Taxation				
Current tax	12.5 (a) 1,125,683,437	1,146,454,991	496,285,869	648,426,401
Deferred tax	(2,988,571)	(14,122,234)	3,053,234	(6,901,810)
	1,122,694,866	1,132,332,757	499,339,103	641,524,591
Net Profit after Taxation	601,177,665	1,177,797,522	140,531,502	593,530,793
Appropriations				
Statutory Reserve	14.1 336,907,909	431,398,761	124,942,361	240,845,787
General reserve	-	-	-	-
	336,907,909	431,398,761	124,942,361	240,845,787
Retained surplus	264,269,756	746,398,761	15,589,141	352,685,006
Earning per share (EPS)	34 (a) 1.08	2.11	0.25	1.07



Chief Financial Officer



Company Secretary



Managing Director



Director



Vice Chairman

TRUST BANK LIMITED
and its subsidiaries
Consolidated Cash Flow Statements
For the half-year ended 30 June 2018

	1 January to 30 June 2018 Taka	1 January to 30 June 2017 Taka
A. Cash flow from operating activities		
Interest received in cash	7,216,739,001	5,758,455,349
Interest payments	(4,983,713,263)	(4,586,663,946)
Dividend receipts	23,807,572	7,788,414
Fees and commission receipts in cash	447,051,130	703,806,115
Recoveries of loans previously written off	412,728	-
Cash paid to employees	(1,012,351,387)	(1,152,699,746)
Cash paid to suppliers	(17,332,834)	(19,070,019)
Income Taxes paid	(1,490,449,145)	(1,078,387,588)
Received from other operating activities (item-wise)	1,222,554,288	1,608,764,467
Payments for other operating activities (item-wise)	(710,179,058)	(810,168,758)
Operating profit before changes in operating Assets and Liabilities	696,539,032	431,824,288
Increase/(Decrease) in operating assets & liabilities		
Statutory Deposits	-	-
Net Investment in trading securities	(1,093,329,624)	(1,673,355,563)
Loan & advance to other banks	-	-
Loan & advance to customers	(619,310,113)	(24,690,074,851)
Other assets (item-wise)	(338,960,800)	(145,108,170)
Deposits from other banks	(308,397,657)	621,087,901
Deposits from customers	11,815,238,055	10,046,799,240
Other liabilities account of customers	-	-
Trading liabilities	-	-
Other liabilities (item-wise)	273,591,512	637,380,092
Net cash from operating activities (A)	10,425,370,405	(14,771,447,063)
B. Cash flow from investing activities		
Proceeds from sale of securities	-	-
Payments for purchase of government securities	(21,909,061)	4,397,778,237
Purchase of property, plant & equipment	(55,978,965)	(19,565,347)
Purchase of intangible assets	(1,188,658)	(21,089,682)
Sale of property, plant & equipment	(23,550)	67,921
Purchase/ Sale of Subsidiary	-	-
Net cash from investing activities (B)	(79,100,234)	4,357,191,129
C. Cash flow from financing activities		
Increase/(Decrease) in Borrowing:		
Call loan	-	1,200,000,000
Other borrowings	(1,186,115,001)	819,228,639
Dividend paid in cash	(1,113,932,432)	(759,499,386)
Net cash from financing activities (C)	(2,300,047,433)	1,259,729,253
D. Net increase in Cash and Cash Equivalent (A+B+C)	8,046,222,738	(9,154,526,681)
E. Effects of exchange rate changes on cash and cash equivalents	9,521,926	23,092,972
F. Opening Cash and Cash Equivalent	19,788,044,938	31,424,380,197
G. Cash and cash equivalents at end of year (D+E+F)	27,843,789,602	22,292,946,488
Consolidated Cash and Cash Equivalents at the end of the year		
Cash in hand (including foreign currencies)	3,381,402,983	3,002,800,619
Balance with Bangladesh Bank & Sonali Bank (Incl. FCs)	15,289,811,604	14,913,625,362
Balance with Other Bank and Financial Institutions	7,467,205,915	4,372,645,107
Money at call and short notice	1,700,000,000	-
Prize Bond	5,369,100	3,875,400
Total	27,843,789,602	22,292,946,488

TRUST BANK LIMITED
and its subsidiaries
Consolidated Statement of changes in Equity
For the period from January to June 30, 2018 (Second Quarter)

Particulars	Paid up Capital	Share Premium Account	Minority Interest	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 01 January 2018	5,569,662,160	-	789	1,780,871	4,815,477,540	5,447,527	2,082,533,494	12,474,902,381
Changes in accounting policy	-	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	-	(4,525,107)	-	(4,525,107)
Currency transaction difference	-	-	-	98,752	-	-	-	98,752
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	6	-	-	-	601,177,659	601,177,665
Statutory reserve	-	-	-	-	336,907,909	-	(336,907,909)	-
Dividends (Bonus Share)	-	-	-	-	-	-	-	-
Dividends (Cash)	-	-	-	-	-	-	(1,113,932,432)	(1,113,932,432)
Issue of Share Capital	-	-	-	-	-	-	-	-
Balance as at 30 June 2018	5,569,662,160	-	795	1,879,623	5,152,385,449	922,420	1,232,870,812	11,957,721,259

TRUST BANK LIMITED
and its subsidiaries
Consolidated Statement of changes in Equity
For the period from January to June 30, 2017 (Second Quarter)

Particulars	Paid up Capital	Share Premium Account	Minority Interest	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 01 January 2017	5,063,329,240	-	789	452,615	4,027,401,519	39,863,658	2,385,582,491	11,516,630,312
Changes in accounting policy	-	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	-	(39,141,645)	-	(39,141,645)
Currency transaction difference	-	-	-	176,697	-	-	-	176,697
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	27	-	-	-	1,177,797,495	1,177,797,522
Statutory reserve	-	-	-	-	431,398,761	-	(431,398,761)	-
Dividends (Bonus Share)	506,332,920	-	-	-	-	-	(506,332,920)	-
Dividends (Cash)	-	-	-	-	-	-	(759,499,386)	(759,499,386)
Issue of Share Capital	-	-	-	-	-	-	-	-
Balance as at 30 June 2017	5,569,662,160	-	816	629,312	4,458,800,280	722,013	1,866,148,919	11,895,963,500

TRUST BANK LIMITED

**Balance Sheet
As at 30 June 2018**

	Notes	30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
PROPERTY AND ASSETS			
Cash			
Cash in hand (including foreign currencies)	3	3,381,402,983	3,200,839,875
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		15,289,811,604	12,533,909,320
		18,671,214,587	15,734,749,195
Balance with other banks and financial institutions			
In Bangladesh	4	5,788,176,494	2,319,551,445
Outside Bangladesh		1,611,493,412	1,647,171,366
		7,399,669,906	3,966,722,811
Money at call and short notice			
	5	1,700,000,000	-
Investments			
Government	6	25,615,268,719	25,596,870,065
Others		3,948,504,037	2,948,592,453
		29,563,772,756	28,545,462,518
Loans and Advances/Islami Banking Investments			
Loans, Cash Credit, Overdrafts etc./ Investment	7	182,025,641,095	180,540,849,907
Bills purchased and discounted		3,890,765,512	4,369,853,447
		185,916,406,607	184,910,703,354
Fixed assets including premises, furniture and fixtures			
	8	671,760,539	704,060,104
Other assets			
	9	7,419,053,657	5,908,931,354
Non-banking assets			
		-	-
Total Assets		251,341,878,052	239,770,629,336
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	15,373,725,335	16,536,740,374
Deposits and other accounts			
Current / Al-wadeeah Current Accounts and other Accounts	11	24,602,281,644	28,351,664,343
Bills Payable		4,547,244,280	2,685,106,501
Savings Bank / Mudaraba Savings Deposits		29,824,354,147	28,898,709,201
Fixed Deposits / Mudaraba Term Deposits		153,347,210,588	140,517,973,798
Bearer Certificates of Deposit		-	-
Other Deposits		-	-
		212,321,090,659	200,453,453,843
Other liabilities	12	12,080,698,372	10,668,251,948
Total Liabilities		239,775,514,366	227,658,446,165
Capital/Shareholders' Equity			
Paid up Capital	13	5,569,662,160	5,569,662,160
Foreign Currency Translation Reserve		1,879,623	1,780,871
Statutory Reserve	14	5,152,385,449	4,815,477,540
Other Reserve	15	922,420	5,447,527
Retained Earnings	16	841,514,034	1,719,815,073
Total Shareholders' Equity		11,566,363,686	12,112,183,171
Total Liabilities and Shareholders' Equity		251,341,878,052	239,770,629,336

Notes	30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
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OFF-BALANCE SHEET ITEMS

Contingent Liabilities

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Acceptances and endorsements
Letter of Guarantees
Irrevocable Letter of Credits
Bills for collection

24,641,380,471	17,979,437,869
35,750,210,782	32,341,290,473
28,385,453,464	37,093,735,397
3,775,395,450	3,706,832,462
92,552,440,167	91,121,296,201

Other Contingent Liabilities

Value of travelers' cheques in hand

Total:

-	-
92,552,440,167	91,121,296,201

Other commitments

Documentary Credit and short term trade -related transactions
Forward assets purchased and forward deposits placed
Undrawn note issuance and revolving facilities
Undrawn formal standby facilities, credit lines and other commitments


-	-
-	-
-	-
-	-
-	-

Total Off-Balance Sheet items including contingent liabilities

92,552,440,167	91,121,296,201
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Chief Financial Officer




Company Secretary



Managing Director



Director




Vice Chairman

TRUST BANK LIMITED

Profit and Loss Account
For the half-year ended 30 June 2018

Notes	1 January to 30 June 2018 Taka	1 January to 30 June 2017 Taka	1 April to 30 June 2018 Taka	1 April to 30 June 2017 Taka	
Interest income / Profit on Investment	18	8,388,952,163	6,701,532,189	4,392,843,128	3,470,270,907
Interest / Profit paid on deposits and borrowings etc.	19	5,352,132,078	4,259,657,054	2,893,658,574	2,137,417,409
Net interest income		3,036,820,085	2,441,875,135	1,499,184,554	1,332,853,498
Income from investments	20	1,009,772,067	1,045,025,187	504,050,614	526,925,617
Commission, exchange and brokerage	21	445,249,335	726,187,225	197,468,294	443,100,955
Other operating income	22	221,902,653	272,655,398	141,931,686	184,315,826
		1,676,924,055	2,043,867,810	843,450,594	1,154,342,398
Total operating income		4,713,744,140	4,485,742,945	2,342,635,148	2,487,195,896
Salaries and allowances	23	964,478,735	892,450,616	526,265,012	469,915,969
Rent, taxes, insurance, electricity, etc.	24	357,395,669	335,542,928	175,360,180	169,021,294
Legal expenses		507,635	549,280	159,551	505,730
Postage, stamps, telecommunications, etc.	25	43,895,710	55,295,077	27,440,976	28,094,840
Stationery, printing, advertisement etc.	26	24,132,316	22,908,950	12,507,393	13,275,717
Managing Director's salary and benefits		4,759,909	5,745,000	3,187,500	3,187,500
Directors' fees	27	1,587,000	1,679,000	892,000	1,024,000
Auditors' fee		-	-	-	-
Charges on loan losses		-	-	-	-
Depreciation and repair of bank's assets	28	122,986,279	115,700,662	61,788,052	61,370,988
Other expenses	29	275,720,128	276,294,157	137,069,564	140,330,955
Total operating expenses		1,795,463,381	1,706,165,670	944,670,228	886,726,993
Profit before provision		2,918,280,759	2,779,577,275	1,397,964,920	1,600,468,903
Provision for loans & advances / Investments	30	1,258,041,000	378,153,000	795,072,000	184,725,500
Provision for Diminution in value of Investment	31	2,034,932	(3,668,863)	2,034,932	266,949
Other provision	32	(26,334,720)	248,099,335	(23,853,820)	211,247,521
		1,233,741,212	622,583,472	773,253,112	396,239,970
Total Profit before Taxes		1,684,539,547	2,156,993,803	624,711,808	1,204,228,933
Provision for Taxation				-	
Current tax	12.5	1,115,000,000	1,128,000,000	494,000,000	647,000,000
Deferred tax		(2,999,755)	(14,126,095)	3,046,639	(6,905,715)
		1,112,000,245	1,113,873,905	497,046,639	640,094,285
Net Profit after Taxation		572,539,302	1,043,119,898	127,665,169	564,134,648
Appropriations					
Statutory Reserve	14.1	336,907,909	431,398,761	124,942,361	240,845,787
General reserve		-	-	-	-
		336,907,909	431,398,761	124,942,361	240,845,787
Retained surplus		235,631,393	611,721,137	2,722,808	323,288,861
Earning per share (EPS)	34	1.03	1.87	0.23	1.01


Chief Financial Officer


Company Secretary


Managing Director


Director


Vice Chairman

TRUST BANK LIMITED

**Cash Flow Statements
For the half-year ended 30 June 2018**

	January to June 30, 2018 Taka	1 January to 30 June 2017 Taka
A. Cash flow from operating activities		
Interest received in cash	7,184,873,815	5,736,977,163
Interest payments	(4,983,791,465)	(4,585,711,443)
Dividend receipts	16,588,894	573,308
Fees and commission receipts in cash	447,051,130	703,805,456
Recoveries of loans previously written off	412,728	-
Cash paid to employees	(999,907,285)	(1,139,377,076)
Cash paid to suppliers	(17,190,404)	(18,949,138)
Income Taxes paid	(1,472,022,334)	(1,057,902,028)
Received from other operating activities (item-wise)	1,189,551,506	1,447,805,098
Payments for other operating activities (item-wise)	(691,213,540)	(790,023,465)
Operating profit before changes in operating Assets and Liabilities	674,353,045	297,197,875
Increase/(Decrease) in operating assets & liabilities		
Statutory Deposits	-	-
Net Investment in trading securities	(999,911,584)	(1,281,160,278)
Loan & advance to other banks	-	-
Loan & advance to customers	(649,159,137)	(24,854,528,869)
Other assets (item-wise)	(353,151,590)	(122,701,878)
Deposits from other banks	(308,397,657)	621,087,901
Deposits from customers	11,818,851,929	9,813,314,182
Other liabilities account of customers	-	-
Trading liabilities	-	-
Other liabilities (item-wise)	234,115,880	690,059,875
Net cash from operating activities (A)	10,416,700,886	(14,836,731,192)
B. Cash flow from investing activities		
Proceeds from sale of securities	-	-
Payments for purchase of government securities	(21,909,061)	4,397,778,237
Purchase of property, plant & equipment	(55,726,885)	(19,565,347)
Purchase of intangible assets	(1,188,658)	(21,089,682)
Sale of property, plant & equipment	(23,550)	67,921
Purchase/ Sale of Subsidiary	-	-
Net cash from investing activities (B)	(78,848,154)	4,357,191,129
C. Cash flow from financing activities		
Increase/(Decrease) in Borrowing:	-	-
Call loan	-	1,200,000,000
Other borrowings	(1,163,015,039)	859,133,940
Dividend paid in cash	(1,113,932,432)	(759,499,386)
Net cash from financing activities (C)	(2,276,947,471)	1,299,634,554
D. Net increase in Cash and Cash Equivalent (A+B+C)	8,060,905,261	(9,179,905,509)
E. Effects of exchange rate changes on cash and cash equivalents	9,521,926	23,092,972
F. Opening Cash and Cash Equivalent	19,705,826,406	31,354,042,840
G. Cash and cash equivalents at end of year (D+E+F)	27,776,253,593	22,197,230,303
Cash and Cash Equivalents at the end of the year		
Cash in hand (including foreign currencies)	3,381,402,983	3,002,800,619
Balance with Bangladesh Bank & Sonali Bank (Incl. FCs)	15,289,811,604	14,913,625,362
Balance with Other Bank and Financial Institutions	7,399,669,906	4,276,928,922
Money at call and short notice	1,700,000,000	-
Prize Bond	5,369,100	3,875,400
Total	27,776,253,593	22,197,230,303

TRUST BANK LIMITED

Statement of changes in Equity
For the period from January to June 30, 2018 (Second Quarter)

Particulars	Paid up Capital	Share Premium Account	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 01 Jan 2018	5,569,662,160	-	1,780,871	4,815,477,540	5,447,527	1,719,815,073	12,112,183,171
Changes in accounting policy	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	(4,525,107)	-	(4,525,107)
Currency transaction difference	-	-	98,752	-	-	-	98,752
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	-	572,539,302	572,539,302
Statutory reserve	-	-	-	336,907,909	-	(336,907,909)	-
Dividends (Bonus Share)	-	-	-	-	-	-	-
Dividends (Cash)	-	-	-	-	-	(1,113,932,432)	(1,113,932,432)
Issue of Share Capital	-	-	-	-	-	-	-
Balance as at 30 June 2018	5,569,662,160	-	1,879,623	5,152,385,449	922,420	841,514,034	11,566,363,686

TRUST BANK LIMITED

Statement of changes in Equity
For the period from January to June 30, 2017 (Second Quarter)

Particulars	Paid up Capital	Share Premium Account	Foreign Currency Translation Reserve	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 01 January 2017	5,063,329,240	-	452,615	4,027,401,519	39,863,658	2,044,117,600	11,175,164,632
Changes in accounting policy	-	-	-	-	-	-	-
Restated Balance	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	(39,141,645)	-	(39,141,645)
Currency transaction difference	-	-	176,697	-	-	-	176,697
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit/(loss) for the year after tax	-	-	-	-	-	1,043,119,898	1,043,119,898
Statutory reserve	-	-	-	431,398,761	-	(431,398,761)	-
Dividends (Bonus Share)	506,332,920	-	-	-	-	(506,332,920)	-
Dividends (Cash)	-	-	-	-	-	(759,499,386)	(759,499,386)
Issue of Share Capital	-	-	-	-	-	-	-
Balance as at 30 June 2017	5,569,662,160	-	629,312	4,458,800,280	722,013	1,390,006,431	11,419,820,196

TRUST BANK LIMITED
Notes to the Financial Statements

For the Period from January to June 30, 2018 (Second Quarter)

1 The Bank & its activities:

Trust Bank Limited is a scheduled commercial bank established under the Bank Company Act, 1991 and incorporated as a Public Limited Company under the Companies Act, 1994 in Bangladesh on 17 June 1999 with the primary objective to carry on all kinds of banking business in and outside Bangladesh.

The Bank has One Hundred Two (104) branches and six (6) SME Service Centers/Krishi Branch are operating in Bangladesh as at 30 June 2018. The Bank has no overseas branches as at 30 June 2018. The bank is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly traded company for its general class of shares.

The registered office of the Bank is located at Shadhinata Tower, Shaheed Jahangir Gate, Dhaka Cantt., Dhaka-1206.

Initially the bank has started its operation in the name of "The Trust Bank Limited" but on 12 November 2006 it was renamed as "Trust Bank Limited" by the Registrar of Joint Stock Companies. The new name of the bank was approved by Bangladesh Bank on 03 December 2006.

The Principal activities of the Bank to provide full range of banking services that include deposit banking, loans & advances, export, import and financing national and international remittance facilities etc.

1.1 Off-shore Banking Unit

The Bank obtained Off-shore Banking Unit Permission vide letter no. BRPB(P-3)744(116)/2010-2462 dated 2 June 2010. The Bank commenced its operation from 24 October 2013 through our Dilkusha Corporate Branch, Gulshan Corporate & CDA Avenue Branch. The Off-shore banking units are governed under the rules and guidelines of Bangladesh Bank. Separate financial statements of Off-shore banking are shown in Annex-G

1.1.1 Subsidiaries of the Bank

The Bank has 2 (Two) Subsidiaries details of which are given below:

1.1.2 Trust Bank Investment Limited

Trust Bank Investments Limited, is fully owned subsidiary of Trust Bank Limited was incorporated on 9 September 2010 with an initial paid up capital of Taka 300 million upon receiving consent from SEC on 25 October 2010 having registered office is located at 36 Dilkusha Commercial Area, Dhaka - 1000.

Trust Bank Investment Limited offers full range of Merchant Banking Services that include Issue Management, Underwriting, Portfolio Management etc.

1.1.3 Trust Bank Securities Limited

Trust Bank Securities Limited, is fully owned subsidiary of Trust Bank Limited was incorporated on 7 February 2013 with an initial paid up capital of Taka 35 million having registered office is located at 28, Kafrul, Dhaka - 1206.

Trust Bank Securities Limited offers full range of Business of Stock Brokers that includes buy and sell of shares & securities, fixed income securities, Bonds Debenture etc.

1.2 Islamic Banking Activities

The defining characteristic of Islamic banking is Shariah compliance with special reference to the prohibition of interest (Riba) from all transactions and dealing in businesses that are allowed (halal) in shariah. Islamic banking is governed by a set of strict rules derived from the holy book, the Qur'an & Sunnah of Prophet (PBUH).

Trust Bank Ltd. started its Islamic banking operations through 'window' mechanism as per Bangladesh Bank approval. Trust Islamic Banking (TIB), the brand name of the operation, has started its operation

from latter part of 2008 through 5 (five) Islamic banking windows at the TBL-Principal Br., Millennium Br., Dilkusha Br. in Dhaka, CDA Br. in Chittagong & Sylhet Corporate branch in Sylhet.

In addition to the Shariah guidelines, Trust Islamic Banking operations are strictly complied with the Bangladesh Bank instructions regarding Islamic banking operations and adheres to the followings:

- Completely Separate Fund management – no mingling of fund with the conventional banking deposits of the Bank. Investments are made from the Islamic banking deposits only.
- Separate book-keeping, Profit & Loss Account and daily affairs are prepared by Islamic banking module of Bank's CBS in each window.
- TIB has a Shariah Supervisory Committee (SSC) with distinguished shariah scholars for guidance on Shariah related issues.
- Profit sharing ratio (Depositor: Bank) is 65:30.
- Profit distributions are executed as per approved weightage table.

A dedicated team of resources with skill & commitment in Islamic finance & banking at Head Office closely monitors and supervises the entire operations of TIB to ensure compliance, development and growth of Islamic Banking business. TIB offers the full range deposit & investment products & services for corporate, retail & SME sectors.

A separate Balance-sheet, Profits & Loss account and Cash-Flow Statements are shown in the Annexure D, E & F of this report. The figures appears in the Annexures have been incorporated in the related heads of financial statement as recommended by the Bangladesh Bank.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

2.1 Statement of Compliance

The consolidated financial statements of the group (comprising the Bank and its subsidiaries) and the financial statements of Trust Bank Limited as at and for the year ended 31 December 2016 have been prepared under the historical cost convention, except for Government Securities which are stated at fair value and in accordance with Bangladesh Financial Reporting Standards (BFRSs), the First Schedule (Section 38) of the Bank Companies Act 1991, as amended by the BRPD Circular 14 dated 25 June 2003, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987, Stock Exchanges' listing regulations and other rules and regulations are applicable in Bangladesh. In case any requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of BFRS, the requirements of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of BFRS are as follows:

i) Investment in shares and securities

BFRS: As per requirements of BAS 39 investment in shares and securities generally falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value (as measured in accordance with BFRS 13) at the year-end is taken to profit and loss account or revaluation reserve respectively.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision has been made for any loss arising from diminution in value of investment; otherwise investments are recognized at cost.

ii) Revaluation gains/losses on Government securities

BFRS: As per requirement of BAS 39 where securities will fall under the category of Held for Trading (HFT), any change in the fair value of held for trading assets is recognized through profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortized cost method and interest income is recognized through the profit and loss account.

Bangladesh Bank: According to DOS Circular 05 dated 26 May 2008 and subsequently clarification in DOS Circular 05 dated 28 January 2009, HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognized in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortization of discount are recognized in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortized at the year end and gains or losses on amortization are recognized in other reserve as a part of equity.

iii) Provision on loans and advances/investments

BFRS: As per BAS 39 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets that are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per BRPD circular No.14 (23 September 2012), BRPD circular No. 19 (27 December 2012) and BRPD circular No. 05 (29 May 2013) a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by BAS 39.

iv) Recognition of interest in suspense

BFRS: Loans and advances to customers are generally classified as 'loans and receivables' as per BAS 39 and interest income is recognized through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognized in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified, interest on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

v) Other comprehensive income

BFRS: As per BAS 1 Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

vi) REPO and Reverse REPO Transaction

BFRS: When an entity sells a financial assets and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is treated as a loan and the underlying assets continues to be recognized in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. Same rule applies to the opposite side of the transaction (Reverse REPO).

Bangladesh Bank: As per DOS Circular Letter no. 6 dated 15 July 2010 and subsequent clarification in DOS Circular No. 2 dated 23 January 2013, when a Bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as a normal sale transaction and the financial assets should be derecognized in the seller's book and recognized in the buyer's book.

vii) Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in BAS 39. As such full disclosure and presentation requirements of BFRS 7 and BAS 32 cannot be made in the financial statements.

viii) Financial guarantees

BFRS: As per BAS 39, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD 14, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin.

ix) Cash and cash equivalent

BFRS: Cash and cash equivalent items should be reported as cash item as per BAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

x) Non-banking asset

BFRS: No indication of Non-banking asset is found in any BFRS.

Bangladesh Bank: As per BRPD 14, there must exist a face item named Non-banking asset.

xi) Cash flow statement

BFRS: The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD 14, cash flow is the mixture of direct and indirect methods.

xii) Balance with Bangladesh Bank: (Cash Reserve Requirement)

BFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per BAS 7.

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

xiii) Presentation of intangible asset

BFRS: An intangible asset must be identified and recognized, and the disclosure must be given as per BAS 38.

Bangladesh Bank: There is no regulation for intangible assets in BRPD 14.

xiv) Off-balance sheet items

BFRS: There is no concept of off-balance sheet items in any BFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD 14, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

xv) Loans and advances/Investments net of provision

BFRS: Loans and advances/Investments should be presented net of provision.

Bangladesh Bank: As per BRPD 14, provision on loans and advances/investments are presented separately as liability and can not be netted off against loans and advances.

2.2 Basis of Consolidation

The consolidated financial statements include the financial statements of Trust Bank Limited and its subsidiary Trust Bank Investment Limited made up to the end of the financial year. The consolidated financial statements have been prepared in accordance with BFRS 10: *Consolidated Financial Statements*.

2.3 Subsidiary

Subsidiary is that enterprise which is controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an enterprise from the date that control commences until the date that control ceases. The financial statements of subsidiary are included in the consolidated financial statements from the date that control effectively commences until the date that the control effectively ceases. Subsidiary companies are consolidated using the purchase method of accounting.

2.4 Use of estimates and judgments

The preparation of consolidated financial statements of the Bank requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.5 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the entities.

2.6 Transactions eliminated on consolidation

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Profit and loss resulting from transactions between Group are also eliminated on consolidation.

2.7 Foreign currency transaction

a) Foreign currency

Items included in the financial statements of each entity in the group are measured using the currency of the primary economic environment in which the entity operates, i.e. the functional currency. The financial statements of the group and the Bank are presented in BDT which is the Bank's functional and presentation currency.

b) Foreign currencies translation

Foreign currency transactions are converted into equivalent BDT using the prevailing exchange rates on the dates of respective transactions as per BAS-21, "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into BDT at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into equivalent BDT.

c) Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at rates mentioned in contracts. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in BDT terms at the rates of exchange prevailing on the balance sheet date.

d) Translation gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account, except those arising on the translation of net investment in foreign subsidiary.

e) Foreign operations

The results and financial position of the Group's operations whose functional currency is not Bangladeshi Taka are translated into Bangladeshi Taka as follows:

i) Assets and liabilities are translated at the exchange rate prevailing at the balance sheet date.

ii) Income and expenses in the income statement are translated at an average rate approximating the exchange rates at the year end;

iii) Resulting exchange differences are recognized as a separate component of equity.

iv) As per BAS 21, 'Foreign Currency Transactions' i.e. foreign currency denominated both monetary and non-monetary items of the OBUs are translated at historical rate because the OBUs are considered as an integral part of the Bank's operation not a foreign operation due to specific regulations governing the OBU and its unique nature.

f) Consolidation of Financial Statements of foreign operations

In Consolidation, foreign exchange differences arising from the translation of net investments in foreign entities, as well as any borrowings are taken into capital reserve. When a foreign operation is disposed of, such currency translation differences are recognized in the income statement as part of the gain or loss on disposal.

2.8 Reporting Period

These financial statements of the Bank and its subsidiaries cover the first quarter from 1 January to 31 March 2018.

2.9 Events after the reporting period

Where necessary, all the material events after the reporting period have been considered and appropriate adjustment / disclosures have been made in the financial statements.

2.10 Statements of Cash Flows

Statements of Cash flow has been prepared in accordance with Bangladesh Accounting Standard (BAS) 7 "Statement of Cash Flows" and under the guideline of Bangladesh Bank BRPD Circular no.14 dated 25 June 2003. The Statement shows the structure of changes in cash and cash equivalents during the financial year.

2.11 Statements of Changes in equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth. Statement of changes in equity has been prepared in accordance with Bangladesh Accounting Standard (BAS) 1 "Presentation of Financial Statements" and relevant guidelines of Bangladesh Bank.

2.12 Statement of liquidity

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following bases:

a) Balance with other banks and financial institutions, money at call and short notice etc. are on the basis of their maturity term.

- b) Investments are on the basis of their maturity.
- c) Loans and advances and lease receivables are on the basis of their repayment / maturity schedule.
- d) Fixed assets are on the basis of their useful life.
- e) Other assets are on the basis of their realization/adjustment.
- f) Borrowing from other banks, financial institutions and agents as per their maturity /repayment term.
- g) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors.
- h) Other long term liabilities on the basis of their maturity term.
- i) Provisions and other liabilities are on the basis of their payment /adjustment schedule.

2.13 Taxation

The expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity.

2.13.1 Current Tax

In compliance with BAS-12 " Income Taxes", provision for current income tax has been made @ 40% on business income,@ 20% on dividend income and @ 10% on capital gain on sale of shares, after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance 1984 and time to time amendment to issue different S.R.O and circular issued by the N.B.R.

2.13.2 Deferred taxation

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities has also been recognized in the profit and loss account as per BAS-12 "Income Taxes".

2.14 Provision and accrued expenses

In compliance with BAS-37, provisions and accrued expenses are recognized in the financial statements when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.15 Provision for off-balance sheet exposures

In compliance with Bangladesh Bank guidelines, off-balance sheet items have been disclosed under contingent liabilities. As per BRPD Circular no.10, dated 18 September 2007, the bank is required to maintain provision @ 1% against off-balance sheet exposures

2.16 Provision for nostro accounts

The Bank does not required to maintain provision for nostro accounts for the year 2012 in accordance with the guideline of Foreign Exchange Policy Department of Bangladesh Bank, FEPD Circular no. FEPD (FEMO) / 01/2005-677 dated 13 September 2005.

2.17 Assets and basis of their valuation

2.17.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair

value, and are used by the Bank management for its short-term commitments.

2.17.2 Loans and advances / Investments

For stability and sustainable development, Bank's careful and continuous effort in credit operation, attempt for sustainable growth of loans and advances with inclusion of new reputed companies in the client list also continued in 2016. This upholds the total loans and advances as on December 31, 2016 at BDT 141,987.43 million as against BDT 130,848.96 million of December, 2015 representing growth of 8.51% over the year. During extending new credit to any entrepreneur, selection and assessment with professional skill were most pertinent issues considering future condition. However, in all steps compliance issues were never compromised.

During the period, Bank has concentrated to explore new and diversified avenues for financing with the aim of developing and maintaining a sound & sustainable portfolio keeping the issue of risk mitigation at the apex. Our extensive work was also continued in Agriculture, Retail and SME sectors, but intensive efforts in Corporate Credit were still in effect. While providing every type of facility, Bangladesh Bank's regulations and necessary due diligence have been firmly followed. Bank has always remained vigilant to its risk assessment and appropriate arrangement for risk mitigation. Facilities have been given to the new and existing customers on the basis of merit through visiting the concerns, fixing the purpose of facilities and assessing the assets quality. Moreover, for all the cases Bank was fully compliant as per its culture.

2.17.2.1 Recovery of Classified Loans & Advances

The immediate consequence of large amount of classified loans in the banking system is a top most factor for a bank's failure. So, to keep the resources from being locked up in unproductive sectors and driving out of classified loans are of extreme inevitability.

Bank has a Recovery & Monitoring Unit for monitoring the trends of accounts' condition i.e. whether any account be likely to be past due/and showing signs of deterioration for not taking intensive effort for recovery. Then, regular activities like; rigorous follow-up, client motivation, legal actions etc. were unrelenting whole of the year for recovery and to keep the non-performing loans at the minimum.

2.17.3 Loan Classification and Provisioning

TBL always maintains its loan portfolio with proper classification provisioning complying rules & regulations set by Bangladesh Bank. Required provision is kept to minimize future risk. Bank classifies loan on the basis of objective criteria & qualitative judgment. Special care & initiatives are taken to keep the loans standard & strong drives are given to reduce the percentage of Nonperforming Loans by way of cash recovery & regularization through rescheduling. Like the every year, TBL has appropriately classified its loans & advances and maintained adequate provision against those following the Bangladesh Bank's rules, regulations & respective circulars to safeguard the Bank and the shareholders' long-term interest mitigating future risk. While classifying, Bank strictly follows subjective as well as objective criteria fixed by the Bangladesh Bank. Laterally, effort for retaining the loan as standard and restoring the classified loans to unclassified through recovery & regularization was continued.

General provision on

- a. Consumer Financing (House Financing)
- b. Consumer Financing (Loans to Professional)
- c. Consumer Financing (Other than a & b)
- d. Small and Medium Enterprise Financing (SMEF)
- e. Short Term Agriculture & Micro Credit
- f. Loans to BHs/ MBs/ Sds against Shares etc
- g. All other Credit
- h. Special Mention Account

Specific provision on

- a. Substandard Loans and Advances
 - i. Short Term Agri Credit & Micro Credit
 - ii. Other than Short Term Agri Credit & Micro Credit
- b. Doubtful Loans and Advances
 - i. Short Term Agri Credit & Micro Credit
 - ii. Other than Short Term Agri Credit & Micro Credit
- c. Bad/Loss Loans and Advances

2.17.4 Provision for off balance sheet exposures

General provision for off balance sheet exposures has been made @ 1% on period end balance of total off balance sheet exposures as per BRPD circular No. 8 and 10 dated August 07, 2007 and September 18, 2007 respectively issued by Bangladesh Bank.

2.18 Investments

Investments have been initially recognized at cost, including acquisition charges associated with the investment. Premiums have been amortized and discount accredited, using the effective or historical yield method. Government treasury Bills and Bonds (categorized as HFT or/and HTM) are accounted for as per Bangladesh Bank DOS circular letter no.05 dated 26 May 2008 and DOS circular no. 05 dated 28 January 2009.

The valuation methods of investment used are:

2.18.1 Held to maturity

Investments which have 'fixed or determinable payments', and are intended to be 'held to maturity' other than those which are floating and/or free to trade in the market at prevailing prices are classified as held to maturity. The securities in HTM are to be held up till maturity. These securities in HTM must be amortized at the end of the year before maturity and the increase/decrease is to be accounted in the 'statement of changes in equity' (as Revaluation Reserve-HTM). According to Bangladesh Bank DOS Circular Letter No. 01 dated January 19, 2014 a bank can only hold securities of maximum 110% of the total SLR requirement (usually kept as approved government securities) as HTM category the compliance of which came into effect from February 01, 2014. These investment securities can be transferred to and/or re-categorized as HFT any time after getting approval from the Board of Directors of the Bank.

2.18.2 Held for trading

Investments classified in this category are held indeed selling or purchasing –in short- trading as decided by the management of the bank or treasury. After initial recognition, investments of such categories are measured at their fair value once in a week and any change in the fair value is recognized in the statement of capital (as Revaluation Reserve-HFT) for the period before next appreciation. According to Bangladesh Bank DOS Circular Letter No. 05 dated May 26, 2008, no dividend will be allowed to pay to its shareholders on the amount of increase and/or decrease in income generated out of revaluation of securities held for trading.

Value of investments has been enumerated as follows :

Investment Class	Initial recognition	Subsequent Measurement	Recording of changes
Treasury Bill/Bond(HFT)	At Present Value	Market Value	Loss to Profit & Loss Account, gain to revaluation reserve
Treasury Bill/Bond(HTM)	At Present Value	Amortized Value	Increase in value to equity and decrease in value to Profit & Loss Account
Debenture	At cost	None	None
Prize bond	At cost	None	None
Shares	At cost	Cost	Any loss, charged in Profit & Loss, Unrealized gain, not recorded in accounts.

	At Present Value		decrease in value to Profit & Loss Account
Debenture	At cost	None	None
Prize bond	At cost	None	None
Shares	At cost	Cost	Any loss, charged in Profit & Loss, Unrealized gain, not recorded in accounts.

Investment in listed securities

These securities are bought and held primarily for the purpose of selling them in future, or held for dividend income. These are reported at cost. Unrealized gains are not recognized in the profit and loss account. But provision for diminution in value of investment is provided in the financial statements where market price is below the cost price of investments as per Bangladesh Bank guideline.

Investment in unquoted securities

Investment in unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities.

Investments in subsidiary

Investment in subsidiaries is accounted for under the cost method of accounting in the Bank's financial statements in accordance with the BFRS-10. Accordingly, investments in subsidiaries are stated in the Bank's balance sheet at cost, less impairment losses (if any).

2.19 Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation as per BAS-16 "Property, Plant and Equipment".

Depreciation is charged at the following rates per annum using reducing balance method on all fixed assets other than motor vehicles and office equipment, which are depreciated on straight-line method and no depreciation on land is charged.

Category of fixed assets	Rate
Land	Nil
Building	2.5% p.a.
Furniture & Fixtures	10% p.a.
Office Equipment	20% p.a.
Motor Vehicles	20% p.a.
Office Decoration	12% p.a.

Depreciation at the applicable rates is charged proportionately on additions made during the year from the date of their use and in case of sale upto the earlier of the date that asset is classified as held for sale in accordance with BFRS 5 and the date that the asset is derecognized.

Repairs and maintenance costs of fixed assets are charged to profit & loss account, when incurred.

2.20 Intangible assets

Intangible asset is an identifiable non-monetary asset without physical substance. An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the assets will flow to the entity and the cost of the asset can be measured reliably in accordance with BAS 38: "Intangible Assets".

Subsequent expenditure on intangible asset is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

The software used by TBL represents the value of computer application software licensed for the use of

the bank. Software is carried at cost less accumulated amortization and any impairment losses. Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditure that are carried in customizing the software for its intended use. Software is amortized using the straight line method over the estimated useful life of 3 (Three) years commencing from the month at which the application software is made available for use if the cost of such software is more than Tk. 50,000, otherwise it is amortized within 12 months.

2.21 Impairment of Assets:

The policy for all assets or cash-generating units for the purpose of assessing such assets for impairment is as follows:

The Bank assesses at the end of each reporting period or more frequently if events or changes in circumstances indicate that the carrying value of an asset may be impaired, whether there is any indication that an asset may be impaired. If any such indication exists, or when an annual impairment testing for an asset is required, the bank makes an estimate of the asset's recoverable amount. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered as impaired and is written down to its recoverable amount by debiting to profit & loss account.

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may be impaired.

2.22 Other assets

Other assets include all balance sheet accounts not covered specifically in other areas of the supervisory activity and such accounts may be quite insignificant in the overall financial condition of the Bank.

2.23 Non-Banking Assets

2.18.2 Non-Banking Assets

As on balance sheet date TBL has not arisen any Non-Banking Assets failure from borrower to repay the loan/Investments.

2.24 Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. Advance tax paid and provision for tax of the bank is presented on net basis as a liability item if the liability is higher than asset and as an asset item if the asset is higher than liability.

2.25 Receivables

Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.

2.26 Inventories

Inventories measured at the lower of cost and net realizable value.

2.27 Leasing

Leases are classified as finance leases whenever the 'terms of the lease' transfer substantially all the risks and rewards of ownership to the lessee as per BAS-17 "Leases". All other leases are classified as operating leases as per BAS-17 "Leases".

2.28 Share Capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

2.28.1 Authorized Capital

Authorized capital is the maximum amount of share capital that the Bank is authorized by its Memorandum and Articles of Association. Details are shown in note 13.1.

2.28.2 Paid up Capital

Paid up capital represents total amount of shareholders' capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding-up of the Bank, ordinary shareholders are ranked after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation. Details are shown in note 13.2.

2.29 Statutory reserve

As per Bank Companies Act, the Bank requires to transfer 20% of its current year's profit before tax to statutory reserve until such reserve equals to its paid up capital. The Bank does comply with this requirement of law every year.

2.30 Liabilities and Provisions

2.30.1 Retirement benefits to the employees

i) Provident fund

Provident fund benefits are given to the confirmed staffs of the Bank in accordance with the locally registered Provident Fund Rules. The Commissioner of Income Tax, Taxes Zone - 6, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of sub-section 1 of section 2 read with the provisions of part - B of the First Schedule of Income Tax Ordinance 1984 w.e.f. 27 February 2003. The Fund is operated by a Board of Trustees consisting seven members from the employees of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription to the Fund. The Bank also contributes equal amount. Interest earned from the investments is credited to the members' account on yearly basis.

ii) Gratuity fund

The Bank has started making provision for liabilities of its employees' gratuity as per gratuity scheme of the Bank from the year 2004. Subsequently National Board of Revenue has approved the fund as recognized within the meaning of sections 2 and 3 read with the provision of part - C of the First Schedule of Income Tax Ordinance 1984 w.e.f. 20 November 2006. The Bank contributes to the Fund as per Gratuity Fund Rules as well as Service Rule of the bank.

iii) Super annuation fund

The Bank has also introduced a "Superannuation Fund" instead of group life insurance policy for the employees. Those employees, who will be able to fulfill the specific criteria mentioned in the policy of the fund, will be entitled to get the benefit of "Superannuation Fund". National Board of Revenue has approved the fund as recognized within the meaning of section 3 read with the provision of part - A of the First Schedule of Income Tax Ordinance 1984 w.e.f. 22 December 2004.

2.30.2 Minority interest in subsidiaries

Minority interest in business is an accounting concept that refers to the portion of a subsidiary corporation's stock that is not owned by the parent corporation. The magnitude of the minority interest in the subsidiary company is always less than 50% of outstanding shares, else the corporation would cease to be a subsidiary of the parent. Minority interest belongs to other investors and is reported on the consolidated balance sheet of the owning company to reflect the claim on assets belonging to other, non-controlling shareholders. Also, minority interest is reported on the consolidated income statement as a share of profit belonging to minority shareholders.

2.31 Revenue recognition

i) Interest income/Profit on TIB Investment

In terms of the provisions of the BAS-18 "Revenue", the interest income is recognized on accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified. It is then kept in interest suspense in a memorandum account. Interest on classified advances is accounted for on a cash receipt basis.

ii) Investment income/TIB Investment Income

Income on investments is recognized on accrual basis except from Government Securities which are recognized on the basis of BRPD Circular 15 Dated 31 October 2005 issued by Bangladesh Bank.

iii) Fees and commission income

Fees and commission income arises on services provided by the Bank are recognized on a cash receipt basis. Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

iv) Dividend income

Dividend income from investments is recognized at the time when it is declared, ascertained and right to receive the payment is established.

v) Interest paid on borrowings and deposits

Interest paid on borrowings and deposits are calculated on 360 days in a year and recognized on accrual basis.

vi) Dividend payments

Interim dividend is recognized when they are paid to shareholders. Final dividend is recognized when it is approved by the shareholders.

The proposed dividend for the year 2016 has not been recognized as a liability in the balance sheet in accordance with the BAS-10 : Events After the Reporting Period.

Dividend payable to the Bank's shareholders is recognized as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive payment is established.

vii) Management and other expenses

Expenses incurred by the Bank are recognized on actual and accrual basis.

2.32 Reconciliation of inter-bank and inter-branch account

Accounts with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences which may affect the financial statements significantly. Un-reconciled entries / balances in case of inter-branch transactions as on the reporting date are not material.

2.33 Risk Management

Risk management policy or process of Trust Bank encompasses risk appreciation basing on the risk appetite for the particular sector/segment of the customers and subsequent risk identification, measurement and controlling of risk components to safeguard the interest of the bank and to keep the business portfolio performing to the maximum extent.

We always prioritize to ensure risk–return tradeoff on all business transactions. The focus group as constituted by Bangladesh Bank has selected 06 core risks namely (a) Credit Risk (b) Asset liability/Balance sheet Risk (c) Foreign Exchange Risk (d) Internal control and compliance Risk (e) Money laundering Risk and (f) IT risk management in order to impart internationally accepted best

practices in the Banking and Financial system. Banks as a financial intermediary (ies) are exposed to multidimensional risks but those risks are to be examined and quantified for acceptance in line with the risk appetite and credit policy of our bank.

2.33.1 Credit risk management

The bank believes that risk management is the core area of concern that makes its business sustainable. Ability to produce profit consistently and sustainably is a function of risk management and the bank is breaklessly pursuing nonstop development in this vicinity. One of the key risks the bank is uncovered, arises from credit facility allowed to customers. In this regard, objective of risk management is to maximize risk-adjusted returns durable within own risk appetite. TBL Risk management approach is based on a transparent understanding of various risk, regimented assessment, measurement and uninterrupted monitoring of such risks. The policies and procedures designed for the purpose are regularly reviewed to assume regulatory changes and improvements. Bank's Board of Directors is first and foremost responsible for deciding risk appetites, approving related strategies and policies and administering its compliance and the competence of the risk management framework through reports from Internal Control and Compliance Division. Credit risk policy covers large to small enterprise exposure as well as retail exposure. Policies and procedures together have structured and standardized credit risk management practice both in obligor and portfolio point.

Frame-Work

In today's rapid changing economic and financial environment, effective risk management is a must for sustainable growth and for maximizing share-holders wealth. Banking business is in fact a business of risk taking and risk managing. So, it is very vital to manage all possible risks efficiently in effective way to emerge as winner out of risk ventures. TBL has always prioritized adopting different credit risk management tools & techniques as "prevention is better than cure" for all type of credits in all the stages i. e. from receiving application to approval level for more safe and sound credit portfolio.

Credit risk originates from the –

- * Market Risk
- * Supplier's Risk
- * Financial Risk
- * Business Risk
- * Management Risk
- * Structural Risk
- * Security Risk
- * Infrastructural Risk
- * Information/Data Risk
- * Technological Risk
- * Interest Rate Risk
- * Security Risk etc.

Bank considers all relevant information and financials of the customers, their business performances, sectoral conditions, arrangement & strength of supply chain, succession status etc. for assessment and analyses all factors and results of it in order to adopting appropriate risk mitigation if the client's proposal is viable for financing.

2.33.2 Asset liability risk management

Asset and Liability management is a process which is managed by the Asset and Liability Management Committee (ALCO) of the bank. In order to run the process smoothly, TBL has established "Asset Liability Management Committee" comprising of senior management headed by the Managing Director. The primary responsibility of ALCO is to manage assets and liabilities under the set ALM Policy, essentially approved by the BODs of the bank.

ALM is a sensitive financial and risk management subject that deals with bank's on and off- balance sheet items so that the Bank can offer competitively period products and services to clients generating sustaining earnings shares value. ALM includes many activities of policy, procedures, guidelines such as Capital Planning, Deposit procurement/borrowing policy, Loan & Advances/Lending policy, Interest Rate policy, Exchange rate Policy, Liquidity Contingency Plan to manage the balance sheet properly.

2.33.3 Foreign exchange risk management

Foreign exchange risk is the potential changes in earnings arising due to exchange rate fluctuation, adverse exchange position or changes in the market price. Such risk may arise from position held in various foreign exchange products like spot, forward and options. Foreign exchange risk management is fundamental for safe and sound management of all institution having exposure to foreign currencies.

Today's Financial institutions engage in activities starting from Import, Export and Remittance to complex derivatives involving basic Foreign Exchange and Money Market to complex structured products. All these require high degree of expertise that is difficult to achieve in the transaction originating department and as such the expertise is housed in a separate department i.e. treasury.

Foreign Exchange risk management is one of the important responsibilities of the treasury division. The foreign exchange risk are measured and monitored by the treasury division of the bank. The function of the treasury Front Office, Mid Office and Back office are segregated. Mid office and back office are conducting operations in a separate location apart from Treasury Front Office. Treasury Front Office manages and controls day-to-day trading activities and ensure continues monitoring of the level of assume risk. Treasury Mid Office verifies deal and monitors limit. Back office is responsible for deal confirmation, settlement of transaction, transferring fund to NOSTRO accounts, timely recording and reporting of information on exchange transactions and currency transfer etc. Reporting lines of these three office are separate and independent to ensure minimizing FEX risk.

As per directive of central bank, the bank has formulated a well defined Treasury Manual with a view to minimize the foreign exchange risk. Bank also developed different strategies to control foreign exchange risk in the light of net open position set by central bank, overall gross limit forward transaction, maximum loss limits per deal per day, counter party limit etc. Market scenario of risk monitored and measured by Treasury division to manage the foreign exchange operations in such a way that earnings not hampered against any adverse movement of market price.

2.33.4 Internal control and compliance risk management

Internal control refers to the mechanism in place on a permanent basis to control the activities in an organization .In absence of it, risks resulting in unexpected losses caused by faulty internal processes, human errors, frauds & forgery, technology failure and documentary lapses may surface. The primary objectives of internal control system are to help the bank perform better through the use of it's resources, identify it's weaknesses , take appropriate measures to overcome the same and ensure compliance with regulatory framework including applicable laws and regulations.

The bank has set up Internal Control & Compliance (IC&C) Division at Head Office to ensure that the Internal Control processes are in place. As per instruction of Bangladesh Bank the Audit Committee of the Board has been constituted to assist the Board in fulfilling it's oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the bank. The committee reviews the financial reporting process, the system of internal control & management of financial risks, the audit process, health report of the bank and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct .In the year 2016, 06 nos. meetings of the Audit Committee were held .The bank has introduced 'Risk

Based Internal Audit (RBIA)' in 2008 to assess the business risk as well as control risk associated with the branches and determines how much follow up ,monitoring & periodicity of internal audit would be required to bring a particular branch back to normalcy ,if it is found that the performance of the branch is not satisfactory and which may pose a potential threat for the bank.

Each year IC&C Division sets out an audit plan (Internal)for the year which is approved by the Managing Director and placed before the Audit Committee of the Board for concurrence .

IC&C Division looks after the activities of complaint Cell of Head Office and handles the complaints as received from the customers as well as received directly from FICSD (Financial Integrity & Customer Services Department), Bangladesh Bank & other sources. A 'Guidelines for Customer Services & Compliant Management' of Trust Bank Limited has been developed in the year 2015 which was approved by the Board of directors of the bank in its 240th (09/2015) meeting held on 22.07.2015. IC&C Division also provides operational and managerial guidance uniformly to all personnel of TBL family to handle and manage the customers' complaint satisfactorily, quickly, effectively and efficiently.

IC&C Divisions of the bank ensures its Internal Control Process through review of Departmental Control Function Checklist (DCFCL), Loan Documentation Checklist (LDCL) and Quarterly Operations Report (QOR) of the branches and other mechanisms.

To comply with the directives of Bangladesh Bank a special meeting of the Board of Directors was held on 25.10.2016 to review the compliance/implementation status on the observations of Bangladesh Bank's comprehensive inspection report, where the representatives of Bangladesh Bank were also present.

2.33.5 Money Laundering & Terrorist Financing Risk Management

Money Laundering and Terrorist Financing has become the major threat to the growth & stability of the Financial Institutions (FI) around the world. The very existence of the global Scio-economic order is at risk because of the ML/TF risks. Money laundering has a major impact on a country's economy as a whole, impeding the social, economic, political, and cultural development of a society. As such compliance of National & Global standards of Anti-Money Laundering (AML) and Combating Financing of Terrorism (CFT) has now become the most serious & important issue for all FIs. AML/CFT regime itself has now become a standard setting parameter for all FIs along with its country of business. Non-compliance of AML & CFT standards developed by UN & international bodies shall affect the compliance rating of the country and may result in imposition of sanctions in Bangladesh. Combating money laundering and terrorist financing is, therefore, a key element in promoting a strong, sound and stable financial sector of the country.

Bangladesh has enacted the Money Laundering Prevention Act, 2012 (Amendment-2015) & Anti-Terrorism Act, 2009 (Amendment-2013) which covers all the international standards & requirements and assigned Bangladesh Financial Intelligence Unit (BFIU) to discharge the regulatory responsibility of implementation & monitoring of the AML & CFT activities to keep the financial system of the country sound and compliant as international standards. Trust Bank Limited as a compliant & responsible institution committed to the strict compliance of AML & CFT standards/guidelines. TBL has comprehensive Operational Manual & Risk Management Guidelines for administering the AML & CFT Risks designed and implemented in line with the guidelines of Bangladesh Financial Intelligence Unit (BFIU). Trust Bank Limited considers AML & CFT compliance as a part of its social responsibility & commitment.

In compliance of BFIU guidelines, TBL AML & CFT Policy Guidelines and TBL-ML & TF Risk Management Guidelines ensure full compliance of all issues including the following:

1. Mandatory KYC management.

2. Maintenance & monitoring the TP (Transaction Profile) of all the accounts.
3. Monitoring of unusual/suspicious transaction and report to Bangladesh Bank, if required.
4. Submission of Cash Transaction Report (CTR) to BFIU through goAML & FIU on every month.
5. Adequate training are providing to the officials of TBL on AML & CFT.
6. Identification of customer on the basis of risk grading.
7. Identification of Politically Exposed Persons (PEPs) & Local Influential Person (LIPs) customer.
8. Transaction monitoring of High Risk and LIPs account.
9. Declared Customer Acceptance Policy.
10. Automated Sanction Screening of UN sanction list.
11. Introducing Unique Customer Identification Code.
12. Introducing AML & CFT audit conducted by HO-AMLD on behalf of Central Compliance Unit. (CCU)

For review the overall AML/CFT compliance status & mitigating the AML/CFT risks, TBL has a Central Compliance Unit (CCU) comprising of CAMLCO, Deputy CAMLCO and other Divisional Heads at Head Office. Routine affairs of monitoring etc. are conducted by the dedicated team at Anti-Money Laundering Division, Head Office. A designated Branch Anti-Money Laundering Compliance Officer (BAMLCO) is appointed in every TBL branch and is assigned to review & report the AML & CFT activities and measures of the branch.

2.33.6 IT risk management

The advancement of information and communicative technology (ICT) is given credit for the evolution of banking services, in particular, online banking. Information Technology (IT) Risk is a growing component of total operational Risk. As business increasingly depend on IT to automate processes and store information, IT Risk Management is emerging as a separate practice. IT includes security, availability, performance and compliance elements. IT Risk Management helps to reduce service costs and achieve greater compliance by effectively assessing classifying IT risk.

IT Risk management requires a disciplined approach that includes IT Risk awareness, quantification of business impacts, solution design and implementation across people, process, and technology, and creation of a sustained IT Risk Management program complete with performance measurement and a model for continuous improvement.

Compliance definitions

a) Data Protection

- Privacy & data security
- Growth of unstructured data
- Business continually and disaster recovery

b) Data Retention

- New model of data storage, software as service & disaster recovery
- Access by legitimate user

c) Strategic Governance Risk

- Alignment of IT risk control framework with business strategy
- Public disclosures accurately reflect corporate performance

d) National Security - Assuring IT system & network support legal infrastructure through electronic signatures, data movements and IT resources

e) Civil & Criminal legal Framework

- Protecting individual & corporate intellectual properly
- Availability keeping existing process running & recovering from interruption
- Access ensuring that people have right access
- Providing accurate , timely and complete information

- Implementing new strategic initiatives

f) Regulatory Compliance - Protecting citizens and from terrorism or national disaster

Since the automation of the Bank and centralization of information system, all the branches of the bank are connected to the Head Office IT department in Dhaka through a dedicated link and Disaster Recover site at Jessore. The infrastructure design is up to standard and completely secure.

2.33.7 Liquidity risk management

Liquidity risk arises from bank's inability to meet its obligations as they fall due or to fund increases in assets without incurring unacceptable cost or losses. Borrowing short term and lending long term is the business of banks. But when depositors withdraw funds it can lead to bank failure. There are also a surprising number of things that create liquidity risk. This is why banks need to assess how much liquidity will be hold particularly under stressed conditions. It's also necessary translated into a portfolio of high quality liquidity that meets the risk appetite at the crisis moment. An effective liquidity risk management process included in the system of the bank to measure, monitor and control the liquidity exposure of the bank. Different liquidity ratio i.e. CRR, SLR, LCR, NSFR, ADR and IDR are measured for taking right decision to manage liquidity risk of the bank.

2.34 Interest rate risk management

Interest rate risk is the potential impact on a bank's earnings and net asset values due to changes in market interest rates. Interest rate risk arises when a bank's principal and interest cash flows (including final maturities), both on- and off-balance sheet, have mismatched re-pricing dates. The amount at risk is a function of the magnitude and direction of interest rate changes and the size and maturity structure of the mismatch position. Bank's lending, funding and investment activities give rise to interest rate risk. Managing interest rate risk requires a clear understanding of the amount at risk and the impact of changes in interest rates on this risk position. To make these determinations, sufficient information must be readily available to permit appropriate action to be taken within acceptable, often very short, time periods. The longer it takes a bank to eliminate or reverse an unwanted exposure, the greater the possibility of loss.

2.35 Operation risk management

Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. It includes legal risk but excludes strategic and reputational risk. Operational Risk Management is a continual cyclic process which includes risk assessment, risk decision making, and implementation of risk controls, which results in acceptance, mitigation, or avoidance of risk. The Bank's operational risk management focuses on proactive measures in order to ensure business continuity as well as the accuracy of information used internally and reported externally, a competent and well-informed staff, and its adherence to established rules and procedures as well as on security arrangements to protect the physical and ICT infrastructure of the Bank.

2.36 Basel –III Activities

To improve the banking sector's ability to absorb shocks arising from financial and economic stress, Bangladesh Bank issued final Basel III guidelines, applicable with effect from January, 2015 in a phased manner through till December, 2019 as per the transitional arrangement provided by Bangladesh Bank for Basel III implementation. The Basel III rules on capital consist of measures on improving the quality, consistency and transparency of capital, enhancing risk coverage, introducing a supplementary leverage ratio and promoting counter-cyclical buffers and addressing systemic risk and inter-connectedness. In 2016, the Bank is required to maintain minimum Common Equity Tier-1 (CET1) capital ratio of 4.50%, Capital Conservation Buffer of 0.625%, minimum CET-1 plus Capital Conservation Buffer of 5.125%, minimum Tier-1 capital ratio of 5.50 %, minimum total capital ratio of 10.00% and minimum Total

Capital plus Capital Conservation Buffer 10.625%.

Pillar-I: Minimum Capital Requirement:

Banks must hold minimum regulatory capital against Credit, Market and Operational Risk inherent with Banking Business. Trust Bank Ltd. has adopted the following measurement approaches for computing its Capital Adequacy Ratio:

- Standardized Approach for Credit Risk,
- Basic Indicator Approach for Operational Risk, and
- Standardized Approach for Market Risk.

Pillar-II: Supervisory Review Process (SRP)

In compliance with the Pillar-II guidelines of the Bangladesh Bank under Basel III framework, Trust Bank Ltd. has formulated its own Board approved Internal Capital Adequacy Assessment Process (ICAAP) to assess various risks that it is exposed to. The assessment of adequate capital would be the outcome of the dialogue to be held between the bank's SRP and Bangladesh Bank's SREP team.

Following Risk has to be assessed for Adequate Capital Requirement under ICAAP as per Bangladesh Bank Guideline:

- Residual Risk
- Concentration Risk
- Liquidity Risk
- Reputation Risk
- Strategic Risk
- Settlement Risk
- Evaluation of Core Risk Management
- Environmental & Climate Change Risk
- Other material Risks

Pillar-III: Market Discipline:

Pillar- III (Market discipline) of Basel III, aims to encourage Market discipline by developing a set of disclosure requirements which allows market participants to assess key pieces of information on the scope of application, capital, risk exposures, risk assessment processes and hence, the capital adequacy of the Bank. The Pillar-III Disclosures are published on a yearly basis on the Bank's website. The Pillar-III year-end disclosures are also published in the Annual Report of the Bank in addition to Bank's website.

2.37 Earning per share (EPS)

Basic earnings per share

Basic earnings per share has been calculated in accordance with BAS 33 "Earnings per Share" which has been shown on the face of the profit and loss account. This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

Diluted earnings per share is not required to be calculated for the year as there was no scope for dilution during the year under review.

2.38 Non controlling interest

Non controlling interest is that portion of the profit or loss and net assets of the subsidiary (TBL Investments Limited) attributable to equity interests that are not owned, directly or indirectly through subsidiary, by the Parent (Trust Bank Limited).

2.39 Compliance of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) in context of Bangladesh from the standards adopted by International Federation of Accountants Committee (IFAC) as International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). While preparing the financial statements, Trust Bank Limited applied most of the BAS and BFRS, details of which are given below:

Name of BAS	BAS No.	Status
Presentation of Financial Statements	1	*Applied
Inventories	2	N/A
Statements of Cash Flow	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Lease	17	N/A
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The effects of Changes in Foreign Exchange Rate	21	Applied
Borrowing Cost	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Separate Financial Statements	27	Applied
Investment in Associates	28	N/A
Interest in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	*Applied
Earnings per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	*Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	*Applied
Investment Property	40	N/A
Agriculture	41	N/A

Name of BFRS	BFRS No.	Status
First-time Adoption of Bangladesh Financial Reporting Standards	1	N/A
Share-based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A

* Subject to departure described in note 2.1

N/A= Not Applicable

2.40 The financial statements for the 2nd quarter ended 30 June 2018 (Unaudited) were approved by the board of Directors on 19 July 2018

2.41 General

- i) Figures have been rounded off to the nearest taka;
- ii) Prior year's figures shown for comparison purpose, have been rearranged, whenever necessary, to confirm to current year's presentation.

		30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
3	CASH		
3.1	Cash in hand		
	In local currency	3,314,775,016	3,152,587,301
	In foreign currencies	66,627,967	48,252,574
		3,381,402,983	3,200,839,875
3.2	Balance with Bangladesh Bank and its agent bank(s)		
	Balance with Bangladesh Bank		
	In local currency	12,746,414,908	11,911,496,503
	In foreign currencies	1,339,855,734	512,844,347
		14,086,270,642	12,424,340,850
	Balance with Sonali Bank in local currency (as agent of Bangladesh)	1,203,540,962	109,568,470
		15,289,811,604	12,533,909,320
3.3	Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)		
	Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 33 of the Bank Companies Act 1991 and MPD circular nos.01, dated July 24, 2014 issued by Bangladesh Bank.		
	The Cash Reserve Requirement (CRR) has been calculated @ 6.5% on the Bank's time & demand liabilities of the month earlier of the previous month and maintained with Bangladesh Bank in current account and 13% Statutory Liquidity Ratio (SLR) on the same liabilities has also been maintained in the form of Treasury Bills, Bonds and Debentures including FC balance with Bangladesh Bank and the components of CRR. Both reserves have been maintained during the year by the Bank are in excess of the statutory requirements.		
	The position of CRR and SLR as on 30 June 2018 is shown below:		
3.3.1	Cash Reserve Requirement (CRR) for Conventional Banking		
	Average Demand and Time Liabilities of the month earlier of the previous month	177,089,385,000	184,131,595,865
3.3.1.1	Minimum Required Reserve (5% of Average Demand and Time Liabilities, 2017 : 6%)	8,854,469,250	11,047,895,752
	Actual Reserve held (7.38% of Average Demand and Time Liabilities)	13,069,405,940	12,101,034,699
	Surplus	4,214,936,690	1,053,138,947
3.3.1.2	Average Required Reserve (5.5% of Average Demand and Time Liabilities, 2017 : 6.5%)	9,739,916,175	11,968,553,731
	Average Reserve held with B. Bank (6.07% of Average Demand and Time Liabilities)	10,745,448,753	12,213,918,019
	Surplus	1,005,532,578	245,364,288
3.3.1.3	Statutory Liquidity Ratio for Conventional Banking (SLR)		
	Required Reserve (13% of Average Demand and Time Liabilities)	23,021,620,050	23,937,107,462
	Actual Reserve held with B. Bank (18.34% of Average Demand and Time Liabilities)	32,471,063,188	28,164,704,055
	Surplus	9,449,443,138	4,227,596,593
3.3.1.4	Components of Statutory Liquidity Requirement (SLR)		
	Cash in Hand	3,362,763,743	3,293,861,538
	Balance with Agent Bank(s)	1,203,540,962	109,470,465
	Excess Reserve	3,329,489,764	132,480,968
	Government Bills	11,212,492,308	7,942,916,700
	Government Bonds	13,357,407,311	13,683,332,984
	Bangladesh Bank Bill	-	2,998,287,000
	Other Approved Securities (Prize Bond)	5,369,100	4,354,400
	TT in Transit	-	-
		32,471,063,188	28,164,704,055

	30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
3.3.2 Cash Reserve Ratio (CRR) for Islamic Banking		
Average Demand and Time Liabilities of the month earlier of the previous month	18,588,630,142	17,060,873,342
3.3.2.1 Mimimum Required Reserve (5% of Average Demand and Time Liabilities, in 2017 : 6%)	929,431,507	1,023,652,401
Minimum Reserve held (5.8% of Average Demand and Time Liabilities)	1,077,399,147	1,596,261,711
Surplus	147,967,640	572,609,310
3.3.2.2 Average Required Reserve (5.5% of Average Demand and Time Liabilities, in 2017 : 6.5%)	1,022,374,658	1,108,956,767
Average Reserve held with B. Bank (7.28% of Average Demand and Time Liabilities)	1,352,393,678	1,405,686,147
Surplus	330,019,020	296,729,380
3.3.2.3 Statutory Liquidity Requirement for Islamic Banking (SLR)		
Required Reserve (5.5% of Average Demand and Time Liabilities)	1,022,374,658	938,348,034
Actual Reserve held with B. Bank (5.99% of Average Demand and Time Liabilities)	1,114,079,230	1,475,102,861
Surplus	91,704,572	536,754,827
3.3.2.4 Held for Statutory Liquidity Requirement		
Cash in Hand	19,054,741	17,797,917
Excess Reserve	55,024,489	487,304,944
Balance with Agent Bank(s)	-	-
Government Bills	-	-
Government Bonds	-	-
Government Islamic Investment Bonds	1,040,000,000	970,000,000
	1,114,079,230	1,475,102,861
4 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
4.1 In Bangladesh		
Current Deposits		
Sonali Bank Ltd.	41,764,724	24,757,249
Agrani Bank Ltd. Ltd.	827,693	5,150
Social Islamic Bank Limited	888	1,675
	42,593,305	24,764,074
Short Term Deposits		
Sonali Bank Ltd.	350,180,678	46,647,075
AB Bank Ltd.	4,106,812	4,132,072
Rupali Bank Ltd.	960,969	1,324,877
Janata Bank Ltd.	58,207	57,559
Prime Bank Ltd.	55,885	53,190
Standard Chartered Bank	5,144,819	4,210,332
Bank Asia Limited	388,291	102,824,100
Standard Bank Limited	2,962,800	2,962,800
Al Arafah Islami Bank Limited	182,891	1,032,891
NCC Bank Limited	51,134	51,249
Southeast Bank Limited	3,926	4,449
	364,096,412	163,300,594
Mudaraba Short Term Deposit		
AB Bank Ltd.	5,629,409	5,629,409
The City Bank Limited	6,770,704	6,770,704
EXIM Bank Ltd	9,431,062	9,431,062
Bank Asia Ltd.	556,604	556,604
Union Bank Ltd.	5,317,931	5,317,931
Social Islami Bank Ltd.	153,781,067	3,781,067
	181,486,777	31,486,777

30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
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Fixed Deposits in local Currency

Fixed With Bank

Dhaka Bank Limited	1,000,000,000	-
The City Bank Limited	2,000,000,000	-
Mutual Trust Bank Ltd	700,000,000	600,000,000
Southeast Bank Limited	-	300,000,000
Standard Bank Limited	1,500,000,000	1,000,000,000
	5,200,000,000	1,900,000,000

Fixed With NBFIs

Delta Brac Housing Ltd.	-	200,000,000
	-	200,000,000
	5,788,176,494	2,319,551,445

4.2 Outside Bangladesh

Current Account

Dollar Account

Mashreqbank psc, USA	277,322,864	244,186,656
Standard Chartered Bank, USA	813,654,408	660,771,205
ICICI Bank Ltd., Hongkong	92,032,014	99,543,865
Commerz Bank, AG Germany	105,300,415	236,152,196
United Bank Of India	26,672,275	50,872,774

GBP Account

Standard Chartered Bank, UK	20,788,469	21,894,408
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Japanese Yen Account

Standard Chartered Bank, Japan	6,878,840	930,843
Commerzbank Ag, Frankfurt, Germany (Jpy)	2,149,380	2,418,618

Australian Dollar Account

Commerzbank Ag, Frankfurt, Germany (Aud)	5,095,113	2,413,672
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EURO Account

Standard Chartered Bank, UK	18,052,529	10,089,927
ICICI Bank Ltd., Mumbai, India	1,735,529	1,761,989
Commerzbank AG, Germany	11,905,793	2,945,772

ACUD Account

ICICI Bank Ltd., Mumbai, India	144,795,716	122,644,113
AB Bank, Mumbai, India	122,127	70,278,275
Mashreqbank, Mumbai, India	17,208,178	44,522,054
Standard Chartered Bank, Mumbai, India	63,358,953	71,594,746

CHF Account

Habib Bank, Zurich	2,164,328	1,908,259
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SAR Accounts

Bank Aljazira - SAR	2,256,481	2,241,994
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For details please refer to Annexure - A

1,611,493,412	1,647,171,366
7,399,669,906	3,966,722,811

4.3 Remaining maturity grouping of balance with other banks and financial institutions

On demand	1,654,086,717	1,671,935,440
Upto 1 month	4,245,583,189	2,294,787,371
Over 1 month but not more than 3 months	1,500,000,000	-
Over 3 months but not more than 1 Year	-	-
Over 1 Year but not more than 5 Years	-	-
Over 5 Years	-	-
	7,399,669,906	3,966,722,811

4 (a) CONSOLIDATED BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS

In Bangladesh

Trust Bank Limited	Note - 4.1	5,788,176,494	2,319,551,445
Trust Bank Securities Limited		70,618,338	84,865,485
Trust Bank Investment Limited		257,219,775	262,340,242
		6,116,014,607	2,666,757,172
Less : Inter Company Transaction		260,302,104	264,987,195
		5,855,712,503	2,401,769,977

Outside Bangladesh

Note - 4.2	1,611,493,412	1,647,171,366
	7,467,205,915	4,048,941,343

		30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
5	MONEY AT CALL AND SHORT NOTICE		
	Banks		
	Mercantile Bank Ltd.	300,000,000	-
	One Bank Ltd.	1,000,000,000	-
	Dhaka Bank Ltd.	400,000,000	-
		1,700,000,000	-
	Non-Banking Financial Institutions	-	-
	Investment Corporation of Bangladesh	-	-
	Non-Banking Financial Institutions	-	-
		1,700,000,000	-
6	INVESTMENTS		
	Government Securities		
	Treasury Bills		
	Treasury Bills -HTM	-	-
	Treasury Bills-HFT	11,212,492,308	7,942,916,700
		11,212,492,308	7,942,916,700
	Treasury Bonds		
	Treasury Bond - HFT	-	-
	Treasury Bond - HTM	13,357,407,311	13,681,311,965
		13,357,407,311	13,681,311,965
	National Investment Bond	-	-
	Bangladesh Bank Bill		
	Bangladesh Bank Bill - HTM	-	-
	Bangladesh Bank Bill - HFT	-	2,998,287,000
		-	2,998,287,000
	Govt. Islamic Investment Bond		
	Govt. Islamic Investment Bond - HFT	1,040,000,000	970,000,000
	Bangladesh Govt. Islamic Investment Bond - HTM	-	-
		1,040,000,000	970,000,000
	Prize Bond	5,369,100	4,354,400
		5,369,100	4,354,400
	Reverse REPO	-	-
	Asset Pledge as Security	-	-
		-	-
		25,615,268,719	25,596,870,065
	Other Investment		
	Preference Share	-	-
	12,800,000 shares in Summit Barisal Power Ltd.	128,000,000	128,000,000
	7,200,000 shares in Summit Narayanganj Power Ltd.	72,000,000	72,000,000
		200,000,000	200,000,000
	Ordinary Shares		
	Quoted	230,441,380	230,529,796
	Unquoted	18,062,657	18,062,657
		248,504,037	248,592,453
	Investment in Corporate Bonds	3,500,000,000	2,500,000,000
		3,948,504,037	2,948,592,453
		29,563,772,756	28,545,462,518
6 (a)	Consolidated Investments		
	Government Securities		
	Trust Bank Limited	25,615,268,719	25,596,870,065
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	-	-
		25,615,268,719	25,596,870,065
	Other Investment		
	Trust Bank Limited	3,948,504,037	2,948,592,453
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	2,163,189,328	2,069,771,288
		6,111,693,365	5,018,363,741
	Less : Inter Company Transaction	-	-
		31,726,962,084	30,615,233,806

30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
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6.1 Treasury Bills-at Present Value

28 days Treasury Bills	-	-
91 days Treasury Bills	2,979,335,000	2,494,582,500
182 days Treasury Bills	2,934,931,000	-
364 days Treasury Bills	5,298,226,308	5,448,334,200
	11,212,492,308	7,942,916,700

6.2 Treasury Bonds-at Present Value

02 years Treasury Bonds	1,005,013,547	1,005,191,213
05 years Treasury Bonds	1,387,997,061	1,711,990,333
10 years Treasury Bonds	6,473,722,341	6,475,154,217
15 years Treasury Bonds	3,119,780,421	3,120,101,114
20 years Treasury Bonds	1,370,893,941	1,370,896,107
	13,357,407,311	13,683,332,984

6.3 Repo & Reverse Repo Transactions during the period ended on 30 June 2018

Discloser required as per Bangladesh Bank DOS Circular No.-06 Dated: 15 July 2010 regarding of repo and reverse repo during the year ended on 30 June 2018

a. (i) Disclosure regarding outstanding REPO as on 30 June 2018

SI No.	Counter Party	Agreement Date	Reversal Date	Amount (1st Leg Cash Consideration)
1	-	-	-	-

(ii) Disclosure regarding outstanding Reverse REPO as on 30 June 2018

SI No.	Counter Party	Agreement Date	Reversal Date	Amount (1st Leg Cash Consideration)
1	-	-	-	-

b. Disclosure regarding overall transaction of REPO and Reverse REPO:

	Minimum Outstanding during the year	Maximum Outstanding during the year	Daily Average Outstanding during the year
Securities sold under REPO:			
i) with Bangladesh Bank			
ii) with other Banks & Fis			
Securities purchased under REPO:			
i) with Bangladesh Bank			
ii) with other Banks & Fis			

6.4 Other Investment

This represents investment made by the company both in listed and unlisted securities. The investment is made up as under:

Particulars	30.06.2018			31.12.2017		
	No. of Securities	At Cost	Market Value	No. of Securities	At Cost	Market Value
Investment Securities : Quoted	14	230,441,380	272,992,917	15	230,529,796	273,630,351
Investment Securities : Unquoted	5	218,062,657	218,062,657	5	218,062,657	218,062,657
Investment in Corporate Bonds	6	3,500,000,000	3,500,000,000	5	2,500,000,000	2,500,000,000
Balance as on 30 June 2018	25	3,948,504,037	3,991,055,574	25	2,948,592,453	2,991,693,008

6.4.1 Investment in Ordinary Shares - Quoted

Investment has been recorded at cost and adequate provision for probable future losses as per Bangladesh Bank guideline has been made. Market value of securities has been determined on the basis of the value of securities at the last trading date of the half-year (Last trading date for the period was 28 June 2018).

30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
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6.4.1.1 Sector wise investment in listed securities at cost

Banking Companies	3,010,593	3,010,593
Manufacturing Companies and others	57,204,436	57,292,852
Power Sector	15,426,736	15,426,736
IBBL Bond	54,051,240	54,051,240
Mutual Fund	100,748,375	100,748,375
	230,441,380	230,529,796

6.4.1.2 Investment in Ordinary Share - Quoted

Under Conventional Banking	165,117,411	230,529,796
Under Islamic Banking	65,323,969	-
	230,441,380	230,529,796

Security wise Investment in Quoted Shares is given below:

SL	Name of Security	Nos of Share			Average cost rate	30-Sep-17	31-Dec-17
		Conventional	Islamic	Total			
1	IBBL Mudaraba Perpetual Bond	-	55,915	55,915	966.67	54,051,240	54,051,240
2	Popular Life First Mutual Fund	1,038,526	-	1,038,526	7.01	7,284,124	7,284,124
3	Olimpic Industries Ltd.	100,000	35,000	135,000	288.57	38,957,269	38,957,269
4	Prime Bank Ltd.	67,760	-	67,760	29.71	2,012,905	2,012,905
5	Pubali Bank Ltd.	28,066	-	28,066	35.55	997,688	997,688
6	Square Pharmaceuticals Ltd.	-	-	-	-	-	41,026
7	Summit Power Ltd.	314,637	-	314,637	45.69	14,375,320	14,375,320
8	Padma Oil Co. Ltd.	-	3,000	3,000	350.47	1,051,416	1,051,416
9	IT Consultants Ltd. (ITCL)	2,080,000	-	2,080,000	8.36	17,391,304	17,391,304
10	LR Global Bangladesh Mutual Fund One	6,554,016	-	6,554,016	9.64	63,205,696	63,205,696
11	Trust Bank 1St Mutual Fund	4,303,720	-	4,303,720	7.03	30,258,555	30,258,555
12	OIMEX Electrode Ltd.	-	-	-	-	-	64,800
13	Queen South Textile Mills Ltd.	5,371	-	5,371	10.00	53,710	-
14	Golden Harvest Agro Industries Ltd.	-	3,650	3,650	48.99	178,801	178,801
15	Nahee Aluminum Composite Panel Ltd.	2,854	-	2,854	9.09	25,946	62,246
16	The ACME Laboratories Ltd.	5,000	-	5,000	119.48	597,406	597,406
						230,441,380	230,529,796

Provision for Investment and Securities has been shown separately in trnote no. "12 - Other Liabilities"

6.4.2 Unlisted Securities

Ordinary Share

CAPM Unit Fund	10,000,000	10,000,000
Central Depository Bangladesh Limited (CDBL)	204,708,330	204,708,330
SWIFT	3,354,327	3,354,327
	218,062,657	218,062,657

6.4.4 Investment in Corporate Bonds

Rate of Interest/Profit

Al-Arafa Islamic Bank Ltd. Subordinated Bond	10.50%	600,000,000	600,000,000
One Bank Limited Subordinate Bond	8.60%	400,000,000	400,000,000
SIBL Non-Convertible Zero Coupon Bond	8.25%	500,000,000	500,000,000
Exim Bank Ltd. Subordinted Bond	7.75%	500,000,000	500,000,000
UCBL 3RD Subordinated Bond	8.25%	500,000,000	500,000,000
Best Holdings Ltd. Subordinated Bond	10.00%	1,000,000,000	-
		3,500,000,000	2,500,000,000

6.4.4.1 Investment in Corporate Bonds

Under Conventional Banking	3,300,000,000	2,300,000,000
Under Islamic Banking	200,000,000	200,000,000
	3,500,000,000	2,500,000,000

6.5 Remaining maturity grouping of Investments

On demand	5,369,100	4,354,400
Upto 1 month	1,767,807,628	5,786,285,780
Over 1 month but not more than 3 months	3,524,310,597	713,947,623
Over 3 months but not more than 1 Year	7,885,236,456	8,615,341,767
Over 1 Year but not more than 5 Years	7,976,717,160	4,702,302,529
Over 5 Years	8,404,331,815	8,725,251,438
	29,563,772,756	28,547,483,537

30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
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7 LOANS AND ADVANCES/ISLAMI BANKING INVESTMENTS

Loans And Advances Under Coventional Banking

Repair & Recon. of Dwelling House (RRDH)	1,525,086,529	1,859,984,574
Consumer Durable Scheme Loans (CDS)	685,959	782,424
Marriage Loans (ML)	333,812,232	438,972,615
Car Loans (CL)	91,881,371	80,653,846
House Building Loans (HBL)	7,400,321,443	7,236,641,860
Term Loans	60,914,379,495	58,323,309,132
Other Retail Loans	2,876,453,307	2,876,624,787
Time Loan	26,213,937,611	24,245,937,903
Other Loans	30,382,014,799	31,591,619,887
Staff Loans	1,076,411,213	1,045,553,005
Loans against Credit Card	328,478,475	274,786,159
Loans against Trust Receipts (LTR)	6,110,843,660	5,746,126,511
Payment Against Documents (PAD)	1,939,799,834	2,355,493,563
Packing Credit (Loan agt. Packing Credit)	104,219,949	96,597,683
	139,298,325,877	136,173,083,949

Loans And Advances under Islamic Banking

Bai-Muajjal	8,987,823,370	7,498,225,387
Hire Purchase under Shirkatul Melk	1,586,522,543	1,111,755,979
IHSAN Apartment Purchase Scheme	183,814,846	181,254,850
BARAKAT Home Construction Scheme	158,516,678	137,399,964
BARAKAT Car Scheme	10,700,154	7,181,691
HPSM-Real Estate	930,277,269	951,290,693
Murabaha TR	2,448,500,456	2,827,593,069
Bai-Salam	59,313,378	31,926,164
Household Durable & others scheme	1,396,629	1,892,495
TIB House Build. Inv. for Rtd. Def. Officer (M)	4,802,862	4,838,842
TIB House Building Scheme-HBL (RM)	10,849,601	11,259,101
TIB Household Durable Scheme(Household Durable)	345,745	540,795
TIB Car Scheme(Car Loan)	175,062	1,179,972
HPSM General	3,372,013,638	3,281,143,420
Barkat Doctors Scheme	2,753,679	3,304,603
MIB- EDF - TIB	554,604,474	838,583,376
Trust Nibash	5,676,595	6,138,816
Trust Power	21,327,932	22,228,765
Baim WES/Doc Bills	-	38,236,385
	18,339,414,911	16,955,974,367

Cash Credit

Cash Credit	1,587,763,523	1,754,505,269
Cash Collateral	4,196,505,805	5,284,646,967
	5,784,269,328	7,039,152,236

Overdraft

Overdrafts	17,085,988,576	18,754,589,333
Secured Overdrafts	1,517,642,403	1,618,050,022
	18,603,630,979	20,372,639,355

Total Loans, Cash Credits and Overdrafts

Bills Purchased and Discounted

Under Conventional banking	3,328,803,109	3,907,564,837
Under Islamic banking	561,962,403	462,288,610
	3,890,765,512	4,369,853,447
	185,916,406,607	184,910,703,354

7.1 Residual maturity grouping of Loans and Advances including Bills Purchased and Discounted

Repayable on demand	9,627,532,770	12,224,010,666
Not more than 3 months	62,942,315,428	71,363,889,724
More than 3 months but not more than 1 Year	63,152,350,019	53,811,328,885
More than 1 Year but not more than 5 Years	37,146,948,484	34,991,618,320
More than 5 Years	13,047,259,906	12,519,625,679
	185,916,406,607	184,910,473,274

	30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
7.2		
Loans and Advances including Bills Purchased and Discounted		
Inside Bangladesh		
Loans	157,637,740,788	153,129,058,316
Cash Credit	5,784,269,328	7,038,922,156
Overdraft	18,603,630,979	20,372,639,355
Bills purchased and discounted	3,890,765,512	4,369,853,447
	185,916,406,607	184,910,473,274
Outside Bangladesh	-	-
	185,916,406,607	184,910,473,274
7.3		
Loans and Advances on the basis of significant concentration		
7.3.1		
Advances to Directors and Others		
Advance to Directors and their allied concerns	26,103,284	21,886,339
Advances to CEO and Senior Executives	128,668,742	168,409,275
Advances to Customers (Group wise)	78,237,079,332	95,306,762,275
Industrial Advances (Project finance)	21,166,860,479	20,557,957,123
Other Staff Loan	947,742,471	877,143,730
Other Customers	85,409,952,299	67,978,314,532
	185,916,406,607	184,910,473,274

30.06.2018
(Unaudited)
Taka

31.12.2017
(Audited)
Taka

7.3.2 Disclosure of Large Loan

As per BRPD Circular No. 5 dated 9 April 2005 issued by Bangladesh Bank, disclosure on large loan i.e. loan sanctioned to any individual or enterprise or any organization of a group amounting to 10% or more of the Bank's total capital and classified amount therein and measures taken for recovery of such loan have been furnished as under:

Total Capital	19,521,922,470	20,686,241,726
Total Loans and Advances	101,390,244,283	97,685,047,815
No. of Customers	32	32
Classified amount thereon	Nil	Nil

Single Borrower Exposure Limit has been calculated on the basis of total eligible capital as on 31 December 2017 according to BRPD Circular 02, dated 16 January 2014.

Details of Large Loans

SL #	Name of the Client	CL Status	Outstanding Loan		Total 30.06.2018	Total 31.12.2017
			Funded	Non-Funded		
1	Desh Cambridge Kumargaon Power Company Ltd., Jadoo Media Limited, Desh Energy Chandpur Power Company Ltd.	UC	445,710,586	6,338,483,110	6,784,193,696	6,246,257,756
2	Western Engineering (Pvt.) Ltd.		3,038,365,448	3,173,206,117	6,211,571,565	-
3	Wahid Construction Ltd.	UC	1,823,523,179	3,506,181,013	5,329,704,192	5,624,473,500
4	Dhaka Northern Power Generations Ltd., Eastern Cement Industries Ltd., Doreen Power House & Technologies Ltd.	UC	2,750,770,325	1,911,795,161	4,662,565,486	4,153,703,146
5	Khulna Shipyard Ltd.	UC	-	4,653,310,579	4,653,310,579	3,661,215,760
6	Sena Kalyan Sangstha & allied	UC	1,746,401,842	2,876,766,679	4,623,168,521	6,039,150,056
7	Jolshiri Abashon	UC	4,536,300,498	-	4,536,300,498	3,171,912,854
8	Abdul Monem Ltd.		2,375,148,833	2,065,506,563	4,440,655,396	4,931,285,712
9	Pretty Sweater Ind. Ltd.	UC	2,546,796,497	1,447,235,026	3,994,031,523	5,067,128,553
10	Bangladesh Steel Re-rolling Mills Ltd., BSRM Steels Ltd., BISCO, BSRM Wires Ltd.	UC	1,657,186,296	2,114,897,319	3,772,083,615	3,305,343,859
11	Sena Hotel Development Ltd., SPKS, Trust Transport Services	UC	3,701,353,167	1,652,726	3,703,005,893	3,838,545,895
12	Dockyard & Engineering Works Ltd.	UC	-	3,700,800,000	3,700,800,000	3,241,676,836
13	China Harbour Engineering Co. Ltd.	UC	-	3,520,032,682	3,520,032,682	3,520,032,682
14	Masihata Sweaters Ltd., Mega Yarn Dyeing Mills Ltd.	UC	1,615,723,532	1,582,786,945	3,198,510,477	2,960,987,652
15	KYCR Coil Industries Ltd., Steel Accessories Ltd., KDS Logistics Ltd.	UC	1,990,582,359	1,074,276,038	3,064,858,397	2,960,376,747
16	Bangladesh Machine Tools Factory Limited (BMTF)	UC	184,732,194	2,686,176,651	2,870,908,845	2,558,364,568
17	Durable Plastic Ltd., Habigonj Agro Ltd., Mymensingh Agro Ltd., Sun Basic Chemicals Ltd., Property Development Ltd.	UC	1,418,281,140	1,437,902,015	2,856,183,155	2,901,105,315
18	Elegance Housing Society	UC	2,849,543,111	-	2,849,543,111	2,718,162,834
19	Sky Capital Airlines Ltd., Blue Planet Knitwear Ltd., Badar Spinning Mills Limited	UC	2,427,233,012	413,095,244	2,840,328,256	2,659,113,830
20	Spectra Engineers Ltd.	UC	876,707,909	1,913,069,545	2,789,777,454	2,747,515,983
21	Divine Housing Society	UC	2,761,098,941	-	2,761,098,941	2,633,796,447
22	Zaber & Zubair Fabrics Ltd., Talha Spinning Mills Ltd., Yasmin Spinning Mills Ltd., Nice Denim Ltd., Zarba Textile Mills Ltd.	UC	1,874,504,405	863,367,839	2,737,872,244	2,494,625,965

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SL #	Name of the Client	CL Status	Outstanding Loan		Total	Total
			Funded	Non-Funded	30.06.2018	31.12.2017
23	Summit Communications Ltd., Muhammed Farid Khan	UC	1,749,552,005	800,093,151	2,549,645,156	2,419,063,747
24	Nitol Motors Ltd.	UC	2,255,914,897	230,727,262	2,486,642,159	-
25	Shah Cement Ind. Ltd., Abul Khair Steel Ind. Ltd., A.K. Corporation Ltd., Abul Khair Strip Processing Ltd., Abul Khair Steel Melting Ltd.	UC	1,323,439,992	994,922,814	2,318,362,806	2,955,702,908
26	The ACME Laboratories Ltd.	UC	1,460,660,865	668,562,135	2,129,223,000	-
27	Danish Condensed Milk Ltd., Danish Foods Ltd., Danish Milk (BD) Ltd.	UC	1,403,965,171	614,560,273	2,018,525,444	2,123,669,406
28	Navana Real Estate Ltd. Navana Battery Ltd., Navana Renewable Energy Ltd.Group	UC	1,999,622,645	16,135,836	2,015,758,481	2,082,476,821
29	United Ashugonj Power Ltd., United Power Generation & Distribution Company Ltd., United Ashuganj Energy Ltd., United Enterprise & Co. Ltd., Nentune Commercial Ltd.	UC	1,768,851,811	202,730,900	1,971,582,711	2,045,408,802
30	ASR Computerized Sweater (Ind.) Ltd., ASR Sweater Ltd., Golden Times Sweater & Dyeing (Ind.) Ltd	UC	-	-	-	2,063,867,061
31	BRAC	UC	-	-	-	4,347,801,169
32	M/s. Friends Traders, AG Agro industries Ltd., AG Hi-Tech Ltd.	UC	-	-	-	2,212,281,951
			52,581,970,660	48,808,273,623	101,390,244,283	97,685,047,815

7.3.3 Restructured Loans & Advances

According to Bangladesh Bank Circular no. 04 dated 29 January 2015 relating to Large Loan Restructuring, the term loans provided to Rising Steel Limited and Modern Steel Mills Limited have been restructured after getting approval from Bangladesh Bank against of which provision has been kept after treating the loans as SMA with additional 1% provision. Details of restructured loan is given in the following table:

Name of the Client	Nature of Loan	Restructure Date	Expiry Date	Limit	Outstanding
Rising Steel Limited	Term Loan	27-Dec-15	27-Dec-21	95,544,112	110,944,202
	Term Loan	27-Dec-15	27-Dec-21	1,237,212,826	1,436,144,368
Modern Steel Mills Limited	Term Loan	3-Sep-15	3-Sep-27	836,688,762	1,036,857,300
	Term Loan	3-Sep-15	3-Sep-21	221,695,247	267,871,879
Total				2,391,140,947	2,851,817,749

7.3.4 Geographical location-wise concentration of Loans and Advances

Inside Bangladesh

Dhaka Division	140,270,440,869	137,225,813,790
Chittagong Division	29,511,018,230	30,954,140,388
Khulna Division	4,408,540,926	4,658,678,796
Sylhet Division	4,213,719,911	4,245,413,632
Rangpur Division	3,119,050,563	3,282,984,324
Barisal Division	198,764,034	212,028,932
Rajshahi Division	3,424,636,699	3,519,452,640
Mymensingh Division	770,235,378	811,960,772
	185,916,406,610	184,910,473,274

Outside Bangladesh

	-	-
	185,916,406,610	184,910,473,274

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7.3.6 Nature wise Loans and Advances

Continuous	28,122,481,581	31,754,084,416
Demand Loan	50,046,614,752	46,778,185,938
Term Loans	106,586,002,723	105,072,740,476
Short Term Agri. Credit & Micro Credit	84,896,338	259,909,439
Staff Loan	1,076,411,213	1,045,553,005
	185,916,406,607	184,910,473,274

7.4 Classification of Loans and Advances including Bills Purchased and Discounted

Unclassified Loans and Advances (including staff loan)		
Consumer Financing (House Financing, HF)	7,391,409,904	8,139,025,412
Consumer Financing (Loans for Professional, LP)	56,442,328	4,673,111
Consumer Financing (Other than HF & LP)	4,061,806,544	4,104,351,530
Small & Medium Enterprise Financing (SMEF)	15,384,937,084	14,863,353,207
Loans to BHS/ MBs/ Sds against Shares etc	51,796,829	40,931,392
All Other Credit	136,165,556,221	144,096,303,749
Short Term Agri Credit	70,421,842	256,844,175
Staff Loans	1,076,411,213	1,045,553,005
	164,258,781,965	172,551,035,581
Special Mentioned Accounts	11,396,095,796	6,577,064,425
Classified Loans and Advances		
Sub-Standard Loans and Advances	1,179,420,070	1,166,481,347
Doubtful Loans and Advances	2,522,211,092	598,466,937
Bad /Loss Loans and Advances	6,559,897,684	4,017,424,984
	10,261,528,846	5,782,373,268
	185,916,406,607	184,910,473,274

7.5 Particulars of Loans and Advances

(i) Loans considered good in respect of which the bank is fully secured.	107,096,184,048	115,382,342,801
(ii) Loans considered good for which the bank holds no other security than the debtor's personal security.	2,045,080,473	2,349,398,333
(iii) Loans considered good and secured by personal undertaking of one or more parties in addition to the personal guarantee of the debtors.	55,117,517,444	54,819,294,447
(iv) Loans considered doubtful or bad not provided for	-	-
(v) Loans due by directors or officers of the bank or any of them either severally or jointly with any other person.	1,102,514,497	1,067,439,344
(vi) Loans due by companies or firms in which the directors of the bank are interested as directors, partners or managing agents or, in the case of private companies as members.	-	-
(vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons.	1,102,514,497	1,067,439,344
(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private company.	-	-
(ix) Due from Banking Companies.	-	-

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(x) Amount of classified loan on which no interest has been charged:		-
a) Increase/(Decrease) in provision	1,599,476,728	653,951,030
Amount of loan written off	-	-
Amount realized against loan previously written off	-	-
b) Provision kept against loans classified as bad debts	3,252,881,876	1,709,591,612
c) Interest credited to interest Suspense Account	2,043,489,861	1,685,951,084
(xi) Cumulative amount of written off loans		
Opening Balance	953,833,452	569,698,405
Amount written off during the year	-	442,635,758
Amount (recovery) during the year	(412,728)	(58,500,711)
	<u>953,420,724</u>	<u>953,833,452</u>
The amount of written off loans for which law suit has been filed	<u>953,420,724</u>	<u>953,833,452</u>
7.6 Bills purchased and discounted		
Payable in Bangladesh	4,117,932,822	4,177,822,305
Payable out side Bangladesh	334,795,093	192,031,142
	<u>4,452,727,915</u>	<u>4,369,853,447</u>
7.7 Remaining maturity grouping of bills purchased and discounted		
Payable with in one month	2,171,653,627	2,131,234,665
Over one month but less than three months	1,901,114,197	1,865,730,533
Over three months but less than 01 year	379,960,091	372,888,249
More than 01 year	-	-
	<u>4,452,727,915</u>	<u>4,369,853,447</u>
7 (a) Consolidated Loans and Advances/Islami Banking Investments		
Loans And Advances		
Trust Bank Limited	182,025,641,095	180,540,849,907
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	2,297,926,007	2,335,833,766
	184,323,567,102	182,876,683,673
Less : Inter Company Transaction	4,024	28,136
	<u>184,323,563,078</u>	<u>182,876,655,537</u>
Bills purchased and discounted		
Trust Bank Limited	3,890,765,512	4,369,853,447
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	-	-
	3,890,765,512	4,369,853,447
	<u>188,214,328,590</u>	<u>187,246,508,984</u>
8 FIXED ASSETS INCLUDING PREMISES, FURNITURE AND FIXTURES		
Cost		
Leasehold Land	160,469	160,469
Office Building	12,680,000	12,680,000
Furniture and fixtures	230,713,944	221,449,238
Office equipment	941,659,296	914,128,424
Motor vehicles	95,856,116	79,048,827
Office renovation	592,976,450	590,852,432
	<u>1,874,046,275</u>	<u>1,818,319,390</u>
Less: Accumulated depreciation	1,202,285,736	1,114,259,286
	<u>671,760,539</u>	<u>704,060,104</u>
8.1 Accumulated depreciation		
Leasehold Land	-	-
Office Building	2,896,896	2,773,056
Furniture and fixtures	104,543,522	96,449,776
Office equipment	758,583,484	704,799,086
Motor vehicles	69,953,719	65,226,574
Office renovation	266,308,115	245,010,794
	<u>1,202,285,736</u>	<u>1,114,259,286</u>

For details please refer to Annexure - B

		30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
8 (a)	Consolidated Fixed assets including premises, furniture and fixtures		
	Trust Bank Limited	671,760,539	704,060,104
	Trust Bank Securities Limited	697,210	963,099
	Trust Bank Investment Limited	7,454,614	7,845,275
		679,912,363	712,868,478
9	OTHER ASSETS		
	i) Investment in shares of Subsidiary Companies		
	In Bangladesh	3,349,999,290	3,349,999,290
	Outside Bangladesh	-	-
	ii) Stationery, stamps, printing materials in stock etc.;	27,639,077	28,489,443
	iii) Advance Rent and Advertisement	207,933,874	250,948,410
	iv) Interest/Profit accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable;	1,714,665,827	533,326,638
	v) Security Deposits	12,568,893	12,461,693
	vi) Preliminary, formation and organization expenses, renovation/ development expenses and prepaid expenses;	63,604,580	44,091,082
	vii) Branch Adjusting (net)	-	-
	viii) Suspense Account	519,033,805	481,728,277
	ix) Silver	-	-
	x) Others	1,523,608,310	1,207,886,521
		7,419,053,656	5,908,931,354
9.1	Interest/Profit accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable;		
	Interest accrued on investments and deposits	447,035,905	487,231,902
	Interest accrued on Loans & advances	1,240,998,719	8,238,564
	Commission Receivable on SP, WEDB & Mobile Banking Activities	26,631,203	37,856,172
		1,714,665,827	533,326,638
9.1.1	Interest accrued on investments and deposits		
	Interest/Profit accrued on Fixed Deposits/MTDR	5,347,916	34,029,723
	Interest accrued on Money at Call	-	-
	Interest accrued Corporate Bonds	28,855,822	29,178,150
	Income Receivable on Investment in Commercial Paper	-	-
	Interest accrued on Government Treasury Bond	412,472,167	424,024,029
	Dividend Receivable from Listed Companies	360,000	-
	Dividend Receivable from Non-Listed Companies	-	-
		447,035,905	487,231,902
9.1.1.1	Interest/Profit accrued on Fixed Deposits/MTDR		
	Interest accrued on Fixed Deposits	5,347,916	34,029,723
	Profit accrued on MTDR	-	-
		5,347,916	34,029,723
9.1.2	Interest accrued on Loans & advances		
	Interest accrued on Conventional Loans & advances	-	-
	Profit Receivable on TIB Investment	12,544,708	-
		12,544,708	-
9.2	Preliminary, formation and organization expenses, renovation / development expenses and prepaid expenses;		
	Pre-opening Expenses	-	-
	Prepaid Expenses	63,604,580	44,091,082
		63,604,580	44,091,082

		30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
9.3	Others		
	Deferred Tax Asset	139,267,905	136,268,150
	Intangible Assets	8,572,503	11,229,330
	Encashment of Sanchaya patra awaiting reimbursement-Principal	788,804,032	636,617,028
	Encashment of Sanchaya patra awaiting reimbursement-Interest	435,844,306	271,177,755
	Encashment of WEDB awaiting reimbursement-Principal	20,840,463	17,316,250
	Encashment of WEDB awaiting reimbursement-Interest	70,701,543	67,930,101
	US\$ Premium Bond - Principal	-	831,500
	US\$ Premium Bond - Interest	4,439,435	3,831,550
	US\$ Investment Bond - Principal	1,674,000	16,837,875
	US\$ Investment Bond - Interest	7,592,218	4,092,435
	Advance against Capital Expenditure	11,434,270	14,321,237
	Clearing Adjustment	18,912,688	15,572,344
	Receivable from Exchange House	15,524,947	11,860,966
		1,523,608,310	1,207,886,521

9.3.1	Deferred Tax Asset		
	Balance as on 1 January	136,268,150	112,042,456
	Addition during the year	2,999,755	24,225,694
	Closing Balance	139,267,905	136,268,150

9.3.1.1 As per BRPD Circular # 11 Dated: 12 December 2011 regarding accounting for Deferred Tax policy are as follows:

9.3.1.2 Position of Deferred Tax as at 30 June 2018

Deferred Tax Asset	136,268,150	112,042,456
Deferred Tax Liability	-	-
Net Deferred Tax Assets	136,268,150	112,042,456
Increase of deferred Tax Assets recognized in to the P&L Account	2,999,755	24,225,694
Decreased of deferred Tax Liability recognized in to the P&L Account	-	-
Total Deferred tax Income recognized into P&L Account during the period	139,267,905	136,268,150

Trust Bank Limited recognise deferred tax asset/liability where it has identified a taxable temporary difference between an asset's or liability's carrying amount for accounting purposes and its value for tax purposes. A deferred tax liability arises where the carrying amount of an assets/(Liability) for accounting purposes is greeter (less) than its tax value as per BAS -12 of 12.15 A deferred tax assets arises where the carrying amount of an assets/(Liability) for accounting purposes is less(greater) than its tax value.

9.3.1.3 To maintain the deferred tax Asset of Tk.139,267,905 as on 30 June 2018, a deferred tax Income of Tk.2,999,755 has been made for the period ended 30 June 2016 as per BAS-12 - Income Taxes.

9.3.1 (a) Consolidated Deferred Tax Asset

Trust Bank Limited	139,267,905	136,268,150
Trust Bank Securities Limited	281,499	281,499
Trust Bank Investment Limited	1,754,228	1,765,412
	141,303,632	138,315,061

9.4 Break-up of Other Assets

Income generating other assets	3,349,999,290	3,349,999,290
Non income generating other asset	4,069,054,366	2,554,650,298
	7,419,053,656	5,904,649,588

9.5 As on 30 June 2018, there were no outstanding balance with inter Branch adjustment Account of the Bank, Hence no disclouser is provided here.

9.6 Provision for other asset has been made @ 50% for prepaid legal expenses against unsettled suit on reporting date as per BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank and shown in Note # 12.2 under Other Liability.

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9 (a) Consolidated other assets			
Trust Bank Limited	Note - 9	7,419,053,656	5,908,931,354
Trust Bank Securities Limited		360,847,398	350,277,091
Trust Bank Investment Limited		37,463,924	51,668,494
		7,817,364,978	6,310,876,939
Less: Investment in Subsidiaries Company.		3,349,999,290	3,349,999,290
		4,467,365,688	2,960,877,649

10 BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS

In Bangladesh

Call loans

Other Borrowings

Borrowing from Bangladesh Bank - EDF	1,860,771,729	2,433,973,483
Borrowing from SME Foundation	-	5,750,000
Borrowing from Bangladesh Bank - IPFF	5,307,233,279	5,503,146,148
Borrowing from Bangladesh Bank - IPFF (BDT)	1,383,631,615	1,405,150,827
Borrowing from JICA A/c	-	1,165,612
Trust Bank Subordinated Bond	400,000,000	400,000,000
Trust Bank Limited Subordinated Bond II	1,600,000,000	1,600,000,000
Trust Bank Limited Subordinated Bond III	4,000,000,000	4,000,000,000
Borrowing from Bangladesh Bank - LTFF (USD)	377,993,727	383,025,042
Borrowing From Bangladesh Bank-EDF (USD)-TIB	346,530,966	540,737,943
Borrowing from Offshore Unit	32,683,846	156,960,122
Bangladesh Bank: Re-finance	64,880,173	106,831,197
	15,373,725,335	16,536,740,374

Outside Bangladesh

-	-
15,373,725,335	16,536,740,374

As per Bangladesh Bank letter ref # BRPD (BIC)661/14B(P)/2011-264 dated: May 31, 2011 & Guidelines on Risk Based Capital Adequacy (December 2010){ Annex A}: Unsecured Subordinated Non-Convertible Bond shown as long term borrowings.

Unsecured Subordinated Non-Convertible Bond (I ,II & III)

Trust Bank Limited Issued Three Unsecured Subordinated Non-Convertible Bond of Taka 2,000,000,000, Taka 2,000,000,000 and Taka 4,000,000,000 respectively for a term of Seven (7) years to strengthen the capital base of the Bank. First Bond issued on October 2011, Second Bond issued on September 2014 and Third Bond issued on October 2016 on the consent of BSEC vide letter ref # SEC/CI/CPLC-48/2001-339 date: May 03, 2011 & BSEC/CI/DS-211/2014/444 dated June 24, 2014 & Bangladesh Bank permission letter ref # BRPD (BIC)661/14B(P)/2011-264 dated May 31, 2011 & BRPD (BIC)661/14B(P)/2014/4723 dated July 21, 2014. The interest rate of first two bonds are 12.5% per annum and for the last bond issued at floating rate of interest, at present the rate is 10.50%. 80% repayment of First Bond already paid on 30 October 2014, 30 October 2015, 30 October 2016 and 30 October 2017 @ 20% for each year to the respective Bond holders. 20% repayment of Second Bond already paid on 6 September 2017 @ 20% to the respective Bond holders The repayment of last Bond will start after three years from the date of issue of the bond.

10.1 Security wise borrowings

Secured Borrowings	-	-
Unsecured Borrowings	15,373,725,335	16,536,740,374
	15,373,725,335	16,536,740,374

10.2 Repayment nature wise borrowings

Repayment on Demand	-	-
Others	15,373,725,335	16,536,740,374
	15,373,725,335	16,536,740,374

10.3 Remaining maturity grouping of Borrowings from other banks, financial institutions and agents

Payable

On demand	-	-
Upto 1 month	2,634,462,071	2,961,324,540
Over 1 month but within 3 months	3,421,671,146	3,846,204,069
Over 3 months but within 1 Year	5,162,038,202	4,354,357,994
Over 1 Year but within 5 Years	3,355,553,916	4,574,853,771
Over 5 Years	800,000,000	800,000,000
	15,373,725,335	16,536,740,374

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10 (a) Consolidated borrowings from other Banks, financial institutions and agents

Trust Bank Limited	Note - 10	15,373,725,335	16,536,740,374
Trust Bank Securities Limited		-	-
Trust Bank Investment Limited		6,179,448	29,248,720
		15,379,904,783	16,565,989,094
Less: Inter company transaction		4,024	28,136
		15,379,900,759	16,565,960,958

11 DEPOSITS AND OTHER ACCOUNTS

Current / Al-wadeeah Current Accounts and other Accounts	Note - 11.2	24,602,281,644	28,351,664,343
Bills Payable		4,547,244,280	2,685,106,501
Savings Bank Deposits/Mudaraba Savings Deposits	Note - 11.3	29,824,354,147	28,898,709,201
Fixed Deposits/Mudaraba Term Deposits	Note - 11.4	153,347,210,588	140,517,973,798
	Note - 11.5	212,321,090,659	200,453,453,843

11.1 Remaining maturity grouping of Deposits and other accounts

Inside Bangladesh Payable	Banks	Other than Banks		
Repayable on Demand	111,960,621	35,499,709,789	35,611,670,410	38,362,745,997
Repayable within 1 month	252,971,825	21,015,171,716	21,268,143,541	33,161,052,722
Over 1 month but within 6 months	4,500,000,000	47,822,735,276	52,322,735,276	46,986,800,304
Over 6 months but within 1 Year		45,386,759,197	45,386,759,197	23,283,399,815
Over 1 Year but within 5 Years		33,479,338,506	33,479,338,506	25,228,406,669
Over 5 Years		24,252,443,729	24,252,443,729	33,541,126,808
	4,864,932,446	207,456,158,213	212,321,090,659	200,563,532,315
Outside Bangladesh	-	-	-	-
	4,864,932,446	207,456,158,213	212,321,090,659	200,563,532,315

11.2 Current / Al-wadeeah Current Accounts and other Accounts

Under Conventional Banking		23,675,017,192	27,402,542,850
Under Islamic Banking	Note - 11.2.1	927,264,452	949,121,493
	Note - 11.2.2	24,602,281,644	28,351,664,343

11.2.1 Under Conventional Banking

Current Account		11,947,040,724	17,615,316,256
Other Accounts	Note - 11.2.3	11,727,976,468	9,787,226,594
		23,675,017,192	27,402,542,850

11.2.2 Under Islamic Banking

Al-wadeeah Current Accounts		368,177,122	267,242,768
Foreign Currency Deposits		28,524,900	132,836,703
Sundry Deposits		225,333,655	393,794,930
Profit payable on Deposits		305,228,775	155,247,092
		927,264,452	949,121,493

11.2.3 Other Accounts

Foreign Currency Deposits		5,711,092,386	6,507,633,542
Interest Payable on Deposits		1,307,184,114	1,099,983,253
Sundry Deposits		4,709,699,968	2,179,609,799
		11,727,976,468	9,787,226,594

11.3 Bills Payable

Under Conventional Banking

Demand Draft payable		4,187,607	4,198,720
Pay Order payable		4,541,622,023	2,678,942,837
		4,545,809,630	2,683,141,557

Under Islamic Banking

Demand Draft payable		-	-
Pay Order payable		1,434,650	1,964,944
		1,434,650	1,964,944
		4,547,244,280	2,685,106,501

		30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
11.4	Savings Bank Deposits/Mudaraba Savings Deposits		
	Savings Bank Deposits	28,113,611,154	27,115,630,364
	Mudaraba Savings Deposits	1,710,742,993	1,783,078,837
		29,824,354,147	28,898,709,201
11.5	Fixed Deposits/Mudaraba Term Deposits		
11.5.1	Under Conventional Banking		
	Fixed Deposits	82,045,389,412	83,375,609,402
	Short Notice Deposits	38,691,348,945	26,373,853,804
	Scheme Deposits	15,404,314,840	15,197,385,863
		136,141,053,197	124,946,849,069
11.5.2	Under Islamic Banking		
	Mudaraba Term Deposits	15,699,627,063	14,148,448,900
	Mudaraba Short Notice Deposits	205,226,818	210,306,779
	Mudaraba Scheme Deposits	1,301,303,510	1,212,369,050
		17,206,157,391	15,571,124,729
		153,347,210,588	140,517,973,798
11.6	Geographical location-wise concentration of Deposits & Other Accounts		
	Inside Bangladesh		
	Dhaka Division	157,965,168,188	150,390,869,092
	Chittagong Division	29,579,854,575	25,893,923,011
	Khulna Division	7,395,138,146	7,214,287,903
	Sylhet Division	6,298,942,126	6,386,500,232
	Rangpur Division	3,188,289,451	3,144,626,391
	Barisal Division	558,836,768	421,426,590
	Rajshahi Division	6,247,035,557	6,072,103,441
	Mymensingh Division	1,087,825,848	1,039,476,684
		212,321,090,659	200,563,213,344
	Outside Bangladesh	-	-
		212,321,090,659	200,563,213,344
11.7	Sector-wise deposits		
	Government	14,619,458,489	14,619,458,489
	Deposit money banks	800,626,660	800,626,660
	Other public	7,782,987,757	7,782,987,757
	Private	181,765,987,578	169,464,439,847
	Foreign Currency Deposits	5,739,617,286	6,640,470,245
	Interest Payable on Deposits	1,612,412,889	1,255,230,345
		212,321,090,659	200,563,213,343
11 (a)	CONSOLIDATED DEPOSITS AND OTHER ACCOUNTS		
	Current / Al-wadeeah Current Accounts and other Accounts		
	Trust Bank Limited	24,602,281,644	28,351,664,343
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	77,429,276	85,728,241
		24,679,710,920	28,437,392,584
	Less : Inter Company Transaction	260,302,104	264,987,195
		24,419,408,816	28,172,405,389
	Bills Payable	4,547,244,280	2,685,106,501
	Savings Bank Deposits/Mudaraba Savings Deposits	29,824,354,147	28,898,709,201
	Fixed Deposits/Mudaraba Term Deposits	153,347,210,588	140,517,973,798
		212,138,217,831	200,274,194,889
12	OTHER LIABILITIES		
	Provision for Loans and Advances	6,880,412,728	5,650,000,000
	Provision for Investment	4,893,008	2,858,076
	Provision for other asset	18,798,685	17,092,405
	Provision for CSR Fund	120,000,000	120,000,000
	Provision for Gratuity	43,992,916	-
	Rebate of Interest	49,996,778	49,996,778
	Unearned profit on TIB Investment	279,385,429	316,391,752
	Interest Suspense Account	2,043,489,861	1,686,945,745
	Provision for Income Tax Less Advance Income Tax	1,420,814,533	1,777,836,867
	Interest Payable on Borrowings	154,271,796	143,113,727

	30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
Accrued Expenses	103,362,299	176,277,139
Audit Fees Payable	-	575,000
Sundry Creditors	898,426,629	690,425,752
Compensation Fund Account	40,653,914	15,581,619
Others	22,199,796	21,157,088
	12,080,698,372	10,668,251,948

**12.1 Provision for Loans and Advances/Islami Banking Investments
Specific Provision**

Against Classified Loans & Advances	3,982,838,728	2,383,362,000
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General Provision

Against Unclassified Loans & Advances	1,931,130,500	2,210,301,500
Against Special Mention Accounts	142,104,000	203,956,000
Against Off Balance Sheet Exposures	824,339,500	852,380,500
	2,897,574,000	3,266,638,000
	6,880,412,728	5,650,000,000

12.1.1 Against Classified Loans & Advances

Provision held on 1 January	2,383,362,000	1,694,673,290
Fully provided debts written off	-	(410,961,021)
Recoveries from previously written off debts	-	58,500,711
Provisions made during the year	1,599,476,728	1,041,149,020
Net Charge to the Profit Loss Account	1,599,476,728	688,688,710
Provision held at end of year	3,982,838,728	2,383,362,000

12.1.2 Against Unclassified Loans & Advances

Provision held on 1 January	2,210,301,500	1,738,001,505
Provisions made during the year	(279,171,000)	472,299,995
Provision held at end of year	1,931,130,500	2,210,301,500

12.1.3 Against Special Mention Accounts

Provision held on 1 January	203,956,000	83,073,705
Provisions made during the year	(61,852,000)	120,882,295
Provision held at end of year	142,104,000	203,956,000

12.1.4 Required Provision against Loans and Advances

Particulars	Base for Provision	Rate		
Unclassified				
a. Consumer Financing (House Financing)	7,391,409,904	1.00%	73,914,099	81,370,634
b. Consumer Financing (Loans to Professional)	56,442,328	2.00%	1,128,847	93,462
c. Consumer Financing (Other than a & b)	4,061,806,544	5.00%	194,594,986	198,055,097
d. Small & Medium Enterprise Financing	15,384,937,084	0.25%	38,462,343	37,140,343
e. Loans to BHs/ MBs/ Sds against Shares etc	51,796,829	2.00%	1,035,937	818,628
f. Short Term Agriculture & Micro Credit	70,421,842	1.00%	704,218	2,568,442
g. All other Credit	129,215,435,872	1.00%	1,292,154,359	1,440,791,562
	156,232,250,403		1,601,994,789	1,760,838,168
Special Mention Account				
a. Consumer Financing (House Financing)	293,919,310	1.00%	2,939,193	2,723,653
b. Consumer Financing (Loans to Professional)	677,836	2.00%	13,557	14,853
c. Consumer Financing (Other than a & b)	93,762,914	5.00%	4,468,848	4,669,429
d. Small & Medium Enterprise Financing	522,099,691	0.25%	1,305,249	992,560
e. Loans to BHs/ MBs/ Sds against Shares etc	-	2.00%	-	-
f. Short Term Agriculture & Micro Credit	-	2.50%	-	-
g. All other Credit	10,485,636,045	1.00%	104,856,360	54,343,795
	11,396,095,796		113,583,207	62,744,290
Classified				
a. Substandard				
i. Short Term Agri Credit & Micro Credit	1,407,265	5.00%	70,363	102,684
ii. Other than Short Term Agri Credit & Micro Credit	722,094,404	20.00%	144,418,881	108,054,218
b. Doubtful				
i. Short Term Agri Credit & Micro Credit	10,564,249	5.00%	528,212	12,681
ii. Other than Short Term Agri Credit & Micro Credit	1,169,048,655	50.00%	584,524,328	155,793,113
c. Bad/Loss	3,252,881,876	100.00%	3,252,881,876	2,119,396,702
	5,155,996,450		3,982,423,660	2,383,359,398

	30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
Additional 1% provision for restructured loans as per BRPD Circular No. - 04 dated 29.01.2015	28,518,200	28,208,000
Additional Provision to be kept as per BB Letter no./ BRPD (P-1)/661/13(Cha)/2017-731 dated 06.02.2017	248,222,850	248,428,100
Additional Provision to be kept as per BB Letter no./ BRPD (P-1)/661/13(Cha)/2017-2898 dated 15.05.2017	-	19,719,900
Additional Provision to be kept as per BB Letter no./ BRPD (P-1)/661/13(Cha)/2017-4975 dated 07.08.2017	37,514,450	165,845,000
Additional Provision to be kept as per BB Letter no./ BRPD (P-1)/661/13(Cha)/2016-478 dated 20.01.2016	-	104,624,815
Additional provision for a reshcheduled Loan as per BRPD(P-1)/661/13(Cha)/2016-8276 dated 18.12.2016	-	8,012,000
	<u>172,784,342,648</u>	<u>6,012,257,156</u>
		<u>4,781,779,671</u>

12.1.5 General Provision for Off Balance Sheet Exposures

Provision held on 1 January	852,380,500	614,278,500
Provisions made during the year	(28,041,000)	238,102,000
	<u>824,339,500</u>	<u>852,380,500</u>

12.1 (a) Consolidated General Provision for Loans and Advances

Trust Bank Limited	2,897,574,000	3,240,161,500
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	319,120,559	319,120,559
	<u>3,216,694,559</u>	<u>3,559,282,059</u>

12.2 (a) Consolidated General Provision for Off Balance Sheet Exposures

Trust Bank Limited	824,339,500	852,380,500
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	605,300	605,300
	<u>824,944,800</u>	<u>852,985,800</u>

12.2 Provision for Investment

Cost price of holding of quoted shares and mutual funds (both close end and open end) as on 30 June 2018 is Tk. 241,492,796 whereas the market of these securities is Tk. 282,992,917 showing a gain on increase of market price Tk. 41,500,121.

As per DOS circular letter No. 03 issued on 12 March 2015, bank has to keep provision on mutual funds on the basis of

- Cost Price minus Market value or 85% of NAV at Market Price for close end mutual funds and
- Cost Price minus 95% of NAV at Market Price for open end mutual funds

Consequently, the required provision as per DOS circular letter No. 03 is Tk. 87,245.

Considering the market volatility, potential risk and current market price of shares and mutual funds as well, management of the bank decided to keep additional provision for shares and mutual funds for Tk. 2,034,932 as on 30 June 2018.

Details workings relating to provision on Investment is given below:

SL #	Name of the Company	Total nos of shares	Average cost rate	Total Investment Cost Price	rate as on 30 Sptember '17	NAV at Market Value for MF	85%/95% of NAVcm p of MF	Applicable Rate for Provision	Total Market Price	Aggregate Net off (Loss)/Gain	Value of ME/Share for Provision	Required Provision Excess/(Short age)
	1	2	3	4=2*3	5	6	7	8	9=4*6	10=9-4	11=2*4 or 2*5	12=11-4
1	Popular Life First Mutual Fund	1,038,526	7.01	7,284,124	5.70	11.17	9.49	9.49	5,919,598	(1,364,526)	9,860,285	-
2	Trust Bank 1st Mutual Fund	4,303,720	7.03	30,258,555	6.10	11.57	9.83	9.83	26,252,692	(4,005,863)	42,324,934	-
3	LR Global Bangladesh Mutual Fund One	6,554,016	9.64	63,205,696	8.10	11.33	9.63	9.63	53,087,530	(10,118,166)	63,118,451	(87,245)
4	CAPM Unit Fund	100,000	100.00	10,000,000	100.00	116.08	110.28	100.00	10,000,000	-	10,000,000	-
	<i>Provision Required for Mutual Funds</i>											(87,245)

30.06.2018
(Unaudited)
Taka

31.12.2017
(Audited)
Taka

5 Prime Bank Ltd.	67,760	29.71	2,012,905	16.10				1,090,936	(921,969)	1,090,936	(921,969)
6 Pubali Bank Ltd.	28,066	35.55	997,688	23.10				648,325	(349,363)	648,325	(349,363)
7 IBBL Mudaraba Perpetual Bond	55,915	966.67	54,051,240	962.00				53,790,230	(261,010)	53,790,230	(261,010)
8 Summit Power Ltd.	314,637	45.69	14,375,320	37.90				11,924,742	(2,450,577)	11,924,742	(2,450,577)
9 Padma Oil Co. Ltd.	3,000	700.94	2,102,832	229.60				688,800	(1,414,032)	688,800	(1,414,032)
10 Olympic Industries Ltd.	135,000	288.57	38,957,269	224.40				30,294,000	(8,663,269)	30,294,000	(8,663,269)
11 IT Consultants Ltd. (ITCL)	2,080,000	8.36	17,391,304	42.40				88,192,000	70,800,696	88,192,000	70,800,696
12 Golden Harvest Agro Industries Ltd.	3,650	48.99	178,801	37.60				137,240	(41,561)	137,240	(41,561)
13 The ACME Laboratories Ltd.	5,000	119.48	597,406	99.90				499,500	(97,906)	499,500	(97,906)
14 Nahee Aluminum Composite Panel Ltd.	2,854	9.09	25,946	46.50				132,711	106,765	132,711	106,765
15 Queen South Textile Mills Ltd.	5,371	10.00	53,710	62.30				334,613	280,903	334,613	280,903
<i>Provision Required for Shares</i>											-
TOTAL			241,492,796					282,992,917	41,500,121	313,036,768	(87,245)

12.2.1 Provision for Diminution in value of Investment

Balance on 1 January	2,858,076	5,973,518
Provisions made for Investment in Shares during the year	2,034,932	(3,115,442)
	<u>4,893,008</u>	<u>2,858,076</u>
Provision for decreased NAV of Trust Bank Securities Ltd	-	-
Closing Balance	4,893,008	2,858,076

Provision for decreased NAV of Trust Bank Securities Ltd. was made during the year 2015 due to negative retained earnings of the subsidiary company i.e., Trust Bank Securities Ltd. (TBSL). As 31 December 2016 the retained earnings of TBSL is positive, the said provision has been reversed.

12.2.2 Provision for Diminution in value of Investment

Provisions for Investment in Shares	4,893,008	14,769,095
Provision for decreased NAV of Trust Bank Securities Ltd	-	2,123,310
	4,893,008	16,892,405

12.3 Provision for other asset

Balance on 1 January	17,092,405	14,769,095
Provisions made during the year	1,706,280	2,323,310
	18,798,685	17,092,405

12.4 Provision for Special Reserve Fund

Special Reserve Fund (SRF) was formed for Corporate Social Responsibility (CSR) activities in the year 2018. CSR activities includes humanitarian belief, disaster management, health care, education, training, green initiatives and environmental degradation. As per Bangladesh Bank GBCSRD Circular no. 04, dated 9 July 2015, at the beginning of the year, the fund has been allocated for education, health care, disaster management and for other activities @ 30%, 50%, 10% & 10% respectively and expensed over the year accordingly.

12.5 Provision for Income Tax Less Advance Income Tax

Provision for Income Tax

Balance on 1 January	6,069,064,931	3,815,011,967
Provisions made during the year	1,115,000,000	2,235,000,000
Provision for Doubtful Income of Islamic Banking	-	19,052,964
Settlement for previous year(s)	-	-
	<u>7,184,064,931</u>	<u>6,069,064,931</u>

Less: Advance Income Tax

Balance on 1 January	4,291,228,064	2,618,321,222
Paid during the year	1,472,022,334	1,672,906,842
Settlement for previous year(s)	-	-
	<u>5,763,250,398</u>	<u>4,291,228,064</u>
Net Closing Balance	1,420,814,533	1,777,836,867

12.5.1 Provision for current tax of Tk.1,115,000,000 has been made @ 37.50% on Business Income, @ 20% on Dividend Income and @ 10% on capital gain on sale of shares of the accounting profit made by the Bank during the 1st quarter after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance and Rules, 1984.

		30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
12.5 (a) Consolidated tax expenses			
Trust Bank Limited	Note - 12.5	1,115,000,000	2,140,000,000
Trust Bank Securities Limited		2,483,437	8,797,618
Trust Bank Investment Limited		8,200,000	33,500,000
		1,125,683,437	2,182,297,618
12 (a) Consolidated other liabilities			
Trust Bank Limited	Note - 12	12,080,698,372	10,668,251,948
Trust Bank Securities Limited		49,848,100	60,277,472
Trust Bank Investment Limited		1,320,602,907	1,275,591,807
		13,451,149,379	12,004,121,227
Less: Inter company transaction		-	-
		13,451,149,379	12,004,121,227
13 CAPITAL			
13.1 Authorized Capital			
1,000,000,000 Ordinary shares of Tk. 10 each		10,000,000,000	10,000,000,000
13.2 Issued, Subscribed and Paid Up Capital			
116667000 Ordinary shares of Tk. 10 each issued for cash		1,166,670,000	1,166,670,000
11666700 Ordinary shares of Tk. 10 each issued bonus shares		116,667,000	116,667,000
25666740 Ordinary shares of Tk. 10 each issued for right 1R:5		256,667,400	256,667,400
30800080 Ordinary shares of Tk. 10 each issued bonus shares		308,000,800	308,000,800
36960100 Ordinary shares of Tk. 10 each issued bonus shares		369,601,000	369,601,000
44352120 Ordinary shares of Tk. 10 each issued bonus shares		443,521,200	443,521,200
26611274 Ordinary shares of Tk. 10 each issued bonus shares		266,112,740	266,112,740
53222550 Ordinary shares of Tk. 10 each issued for right 1R:5		532,225,500	532,225,500
34594656 Ordinary shares of Tk. 10 each issued bonus shares		345,946,560	345,946,560
45664946 Ordinary shares of Tk. 10 each issued bonus shares		456,649,460	456,649,460
42620616 Ordinary shares of Tk. 10 each issued bonus shares		426,206,160	426,206,160
37506142 Ordinary shares of Tk. 10 each issued bonus shares		375,061,420	375,061,420
50633292 Ordinary shares of Tk. 10 each issued bonus shares		506,332,920	506,332,920
		5,569,662,160	5,569,662,160
13.3 Capital Adequacy Ratio			
In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD circulars no. 18 dated 21 December 2014 relating to implementation of Basel III in Bangladesh, required capital, available core capital and supplementary capital of the Bank as on 31 December 2016 is shown below:			
13.3.1 Capital Adequacy Ratio under SOLO basis			
<u>Common Equity Tier I (Going-concern capital)</u>			
Paid up Capital		5,569,662,160	5,569,662,160
Share Premium Account		-	-
Statutory Reserve		5,152,385,449	4,815,477,540
Retained Earnings		841,514,034	1,719,815,073
		11,563,561,643	12,104,954,773
Less : Regulatory Adjustments			
Deferred Tax - Assets		139,267,905	136,268,150
Total Common Equity Tier-1 Capital		11,424,293,738	11,968,686,623
Additional Tier I Capital		-	-
<u>Tier II Capital (Gone-Concern Capital)</u>			
General Provision		2,897,574,000	3,266,638,000
Subordinated Bond		5,200,000,000	5,200,000,000
Revaluation reserves		273,661	273,661
		8,097,847,661	8,466,911,661
Less : Regulatory Adjustments			
Revaluation Reserves (according to Phase-in deductions as per Basel III Guideline)		218,929	164,197
Total Tier II Capital Available		8,097,628,732	8,466,747,464
Maximum Limit of Tier II Capital (Tier II capital can be maximum up to 4.00% of the total RWA or 88.89% of CET I,			

	30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
whichever is higher)	10,155,054,704	10,638,965,539
Excess Amount over Maximum Limit of Teir II	-	-
Total Admissible Tier-2 Capital	8,097,628,732	8,466,747,464
A. Total Eligible Capital (Tier-I + Tier-II)	19,521,922,470	20,435,434,087
B. Total Risk Weighted Assets (RWA)		
Credit Risk Weighted Assets	147,374,678,375	142,606,387,223
Market Risk Weighted Assets	2,324,314,586	1,956,532,187
Operational Risk Weighted Assets	13,797,482,203	13,201,774,465
	163,496,475,164	157,764,693,875
C. Required Capital based on RWA @ 11.875%	19,415,206,426	17,748,528,061
2017 - @ 11.25%		
D. Surplus Capital as per Bank weighted Assets (A - C)	106,716,044	2,686,906,026
Capital Adequacy Ratio		
Tier I capital to RWA	6.99%	7.59%
Supplementary Capital to RWA	4.95%	5.36%
	11.94%	12.95%

13.3 (a) Capital Adequacy Ratio under Consolidated basis

Tier – I (Core Capital)

Paid up Capital	5,569,662,160	5,569,662,160
Minority Interest	795	789
Share Premium Account	-	-
Statutory Reserve	5,152,385,449	4,815,477,540
Retained Earnings	1,232,870,812	2,082,533,494
	11,954,919,216	12,467,673,983

Less: Regulatory Adjustments

Deferred Tax-Assets	141,303,632	138,269,647
Total Common Equity Tier-1 Capital	11,813,615,584	12,329,404,336

Additional Tier I Capital

Tier II Capita (Gone-Concern Capital)

General Provision (Maximum 1.25% of Credit RWA)	2,897,574,000	3,266,638,000
Subordinated Bond	5,200,000,000	5,200,000,000
Revaluation Reserves	273,661	273,661
	8,097,847,661	8,466,911,661

Less : Regulatory Adjustments

Revaluation Reserves (according to Phase-in deductions as per Basel III Guideline)

	218,929	164,197
Total Tier II Capital Available	8,097,628,732	8,466,747,464

Maximum Limit of Tier II Capital (Tier II capital can be maximum up to 4.00% of the total RWA or 88.89% of CET I, whichever is higher)

	10,501,122,893	10,959,607,514
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Excess Amount over Maximum Limit of Teir II

	-	-
Total Admissible Tier-2 Capital	8,097,628,732	8,466,747,464

A. Total Eligible Capital (Tier-I + Tier-II)

	19,911,244,316	20,796,151,800
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B. Total Risk Weighted Assets (RWA)

Credit Risk Weighted Assets	146,555,214,589	141,841,505,314
Market Risk Weighted Assets	5,475,881,696	5,372,836,354
Operational Risk Weighted Assets	14,332,795,492	13,692,607,220
	166,363,891,777	160,906,948,888

C. Required Capital based on RWA @ 11.875%

 2017 - @ 11.25%

	19,672,530,203	18,102,031,750
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D. Surplus Capital as per Bank weighted Assets (A - C)

	238,714,113	2,694,120,050
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Capital Adequacy Ratio

Core Capital to RWA	7.10%	7.66%
Supplementary Capital to RWA	4.87%	5.26%
	11.97%	12.92%

30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
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Total Risk Weighted Assets (RWA)

Risk Weighted Assets (RWA) has been calculated considering the Credit risk, Market Risk and Operational risk as per Guidelines on Risk Based Capital Adequacy - Revised Regulatory Framework for Banks in line with Basel III issued by Bangladesh Bank vide BRPD Circular no. 18 dated 21 December 2014.

13.4 Leverage Ratio under SOLO basis

A. Tier-1 Capital - considering all regulatory adjustments	11,424,293,738	11,968,686,623
B. On- Balance Sheet Exposure	247,359,039,324	237,387,267,336
C. Off-Balance Sheet Exposure	29,863,220,582	31,992,060,983
D. Total Deduction from On and Off-Balance Sheet Exposure/ Regulatory adjustments made to Tier 1 capital	139,267,905	136,268,150
E. Total Exposure (B+C-D)	277,082,992,001	269,243,060,169
Leverage Ratio (A/E)*100	4.12%	4.45%

13.4 (a) Leverage Ratio under Consolidated basis

A. Tier-1 Capital - considering all regulatory adjustments	11,813,615,584	12,329,404,336
B. On- Balance Sheet Exposure	248,944,126,388	238,935,817,455
C. Off-Balance Sheet Exposure	29,923,750,582	32,052,590,983
D. Total Deduction from On and Off-Balance Sheet Exposure/ Regulatory adjustments made to Tier 1 capital	141,303,632	138,269,647
E. Total Exposure (B+C-D)	278,726,573,338	270,850,138,791
Leverage Ratio (A/E)*100	4.24%	4.55%

13.5 Percentage of shareholdings at the closing date

	Amount (in Taka)		Percentage (%)	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
Sponsors	3,341,749,260	3,341,749,260	60.00%	60.00%
Financial Institutions	896,065,990	947,632,940	16.09%	17.01%
Foreign Investors	101,528,710	101,959,030	1.82%	1.83%
Non-Resident Bangladeshi	18,406,870	17,114,240	0.33%	0.31%
General Public	1,211,911,330	1,161,206,690	21.76%	20.85%
Total	5,569,662,160	5,569,662,160	100.00%	100.00%

13.6 Shareholding Range on the basis of shareholdings as on 30 June 2018

Shareholding Range		No. of Sh. Holders	Number of Shares	%
1	to 500	6,493	1,089,110	0.20%
501	to 5,000	7,998	14,798,875	2.66%
5,001	to 10,000	736	5,191,138	0.93%
10,001	to 20,000	355	4,865,749	0.87%
20,001	to 30,000	121	2,924,044	0.52%
30,001	to 40,000	59	2,046,724	0.37%
40,001	to 50,000	42	1,882,091	0.34%
50,001	to 100,000	72	5,255,172	0.94%
100,001	to 1,000,000	72	21,349,099	3.83%
1,000,001	and More	34	497,564,214	89.33%
Total		15,982	556,966,216	100.00%

13 (a) MINORITY INTEREST

Share Capital (7 nos. shares of Trust Bank Investment Limited @ Tk. 100 each & 1 nos Share of TBSL)

Profit as of 1 January 2016

Profit for the year

789	789
-	-
6	-
6	-
795	789

		30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
14	STATUTORY RESERVE		
	Balance on 1 January	4,815,477,540	4,027,401,519
	Reserve made during the year	336,907,909	788,076,021
	Closing Balance	5,152,385,449	4,815,477,540
14.1	Reserve for current period was made @ Tk. 20% on the net profit before tax under section 24 of The Bank Companies Act 1991.		
15	OTHER RESERVE		
	Revaluation Reserve		
	Balance on 1 January	5,447,527	39,863,658
	Reserve made/(adjusted) during the year	(4,525,107)	(34,416,131)
	Closing Balance	922,420	5,447,527
<p>Investments which have 'fixed or determinable payments', and are intended to be 'held to maturity' other than those which are floating and/or free to trade in the market at prevailing prices are classified as held to maturity and must be amortized at the end of the year before maturity. Investments classified in the category of 'Held for Trading' are held indeed selling or purchasing –in short- trading as decided by the management of the bank or treasury. After initial recognition, investments of such categories are measured at their fair value once in a week. The increase in case of amortization of Investment under 'Held to maturity' and any change in the fair value in case of Investment under 'held for Trading' is to be accounted for in the 'Statement of changes in Equity' under the head Other Reserve as Surplus/Deficit on revaluation of investment.</p>			
16	RETAINED EARNINGS		
	Balance on 1 January	1,719,815,073.00	2,044,117,600
	Issue of Bonus Shares	-	(506,332,920)
	Cash Dividend	(1,113,932,432.00)	(759,499,386)
		605,882,641.00	778,285,294
	Net Profit for the year transferred from Profit and Loss Account	572,539,302.00	1,729,605,800.00
	Less: Transferred to Statutory Reserve	336,907,909.00	788,076,021.00
		235,631,393.00	941,529,779
	Closing Balance	841,514,034.00	1,719,815,073
16 (a)	Consolidated retained earnings		
	Trust Bank Limited	841,514,034	1,719,815,073
	Trust Bank Securities Limited	32,314,846	25,828,203
	Trust Bank Investment Limited	359,042,017	336,890,297
		1,232,870,897	2,082,533,573
	Less minority interest	85	79
	Closing Balance	1,232,870,812	2,082,533,494
17	CONTINGENT LIABILITIES		
17.1	Acceptances and endorsements		
	Acceptance Bills - Local	1,517,902,593	2,042,230,604
	Acceptance Bills - Foreign	22,209,783,514	15,020,088,393
	Acceptance Liabilities - Back to Back L/C	913,694,364	917,118,872
		24,641,380,471	17,979,437,869
17.2	Letters of Guarantee		
	Letters of Guarantee - Local	35,732,453,518	32,319,151,209
	Letters of Guarantee -Foreign	17,757,264.00	22,139,264.00
		35,750,210,782	32,341,290,473
17.2 (a)	Consolidated Letters of Guarantee		
	Trust Bank Limited	35,750,210,782	32,341,290,473
	Trust Bank Securities Limited	-	-
	Trust Bank Investment Limited	60,530,000	60,530,000
		35,810,740,782	32,401,820,473

30.06.2018 (Unaudited) Taka	31.12.2017 (Audited) Taka
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17.3 Irrevocable Letter of Credits

Letter of Credit - Local	883,500,027	582,912,827
Letter of Credit - Foreign	18,830,679,357	19,986,505,330
Letter of Credit - Back to Back L/C	2,253,434,894	1,972,966,872
Letter of Credit - Usance (Foreign)	6,101,460,749	14,056,429,460
Letter of Credit - Back to Back (EDF) - Foreign	316,378,437	494,920,908
	28,385,453,464	37,093,735,397

17.4 Bills for Collection

Outward Bills for Collection	74,578,285	17,327,040
Foreign Bills for Collection	-	-
Inland Bills for Collection	-	-
Local Documentary Bill for Collection	1,959,349,298	2,118,481,796
Inward Foreign Documentary Bills for Collection	563,625	-
Foreign Documentary Bills for Collection	1,740,904,242	1,571,023,626
	3,775,395,450	3,706,832,462

17 (a) Consolidated Contingent Liabilities

Trust Bank Limited	92,552,440,167	91,121,296,201
Trust Bank Securities Limited	-	-
Trust Bank Investment Limited	60,530,000	60,530,000
	92,612,970,167	91,181,826,201

Note - 17

18 INTEREST INCOME

Interest Income under Conventional banking

Interest from Loans and Advances

	1 January to 30 June 2018 Taka	1 January to 30 June 2017 Taka	1 April to 30 June 2018 Taka	1 April to 30 June 2017 Taka
Interest on Repair & Recon. of Dwelling House (RRDH)	51,136,424	87,873,450	24,629,283	39,031,749
Interest on Consumer Durable Scheme	-	8,417	-	8,417
Interest on Marriage Loans	732,318	1,787,601	316,971	787,642
Interest on Car Loans	4,390,187	4,193,586	2,344,750	1,974,524
Interest on House Building Loans	301,052,069	237,465,633	155,491,011	124,825,972
Interest on Term Loans	2,589,329,124	2,485,539,135	1,352,810,715	1,208,251,121
Interest on Other Loans	2,449,157,235	1,504,080,243	1,294,592,658	841,441,022
Interest on SME Loan	358,808,854	285,608,570	188,074,096	145,265,084
Interest on PAD - EDF	46,274,507	76,162,748	21,625,473	30,731,337
Interest on Staff Loan	18,863,045	20,792,698	9,445,670	10,295,313
Interest on LTR	308,916,735	210,631,088	165,739,526	115,492,377
Interest on Payment Against Documents (PAD)	6,363,103	6,600,153	4,047,869	3,738,433
Interest on Cash Credit	72,955,446	59,360,534	36,883,980	30,649,289
Interest on Cash Collateral	233,255,387	152,656,724	113,919,007	86,614,923
Interest on Overdraft	897,024,199	544,352,632	474,147,626	284,756,995
Interest on SOD	58,426,754	191,242,784	29,275,838	91,703,129
Interest on Inland Bills Purchased and Discounted	96,209,307	92,770,714	48,035,413	76,793,310
Interest on Foreign Bills Purchased and Discounted	2,066,665	1,814,016	1,505,840	988,729
	7,494,961,359	5,962,940,726	3,922,885,726	3,093,349,366

Interest from Banks and Other Financial Institutions

Interest on FDR Account	8,705,797	108,558,061	5,810,520	47,080,281
Interest on Bangladesh Bank Foreign Currency Accounts	4,573,655	3,247,246	2,126,850	2,181,376
Interest on SND Account	160,711	98,457	64,766	1,380
Interest on Call Deposits	8,563,500	15,956,764	4,260,042	7,435,625
	22,003,663	127,860,528	12,262,178	56,698,662
Interest received from Foreign Banks	-	-	-	-
	7,516,965,022	6,090,801,254	3,935,147,904	3,150,048,028

Profit under Islamic banking

Profit on Bai-Muajjal	424,301,373	267,280,765	226,343,880	-
Profit on HPSM-Capital Machinery	72,521,691	44,278,680	44,184,559	141,102,085
Profit on IHSAN Apartment Purchase Scheme	8,895,329	4,693,926	4,809,746	20,911,607
Profit on BARAKAT Home Construction Scheme	7,298,837	4,634,777	3,874,647	2,757,048
Profit on BARAKAT Car Scheme	512,759	291,261	287,419	2,519,701
Profit on HPSM- Real Estate	55,061,940	24,771,392	26,039,679	140,568
Profit on Murabaha TR	93,957,765	84,889,612	43,395,433	12,667,283
Profit on Bai-Salam	915,849	2,970,357	614,598	48,190,721
Profit on Murabaha Import Bills (MIB)	8,492	1,105,666	8,492	1,571,414
Profit on TIB House Building Scheme-HBL (RM)	-	-	-	533,949
Profit on TIB Car Scheme(Car Loan)	41,287	11,399	16,886	-
Profit on TIB Household Durable Scheme(Household Durable)	99,542	120,597	45,065	11,399
Profit on MIB - EDF - TIB	15,806,407	18,063,624	6,689,851	51,331
Profit on TIB HB Inv. for Rtd. Def. Officer (M)	209,020	167,474	105,624	9,287,562
Profit on HPSM General	168,429,034	113,613,760	87,257,985	105,906
Profit on Barkat Doctors Scheme	166,068	48,644	79,914	59,480,253
Profit on Trust Nibash	315,148	114,893	158,539	22,858
Profit on Trust Power	1,192,067	1,040,941	591,059	94,417
Profit on PAD - EDF	-	-	-	587,571
Profit on Musharaka agt. IBP	19,353,949	16,325,742	10,670,253	7,642,413
Profit Suspense - Musharaka IBP USD	400,584	1,373,856	21,595	922,293
	869,487,141	585,797,366	455,195,224	308,600,379

Profit from Banks and Other Financial Institutions

Profit on Mudarab Term Deposits	2,500,000	24,933,569	2,500,000	11,622,500
	871,987,141	610,730,935	457,695,224	320,222,879
	8,388,952,163	6,701,532,189	4,392,843,128	3,470,270,907
Less: Rebate for Good Borrowers	-	-	-	-
	8,388,952,163	6,701,532,189	4,392,843,128	3,470,270,907

The Bank has transferred interest accrued during the year on "Sub-Standard", "Doubtful" or "Bad/Loss" to Interest Suspense Account instead of Interest Income Account in line with BRPD Circular No. 14 date 23 September 2012. The Bank has also transferred any unrealized accrued interest on rescheduled loans to Interest Suspense Account instead of Interest Income in line with BRPD Circular No. 14 date 23 September 2012.

18 (a) Consolidated Interest Income/profit on investment

Trust Bank Limited	8,388,952,163	6,701,532,189	4,392,843,128	3,470,270,907
Trust Bank Securities Limited	-	-	-	-
Trust Bank Investment Limited	31,944,148	21,552,746	6,929,807	10,344,891
	8,420,896,311	6,723,084,935	4,399,772,935	3,480,615,798
Less : Inter Company Transaction	4,830	75,840	4,024	1,280
	8,420,891,481	6,723,009,095	4,399,768,911	3,480,614,518

19 INTEREST PAID ON DEPOSITS AND BORROWINGS

Interest paid on deposits

Interest on SND Account	228,737,416	181,798,720	117,320,292	114,471,394
Interest on FDR Account	2,765,183,420	2,148,800,210	1,534,037,320	1,044,655,226
Interest on Foreign Currency Deposit	60,962,498	34,557,896	28,862,458	18,681,625
Interest on Savings Account	336,719,585	194,082,535	192,079,858	98,206,106
Interest on Scheme Deposits	889,315,417	846,306,396	450,604,256	425,157,108
	4,280,918,336	3,405,545,757	2,322,904,184	1,701,171,459

	1 January to 30 June 2018 Taka	1 January to 30 June 2017 Taka	1 April to 30 June 2018 Taka	1 April to 30 June 2017 Taka
Profit paid on Islamic Banking Deposits				
Profit Paid on Mudaraba Savings Account	32,715,586	20,495,530	17,685,837	10,912,782
Profit Paid on Mudaraba SND	1,814,198	1,022,993	907,336	394,634
Interest Paid on Mudaraba TDR	506,297,871	289,108,183	280,106,398	147,803,930
Profit Paid on Mudaraba MTDR - 1 Month	7,414,350	8,533,061	4,015,208	4,318,553
Profit Paid on TBL Barakat Hajj Deposit Scheme	816,680	436,932	428,076	160,026
Profit on Mudaraba Kotipati Scheme (MKS)	6,929,646	5,526,741	3,149,622	2,929,147
Profit on Mudaraba Millionaire Scheme (MMS)	13,271,601	9,618,767	6,767,348	5,111,336
Profit on Mudaraba Money Double Scheme (MMDS)	4,073,706	3,668,004	2,053,695	1,834,002
Profit Paid on DPMSA	140,270	100,112	74,860	55,146
Profit Paid on TEMSA	768,670	701,443	453,696	403,385
Profit Paid on Mudaraba Monthly Savings Scheme	21,292,781	16,702,820	10,875,138	8,617,784
Profit paid on Trust Bank Mudaraba Cash Waqf	26,050	37,730	7,128	18,804
Profit Paid On - Fc Deposits	-	82	-	67
Profit paid on MMPS	9,376,688	10,513,834	4,697,099	5,365,359
Profit paid on TIB Payroll	131,666	58,299	79,651	29,532
Profit paid on Provident Fund Account (TIB Payroll)	34	-	34	-
	605,069,797	366,524,531	331,301,126	187,954,487
Interest paid on borrowings				
Under Conventional Banking				
Interest on Call Deposits.	34,483,569	6,697,847	15,142,939	5,430,764
Interest on Other Borrowings	431,660,376	480,888,919	224,310,325	242,860,699
	466,143,945	487,586,766	239,453,264	248,291,463
	5,352,132,078	4,259,657,054	2,893,658,574	2,137,417,409
19 (a) Consolidated Interest / profit paid on deposits, borrowings etc. on investment				
Trust Bank Limited	5,352,132,078	4,259,657,054	2,893,658,574	2,137,417,409
Trust Bank Securities Limited	-	-	-	-
Trust Bank Investment Limited	760	1,027,063	78,916	531,529
	5,352,132,838	4,260,684,117	2,893,737,490	2,137,948,938
Less : Inter Company Transaction	4,830	75,840	4,024	1,280
	5,352,128,008	4,260,608,277	2,893,733,466	2,137,947,658
20 INCOME FROM INVESTMENTS				
Income from Conventional Banking				
Income from Treasury bills	178,794,832	136,031,191	86,936,423	58,875,290
Income on Bangladesh Bank Bill	5,103,000	55,328,450	-	41,278,800
Income from Treasury bonds	681,007,106	768,048,778	326,093,417	386,619,272
Income from Reverse REPO	-	367,971	-	367,971
Income from Corporate Bonds	104,953,150	48,751,066	56,371,641	21,262,064
Dividend Income	16,588,894	573,308	16,588,894	560,372
Income on Investment in Commercial Paper	-	6,400,000	-	6,000,000
Gain from sales of shares	523,710	17,579,359	321,878	1,468,842
	986,970,692	1,033,080,123	486,312,253	516,432,611
Income from Islamic Banking Investments				
Profit on Bangladesh Govt. Islamic Investment Bond	12,502,744	-	12,502,744	-
Income from Corporate Bonds	10,298,631	10,356,165	5,235,617	10,356,165
Profit on Sale of Shares	-	1,588,899	-	136,841
	22,801,375	11,945,064	17,738,361	10,493,006
	1,009,772,067	1,045,025,187	504,050,614	526,925,617
20 (a) Consolidated Income from Investment				
Trust Bank Limited	1,009,772,067	1,045,025,187	504,050,614	526,925,617
Trust Bank Securities Limited	1,841,617	3,762,930	867,482	1,301,482
Trust Bank Investment Limited	15,054,791	116,661,059	8,313,275	18,605,622
	1,026,668,475	1,165,449,176	513,231,371	546,832,721
21 Commission, exchange and brokerage				
Demand Draft, Money Transfer, Telegraphic Transfer, Pay Order etc.	2,973,589	2,644,929	1,644,916	1,318,417
Bills	11,929,966	13,730,462	5,522,134	6,404,740
Letter of Guarantees	92,411,537	136,721,465	48,089,273	98,975,117
Letter of Credits	101,958,748	142,996,654	45,261,172	56,674,311
Foreign Remittances	3,425,190	2,641,053	2,404,842	2,069,772
Commission on Sale of Government Securities	13,100,755	19,755,095	7,586,270	12,978,672
Fund Transfer Commission	14,000	7,600	8,400	3,000
Under writing Commission	1,500	-	1,500	-
Acceptance Commission	98,319,811	73,725,134	35,984,433	38,868,037
Foreign Correspondence Charges	-	1,000	-	-
EMI Comm. on Credit Card	553,773	15,967	278,666	7,562
Miscellaneous Commission	10,882,436	11,290,220	6,632,914	5,683,614
	335,571,305	403,529,579	153,414,520	222,983,242
Foreign Currency Exchange Gain	109,678,030	322,657,646	44,053,774	220,117,713
	445,249,335	726,187,225	197,468,294	443,100,955
21 (a) Consolidated Commission, exchange and brokerage				
Trust Bank Limited	445,249,335	726,187,225	197,468,294	443,100,955
Trust Bank Securities Limited	4,930,279	19,757,701	3,075,607	4,606,709
Trust Bank Investment Limited	-	659	-	659
	450,179,614	745,945,585	200,543,901	447,708,323

	1 January to 30 June 2018 Taka	1 January to 30 June 2017 Taka	1 April to 30 June 2018 Taka	1 April to 30 June 2017 Taka
22 OTHER OPERATING INCOME				
Locker Rent	684,500	923,255	268,750	490,375
Swift Charge (Net)	14,051,521	21,962,808	8,727,066	11,007,408
Postage Charge (Net)	269,867	1,895,270	237,876	787,844
Incidental Charges	1,350	1,480	1,350	-
Sale Proceeds of Forms	196,788	888,398	50,579	323,357
Service Charges	41,640,028	40,831,742	40,828,621	39,845,090
Service Compensation	578,490	146,357	267,473	2,000
Front End Fees	5,596,383	12,033,728	1,963,622	5,744,383
Notice Pay	806,397	741,452	456,786	586,260
Closing Charge	1,114,130	859,353	573,186	403,466
Sale Proceeds of Cheque books	25,000	87,000	7,000	51,000
Income from Mobile Banking	756,985	1,475,510	560,609	280,684
O/W Cheque Processing Fees	353,807	328,335	176,622	167,381
Syndication Fees	8,554,357	52,688,127	-	40,400,000
Income through Credit & ATM Card	54,269,485	44,578,907	33,043,320	28,564,610
Insurance Premium Income	14,456	10,889	174	1,775
SMS Notification Fees	16,956,024	17,262,414	16,735,480	17,156,652
Service Charges on e-GP	1,674,826	1,100,466	831,556	630,816
Service Charge on Passport	-	4,500	-	4,500
Miscellaneous Foreign Exchange Income	42,170,385	41,180,902	19,940,601	21,611,847
Trustee Fees	1,200,000	-	1,200,000	-
Service Charge on BRTA Transaction	-	128,425	-	128,425
Income from Priority Pass	-	19,116	-	19,116
RTGS Settlement Charge	1,800	13,500	100	6,900
Charges for Footage	5,000	1,000	3,000	-
NID Verification Fees	555	22,096	225	11,351
Miscellaneous Earnings	30,980,519	33,470,368	16,057,690	16,090,586
	221,902,653	272,655,398	141,931,686	184,315,826
22 (a) Consolidated other operating income				
Trust Bank Limited	221,902,653	272,655,398	141,931,686	184,315,826
Trust Bank Securities Limited	8,983,345	8,443,140	8,406,826	8,152,317
Trust Bank Investment Limited	9,411,427	19,410,519	4,486,553	6,680,808
	240,297,425	300,509,057	154,825,065	199,148,951
23 Salaries and allowances				
Basic Salary	420,317,836	388,936,195	209,557,615	193,763,184
House Rent Allowances	210,394,620	194,931,602	104,908,373	97,072,249
Conveyance Allowances	24,541,288	21,829,204	12,291,191	10,882,763
Medical Allowances	89,379,095	80,399,769	44,638,415	40,082,265
Leave Fare Assistancess	34,967,545	31,535,492	17,438,924	15,733,578
Leave Encashment	2,466,467	4,291,504	1,157,553	3,473,946
Utility Allowances	2,048,813	2,001,700	1,002,182	1,004,393
Telephone Allowance	182,173	183,129	87,392	91,232
Club Membership Allowance	719,390	704,963	349,847	352,947
Contractual Staffs Salary	5,610,914	7,165,068	2,666,144	4,060,857
Managers' Charge Allowance	1,588,000	1,553,597	796,500	782,000
Key Holding Allowance	552,750	552,000	276,000	277,500
Festival Bonus	83,637,780	76,996,860	83,637,780	76,996,860
Bank's Contribution to Provident Fund	40,813,248	37,824,046	20,415,461	18,878,972
Bank's Contribution to Superannuation Fund	3,244,500	3,231,498	1,622,250	1,615,749
Bank's Contribution to Employees' Gratuity Fund	43,992,916	40,313,989	25,397,985	4,847,474
Termination Benefit	21,400	-	21,400	-
	964,478,735	892,450,616	526,265,012	469,915,969
23 (a) Consolidated salaries and allowances				
Trust Bank Limited	964,478,735	892,450,616	526,265,012	469,915,969
Trust Bank Securities Limited	4,190,141	3,363,982	2,406,341	1,810,527
Trust Bank Investment Limited	12,338,478	13,408,548	6,283,118	7,315,850
	981,007,354	909,223,146	534,954,471	479,042,346
24 RENT, TAXES, INSURANCE, ELECTRICITY, ETC.				
Rent	251,475,273	227,245,074	126,388,903	115,186,637
Electricity and Lighting	22,549,817	22,903,528	11,730,735	13,282,439
Insurance	67,713,514	63,355,838	32,802,458	29,815,278
Rates, Taxes & Excise Duty	7,757,747	12,078,816	1,888,951	6,732,683
Fees & Renewals	4,945,083	7,237,318	990,858	2,549,916
Generator Fuel	2,167,682	2,323,867	1,159,594	1,349,451
Gas/Water Bill	786,553	398,487	398,681	104,890
	357,395,669	335,542,928	175,360,180	169,021,294
24 (a) Consolidated rent,taxes,insurance, electricity,etc.				
Trust Bank Limited	357,395,669	335,542,928	175,360,180	169,021,294
Trust Bank Securities Limited	794,945	953,004	528,135	451,080
Trust Bank Investment Limited	7,426,714	6,032,505	3,672,835	3,108,906
	365,617,328	342,528,437	179,561,150	172,581,280
25 POSTAGE, STAMPS, TELECOMMUNICATION, ETC.				
Stamp	4,967	21,747	4,967	9,450
VISA Connectivity Charges	408,000	814,210	102,000	211,210
VISA Membership Fees	-	96,000	-	96,000
VISA SBRL Commission	801,005	421,000	155,000	421,000
VISA Authorisation Fees	-	1,212,000	-	1,212,000
VISA VIROL Fees	106,240	78,560	26,560	78,560
Bulk SMS Charge	2,530,000	1,861,619	670,000	1,861,619
USSD Gateway Service Charge	160,000	174,550	40,000	174,550
Security Compliance Charge	42,500	-	17,000	-
ATM Driving Charge	212,000	-	53,000	-
PCI-DSS, VbV, e-Mail Notification charges (t-cash) for Mobile Banking Re-Branding	13,306,573	-	12,306,573	-
ATM Maintenance Charges	-	1,646,620	-	866,642
Link (Fibre/Radio) Charge	14,987,981	35,654,234	6,971,724	16,691,539
ATM Card Expenditure	5,534,000	5,216,955	4,383,000	3,635,080

	1 January to 30 June 2018 Taka	1 January to 30 June 2017 Taka	1 April to 30 June 2018 Taka	1 April to 30 June 2017 Taka
Internet Charge	1,313,055	492,630	728,994	391,010
Reuter Charge	-	726,600	-	105,050
Telegram, Telex, Telephone, Trunk Call etc. (Net)	4,489,329	6,878,352	1,982,098	2,341,130
	43,895,710	55,295,077	27,440,976	28,094,840
25 (a) Consolidated postages, stamps, telecommunication, etc.				
Trust Bank Limited	43,895,710	55,295,077	27,440,976	28,094,840
Trust Bank Securities Limited	140,275	721,856	109,654	333,754
Trust Bank Investment Limited	249,368	489,689	112,681	175,794
	44,285,353	56,506,622	27,663,311	28,604,388
26 STATIONERY, PRINTING, ADVERTISEMENT, ETC.				
Printing and Stationery (Net)	18,673,204	20,090,996	9,577,892	11,792,583
Publicity and Advertisement	5,459,112	2,817,954	2,929,501	1,483,134
	24,132,316	22,908,950	12,507,393	13,275,717
26 (a) Consolidated stationery, printing, advertisement, etc etc.				
Trust Bank Limited	24,132,316	22,908,950	12,507,393	13,275,717
Trust Bank Securities Limited	39,300	34,843	27,409	10,237
Trust Bank Investment Limited	145,026	131,291	85,281	81,051
	24,316,642	23,075,084	12,620,083	13,367,005
27 DIRECTORS' FEES				
Meeting fees	1,587,000	1,679,000	892,000	1,024,000
Other benefits	-	-	-	-
	1,587,000	1,679,000	892,000	1,024,000
27 (a) Consolidated directors fees				
Trust Bank Limited	1,587,000	1,679,000	892,000	1,024,000
Trust Bank Securities Limited	54,000	75,000	51,000	75,000
Trust Bank Investment Limited	18,000	66,000	42,000	66,000
	1,659,000	1,820,000	985,000	1,165,000
28 Depreciation and repair of bank's assets				
Depreciation				
Fixed assets (For details please refer to Annexure - B)	88,026,450	90,291,534	43,816,120	44,984,375
Repairs				
Building	14,989	12,590	5,379	590
Furniture and fixtures	2,109,210	1,439,423	692,082	805,396
Office equipment	9,971,450	7,355,618	5,180,782	4,401,568
Bank's vehicles	1,337,180	1,133,723	743,359	615,444
Maintenance	21,527,000	15,467,774	11,350,330	10,563,615
	34,959,829	25,409,128	17,971,932	16,386,613
	122,986,279	115,700,662	61,788,052	61,370,988
28 (a) Consolidated depreciation and repair of bank's assets				
Trust Bank Limited	122,986,279	115,700,662	61,788,052	61,370,988
Trust Bank Securities Limited	309,778	361,473	155,342	152,013
Trust Bank Investment Limited	843,145	922,182	519,508	544,980
	124,139,202	116,984,317	62,462,902	62,067,981
29 OTHER EXPENSES				
Business Development Expenses	4,566,022	9,500,010	1,605,185	4,121,730
Clearing House Charge	33,910	43,979	24,815	25,941
Conveyance	5,399,048	4,990,624	2,666,547	2,639,870
Entertainment	10,938,576	12,014,210	4,563,488	6,821,171
Car Expenses	47,101,991	47,266,669	23,999,333	23,874,589
Cash Handling Charge	1,774,800	1,659,300	883,500	822,600
Bank charges	345,810	154,222	38,354	17,883
Meeting Expenses	37,355	-	30,355	-
Donation, Subscription and Membership Fees	4,601,105	4,631,876	904,060	1,032,883
News Paper and Periodicals	533,119	402,501	301,936	172,213
Oil and Lubricant	3,228,424	3,493,454	1,441,240	1,875,371
Remittance Charges	366,560	662,086	252,547	361,893
Support Staff Service	160,751,858	152,774,436	81,332,765	76,549,065
Internship Allowances	615,900	558,000	259,000	252,000
Honorarium for Banking Diploma	775,000	379,000	775,000	335,000
Training & Recruitment Expenses	1,944,698	5,451,643	884,872	3,214,235
Traveling Expenses	8,354,767	7,188,363	5,366,901	4,796,220
Up Keep of Office Premises	4,325,919	4,055,982	1,875,203	2,412,237
Washing Charges	1,014,956	1,002,515	474,361	492,787
Loss on Sale of Fixed Assets	23,550	986,439	23,550	(18,417)
Car Leasing Expenses	1,292,704	2,016,900	646,352	969,528
Foreign Correspondence Expenses	2,297,214	2,652,170	954,881	979,855
Amortization of Intangible Assets	3,845,485	4,180,303	1,864,277	2,092,491
CDBL Charges	106,000	1,190	-	967
Security Expenses	-	1,000	-	228,700
Share/Bond Issue Expense	568,900	227,700	465,400	-
Cash Carrying Charges	3,992,784	4,418,793	2,236,841	2,652,313
Wages paid to daily Labor	179,960	103,940	103,430	56,350
Purchase of Utensils	284,064	380,372	128,219	172,642
NID Verification Charge	42,236	75,554	21,216	75,554

	1 January to 30 June 2018 Taka	1 January to 30 June 2017 Taka	1 April to 30 June 2018 Taka	1 April to 30 June 2017 Taka
IPO Bidding/Subscription Fees	3,000	-	-	-
Contact Point Verification Fees (RB)	12,800	69,350	6,500	60,725
Commission Paid to NPSB	4,760,265	3,739,570	2,645,835	2,187,280
Trustee Fees	-	920,000	-	920,000
Priority Pass Expense	1,416,695	202,811	219,236	116,061
Miscellaneous Expenses	184,653	89,195	74,365	19,218
	275,720,128	276,294,157	137,069,564	140,330,955
29 (a) Consolidated other expenses				
Trust Bank Limited	275,720,128	276,294,157	137,069,564	140,330,955
Trust Bank Securities Limited	1,253,022	3,249,771	702,188	884,882
Trust Bank Investment Limited	3,931,871	4,694,321	1,764,887	2,086,498
	280,905,021	284,238,249	139,536,639	143,302,335
30 PROVISION FOR LOANS AND ADVANCES / INVESTMENTS				
Specific Provisions-against classified loans & advances	1,599,064,000	324,929,500	1,136,685,500	2,332,500
General Provisions-against un-classified loans & advances	(125,505,000)	5,423,205	(92,676,000)	184,074,705
General Provisions-against special mentioned accounts	(215,518,000)	47,800,295	(248,937,500)	(1,681,705)
	1,258,041,000	378,153,000	795,072,000	184,725,500
30 (a) Consolidated Provision for Loans & Advances / Investment				
Trust Bank Limited	1,258,041,000	378,153,000	795,072,000	184,725,500
Trust Bank Securities Limited	-	-	-	-
Trust Bank Investment Limited	-	-	-	-
	1,258,041,000	378,153,000	795,072,000	184,725,500
31 PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS:				
Decline in value of investment should consist of the following divisions:				
(a) Dealing securities				
- Quoted	-	-	-	-
- Unquoted	-	-	-	-
(b) Investment securities				
- Quoted	2,034,932	(3,668,863)	2,034,932	266,949
- Unquoted	-	-	-	-
Provision for decreased NAV of Trust Bank Securities Ltd	2,034,932	(3,668,863)	2,034,932	266,949
	2,034,932	(3,668,863)	2,034,932	266,949
Provision for Investment in Share has been made as per BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank.				
31 (a) Consolidated Provision for diminution in value of investments				
Trust Bank Limited	2,034,932	(3,668,863)	2,034,932	266,949
Trust Bank Securities Limited	-	(185,000)	(131,592)	770,586
Trust Bank Investment Limited	-	-	-	-
	2,034,932	(3,853,863)	1,903,340	1,037,535
32 OTHER PROVISION				
General Provision for Off Balance Sheet Exposures	(28,041,000)	246,838,000	(25,072,000)	210,494,500
Provision for Other Assets	1,706,260	1,261,335	1,218,180	753,021
	(26,334,720)	248,099,335	(23,853,820)	211,247,521
32.1 General provision for off balance sheet exposures has been made @ 1% on period end balance of total off balance sheet exposures as per BRPD circular No. 8 and 10 dated August 07, 2007 and September 18, 2007 respectively issued by Bangladesh Bank respectively.				
32.2 Provision for Other Assets has been made on the amount of Prepaid Legal Expenses that remained unadjusted as at 30 June 2018 as per rules & regulations enumerated in the BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank.				
32 (a) Consolidated Other Provision				
Trust Bank Limited	(26,334,720)	248,099,335	(23,853,820)	211,247,521
Trust Bank Securities Limited	-	-	-	-
Trust Bank Investment Limited	-	-	-	-
	(26,334,720)	248,099,335	(23,853,820)	211,247,521
33 The Bank has no secured liabilities on the reporting date and therefore the Bank has no asset pledged as security against such liabilities.				
34 EARNING PER SHARE (EPS)				
Profit attributable to outstanding ordinary share holders	572,539,302	1,043,119,898	127,665,169	564,134,648
Nos of Ordinary Outstanding Share	556,966,216	556,966,216	556,966,216	556,966,216
Basic Earning per Share	1.03	1.87	0.23	1.01
34 (a) Consolidated Earning per Share (EPS)				
Profit attributable to outstanding ordinary share holders	601,177,665	1,177,797,522	140,531,502	593,530,793
Nos of Ordinary Outstanding Share	556,966,216	556,966,216	556,966,216	556,966,216
Earning per Share	1.08	2.11	0.25	1.07

41 EXPENDITURE INCURRED FOR EMPLOYEES**Salaries, allowances and benefits**

Number of employees at 30 June 2018 was 1987 ; (31 December 2017 was 1959) who were in receipt of remuneration for that period which in the aggregate was not less than Tk 36,000 and those employed for a part of that year who were in receipt of remuneration of not less than TK. 3,000 per month.

42 AUDIT COMMITTEE**42.a Particulars of Audit Committee**

An audit committee has been formed by the Board of Directors of the Bank in its 64th Board meeting held on 05 February 2003. In accordance with the BRPD circular letter no. 12 dated 23 December 2002, the committee constituted with a chairman, two members and a member secretary.

As on 30 September 2017 the Honorable Members of the committee were as follows:

Name	Status with Bank	Status with committee	Educational Qualification
Mr. Shahedul Islam	Independent Director	Chairman	B.A., CS
Brig Gen Iqbal Ahmed,ndc,afwc, psc	Nominated Director	Member	MDS
Mr. Mohamed Naser Alam	Independent Director	Member	LLM, Bar-at-law

42.b During the period end as on 30 September 2017, the following number of meetings of the Audit Committee held with the bank's Senior Management to consider and review the Bank's Financial Statements and Risk Management:

<u>Meeting Number</u>	<u>Date of Meeting</u>
1 st	11-Feb-18
2 nd	29-Apr-18
3 rd	15-May-18

42.c **Following steps have been taken for implementation of an effective Internal Control Procedures of the banks:**

A strong internal control & compliance division has been formed with a view to establish compliance culture and full control.

Regular review of internal and external (including Bangladesh Bank) audit reports with a view to implement the suggestion of internal and external auditors (including Bangladesh Bank), in respect of internal control techniques.

To establish an effective management system that includes planning, organizing and supervising culture in the branches as well as at head office.

Continuous monitoring & evaluation on application of internal control system, internal audit policy, policy for financial risks, existing rules and regulations (internal and external), other obligations from controlling authority, disclosure process of financial statements etc. of the bank.

Review the accounting procedures with a view to ascertain that the Bangladesh Financial Reporting Standards (BFRSs) have been applied in preparation and presentation of financial statements.

Formulation of HRM policy and other operating procedures.

43 Related Party Disclosures

Parties are considered to be related if one party has been ability to control the other party or to exercise significant influence over the other party in making financial and operating decision. Related party informations are given below:

i) Directors' interest in different entities:

Sl.	Name of the Directors	Status with Bank	Entities where they have interest	% of Interest
1	General Aziz Ahmed, BGBM, PBGM, BGBMS, psc, G	Chairman (Representing Army Welfare Trust)	1. Sena Kalyan Sangstha, Chairman 2. Sena Hotel Development Ltd., Chairman 3. Bangladesh Machine Tools Factory Ltd., Chairman 4. Army Welfare Trust, Chairman 5. Trust Bank Investment Ltd., Chairman 6. Military Institute of Science & Technology, Vice Chairman 7. Council of the College, Armed Forces Medical College, Chairman 8. Sena Paribar Kalyan Samiti, Chief Patron 9. Advisory Committee of Proyash, President 10. National Defence College & Defence Services Command and Staff College Governing Body, Vice Chairman 11. Kurmitola Golf Club, President 12. Bangladesh Golf Federation, President 13. Defence Officers Housing Scheme Committee, Chairman 14. BAIUST Comilla/BAUET Quadirabad/BAUST Saidpur, Chairman 15. Bangladesh Diesel Plant Ltd., Chairman	Nominated Nominated Nominated Nominated Nominated Nominated Nominated Nominated Nominated Nominated Nominated Nominated Nominated
2	Maj Gen S M Matiur Rahman, afwc, psc	Vice Chairman	1. Sena Kalyan Sangstha, Vice Chairman 2. Sena Hotel Developments Ltd., Vice Chairman 3. Army Welfare Trust, Vice Chairman 4. Army Housing Scheme, Chairman 5. Trust Bank Investment Limited, Vice Chairman 6. Trust Bank Securities Limited, Chairman 7. Trust Technical Training Institute, Chairman 8. Governing Bodies of Cadet Colleges, Chairman 9. Trust Transport Services, Chairman 10. BAIUST Comilla/BAUET Quadirabad/BAUST Saidpur, Member	Nominated Nominated Nominated Nominated Nominated Nominated Nominated Nominated Nominated Nominated
3	Mr. Ashrafuzzaman Khan	Independent Director	1. Trust Bank Investment Limited, Independent Director 2. Trust Bank Securities Limited, Independent Director 3. Executive Attire Limited, Managing Director	- - -
4	Mr. Shahedul Islam	Independent Director	1. Trust Bank Investment Limited, Independent Director 2. Bengal Pacific (Pvt.) Ltd., Managing Director 3. Bengal Braided Rugs Limited, Managing Director 4. Promises Medical Ltd., Chairman 5. Desh General Insurance Company Limited, Independent Director	- - - - -
5	Brig Gen Md Jalal Ghani Khan, ndc, psc	Director	1. Cantonment Board, President 2. Shaheed Ramij Uddin Cantonment College, President	Nominated Nominated
6	Brig Gen Md Mohsin, SGP, ndc, psc	Director	Service	Nominated
7	Mr. Mohamed Naser Alam	Independent Director	1. Matin Spinning Mills Limited, Independent Director 2. MNA, Barristers and Advocates, Head of Chambers	- -
8	Brig Gen Hamidul Hoque, nswc, psc	Director	Service	Nominated
9	Brig Gen Iqbal Ahmed, ndc, afwc, psc	Director	Service	Nominated
10	Brig Gen Md Sayeed Siddiki, BSP, awc, psc	Director	1. Army Welfare Trust, Managing Director 2. Sena Hotel Developments Limited, Director 3. Trust Technical Training Institute, Director 4. Army Housing Scheme, Managing Director 5. Trust Bank Investment Limited, Director 6. Trust Bank Securities Limited, Vice Chairman 7. Trust Transport Services, Member	Nominated Nominated Nominated Nominated Nominated Nominated Nominated

ii) Significant Contracts where Bank is a party and wherein Directors have interest

Lease Agreement with Army Welfare Trust	Principal Branch	General Aziz Ahmed, BGBM, PBGM, BGBMS, psc, G Chairman, Board of Trustees, Army Welfare Trust Maj Gen S M Matiur Rahman, afwc, psc Vice Chairman, Board of Trustees, Army Welfare Trust Brig Gen Md Sayeed Siddiki, BSP, awc, psc Managing Director, Army Welfare Trust
Lease Agreement with Sena Kalyan Sangstha	Sena Kalyan Bhaban Branch Khulna Branch Tongi Branch	General Aziz Ahmed, BGBM, PBGM, BGBMS, psc, G Chairman, Board of Trustees, Sena Kalyan Sangstha Maj Gen S M Matiur Rahman, afwc, psc Vice chairman, Board of Trustees, Sena Kalyan Sangstha.
Lease Agreement with Sena Paribar Kalyan Samiti	Head Office Millenium Corporate Branch	General Aziz Ahmed, BGBM, PBGM, BGBMS, psc, G Chief Patron, Sena Paribar Kalyan Samiti
Advertisement Agreement with Army Welfare Trust	Head Office	General Aziz Ahmed, BGBM, PBGM, BGBMS, psc, G Chairman, Board of Trustees, Army Welfare Trust Maj Gen S M Matiur Rahman, afwc, psc Vice Chairman, Board of Trustees, Army Welfare Trust Brig Gen Md Sayeed Siddiki, BSP, awc, psc Managing Director, Army Welfare Trust

iii) Shares issued to Directors and Executives without consideration or exercisable at discount: Nil

iv) Related party Transactions:

1. The significant Related party transactions during the year were as follows:

a) Transactions relating to rent

Name of the Company/Person	Nature of Relation ship	Nature of Transactions	Amount of transaction made during the Period
Army Welfare Trust	Common Director	Office Rent	17,267,250
Sena Kalyan Sangstha	Common Director	Office Rent	8,769,295
Sena Paribar Kalyan Samiti	Common Director	Office Rent	109,499,170

b) Transactions with Subsidiaries:

Trust Bank Securiries Ltd.	Special Notice Deposit (SND) and Current Account	4,890,348
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v) Lending Policies to related Parties:

Related parties are allowed Loans & Advances as per General Loan Policy of the Bank.

Name of Party	Relationship	Name of transaction	Amount
Trust Securities & Logistic Support Ltd.	Common Director	Securities Services to the Bank	160,751,858

viii) Investments in the Securities of Directors and their related concern: Nil

44 FINANCIAL HIGHLIGHTS

As per BRPD Circular # 14, dated 25 June 2003, Financial Highlights of the Bank for the quarter ended on 30 June 2018 has been shown in Annexure - C.

Schedule of Balance with Other Banks-Outside Bangladesh (Nostro Accounts)

Name of the Bank	Name of the foreign currency	30.06.2018			31.12.2017		
		Amount in foreign currency	Exchange rate as on 30.06.2018	Total amount equivalent to Taka	Amount in foreign currency	Exchange rate as on 31.12.2017	Total amount equivalent to Taka
Mashreqbank psc, USA	USD	3,313,295.87	83.70	277,322,864	2,518,301.19	83.15	209,398,359
Standard Chartered Bank, USA	USD	9,721,080.14	83.70	813,654,408	7,946,737.28	83.15	660,771,205
ICICI Bank Ltd., Hongkong	USD	1,099,546.17	83.70	92,032,014	1,197,160.13	83.15	99,543,865
Commerz Bank, AG Germany	USD	1,258,069.47	83.70	105,300,415	2,840,074.52	83.15	236,152,196
United Bank Of India	USD	318,665.14	83.70	26,672,275	611,713.17	83.16	50,872,774
Commerzbank Ag, Frankfurt, Germany (Aud)	AUD	80,383.07	63.39	5,095,113	36,265.12	66.56	2,413,672
Standard Chartered Bank, UK	GBP	185,543.08	112.04	20,788,469	193,048.21	113.41	21,894,408
Standard Chartered Bank, Japan	YEN	8,741,695.00	0.79	6,878,840	1,220,938.00	0.76	930,843
Commerzbank Ag, Frankfurt, Germany (Jpy)	YEN	2,731,452.85	0.79	2,149,380	3,172,374.00	0.76	2,418,618
Standard Chartered Bank, UK	EURO	181,574.79	99.42	18,052,529	99,961.83	100.94	10,089,927
ICICI Bank Ltd., Mumbai, India	EURO	17,456.19	99.42	1,735,529	17,456.19	100.94	1,761,989
Commerz Bank, AG Germany	EURO	119,750.09	99.42	11,905,793	29,184.03	100.94	2,945,772
ICICI Bank Ltd., Mumbai, India	ACU	1,729,936.87	83.70	144,795,716	1,474,974.30	83.15	122,644,113
AB Bank, Mumbai, India	ACU	1,459.10	83.70	122,127	845,198.74	83.15	70,278,275
Mashreqbank, Mumbai, India	ACU	205,593.53	83.70	17,208,178	535,442.62	83.15	44,522,054
Standard Chartered Bank, Mumbai, India	ACU	756,976.74	83.70	63,358,953	861,031.22	83.15	71,594,746
Bank Aljazira - SAR	SAR	99,985.00	22.57	2,256,481	99,985.00	22.42	2,241,994
Habib Bank, Zurich	CHF	25,535.66	84.76	2,164,328	22,393.88	85.21	1,908,259
Total				<u>1,611,493,412</u>			<u>1,612,383,069</u>

Schedule of Fixed Assets
As at 30 June 2018

PARTICULARS	COST				DEPRECIATION				WRITTEN DOWN VALUE at 30 June 2018
	Balance on 1 January 2018	Additions during the half-year	Disposal/ adjustment during the half- year	Balance at 30 June 2018	Balance on 1 January 2018	Charge for the half-year	Disposal/ adjustment during the half-year	Balance at 30 June 2018	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Leasehold Land	160,469			160,469	-	-	-	-	160,469
Office Building	12,680,000		-	12,680,000	2,773,056	123,840		2,896,896	9,783,104
Furniture and Fixtures	221,449,238	9,264,706		230,713,944	96,449,776	8,093,746		104,543,522	126,170,422
Office Equipment	914,128,424	27,530,872		941,659,296	704,799,086	53,784,398		758,583,484	183,075,812
Motor Vehicles	79,048,827	16,807,289		95,856,116	65,226,574	4,727,145		69,953,719	25,902,397
Office Renovation	590,852,432	2,124,018		592,976,450	245,010,794	21,297,321		266,308,115	326,668,335
30 June 2018	1,818,319,390	55,726,885	-	1,874,046,275	1,114,259,286	88,026,450	-	1,202,285,736	671,760,539
31 December 2017	1,767,903,676	104,394,874	53,979,160	1,818,319,390	965,829,863	180,684,602	32,255,179	1,114,259,286	704,060,104

Financial Highlights

SI No	Particulars	Base	30.06.2018	31.12.2017
1	Paid up Capital	Taka	5,569,662,160	5,569,662,160
2	Total Capital	Taka	19,911,244,316	20,796,151,800
3	Capital surplus/(deficit)	Taka	5,475,881,696	5,372,836,354
4	Total Assets	Taka	251,341,878,051	239,770,629,336
5	Total Deposits	Taka	212,321,090,659	200,453,453,843
6	Total Loans and Advances	Taka	185,916,406,607	184,910,703,354
7	Total Contingent Liabilities and Commitments	Taka	92,552,440,167	91,121,296,201
8	Credit Deposit Ratio	%	87.56	92.25
9	Percentage of classified loans against total loans and advances	%	5.52	3.13
10	Profit after tax and provision	Taka	572,539,302	1,729,605,800
11	Amount of classified loans during current year	Taka	4,479,155,578	967,619,180
12	Provisions kept against classified loan	Taka	3,982,838,728	2,383,362,000
13	Provision surplus/(deficit)	Taka	6,056,073,228	22,955,379
14	Cost of fund	%	4.96	5.02
15	Interest earning Assets	Taka	209,224,710,766	206,592,790,516
16	Non-interest earning Assets	Taka	42,117,167,285	33,177,838,820

SI No	Particulars	Base	January to June 30, 2018	January to June 30, 2017
17	Return on Investment (ROI)	%	2.88	8.32
18	Return on Asset (ROA)	%	0.23	0.72
19	Income from Investment	Taka	1,009,772,067	2,066,056,089
20	Earning per Share (EPS)	Taka	1.03	3.11
21	Net income per Share	Taka	1.03	3.11
22	Price Earning Ratio	Times	28.60	7.76
23	Net Asset Value (NAV)	Taka	11,566,363,686	12,112,183,171
24	Net Operating Cash Flow Per Share (NOCFPS)	Taka	18.70	(23.18)

Balance Sheet of Islami Banking Division
As at 30 June 2018

Notes	30.06.2018 Taka	31.12.2017 Taka
PROPERTY AND ASSETS		
Cash		
Cash in hand (including foreign currencies)	19,054,741	17,797,917
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	1,077,399,147	1,596,261,711
	1,096,453,888	1,614,059,628
Balance with other banks and financial institutions		
In Bangladesh	181,486,776	31,486,776
Outside Bangladesh	-	-
	181,486,776	31,486,776
Placement with banks and other financial institution		
	-	-
Investments in Shares and Securities		
Government	1,040,000,000	970,000,000
Others	265,323,969	265,323,969
	1,305,323,969	1,235,323,969
Investments		
General Investments etc.	18,339,414,912	16,955,974,367
Bills purchased and discounted	561,962,403	462,288,610
	18,901,377,315	17,418,262,977
Fixed assets including premises		
	-	-
Other assets		
	94,111,423	121,784,026
Non-banking assets		
	-	-
Total Assets:	21,578,753,371	20,420,917,376
LIABILITIES AND CAPITAL		
Liabilities:		
Placement from banks and other financial institutions	536,155,434	840,586,814
Deposits and other accounts:		
Al-wadeeah Current Accounts and Other Deposit Accounts	927,367,743	949,121,493
Mudaraba Savings Deposits	1,710,742,993	1,783,078,837
Mudaraba Term Deposits	17,217,498,322	15,571,124,729
Other Mudaraba Deposits	-	-
Bills Payable	1,434,650	1,964,944
	19,857,043,708	18,305,290,003
Other liabilities	901,733,236	761,603,358
Total Liabilities:	21,294,932,378	19,907,480,175
Capital/Shareholders' Equity		
Paid up Capital		-
Foreign Currency Transaction Difference		-
Statutory Reserve		-
Other Reserve		-
Retained Earnings	283,820,993	513,437,201
Total Shareholders' Equity	283,820,993	513,437,201
Total Liabilities and Shareholders' Equity	21,578,753,371	20,420,917,376

**Profit and Loss Account of Islami Banking Division
For the period from January to March 31, 2018**

Notes	30.06.2018 Taka	31.12.2017 Taka
Investment Income	871,987,141	1,373,466,442
Profit paid on deposits	616,460,249	875,463,849
Net Investment Income	255,526,892	498,002,593
Income from investments in Shares/Securities	22,834,375	33,968,385
Commission, exchange and brokerage	27,846,513	65,043,488
Other operating income	11,702,531	28,685,628
	62,383,419	127,697,501
Total operating income	317,910,311	625,700,094
Salaries and allowances	19,356,168	39,411,377
Rent, taxes, insurance, electricity, etc.	-	284,200
Legal expenses	-	-
Postage, stamps, telecommunications, etc.	116,990	32,067
Stationery, printing, advertisement etc.	445,100	95,461
Chief Executive's Salary & Fees	-	-
Directors' Fees and Expenses	-	-
Shariah Supervisory Committee's Fees and Expenses	35,000	95,000
Auditors' Fees	-	-
Changes in Investment Losses	-	-
Depreciation and repair to bank's assets	-	-
Zakat Expenses	-	-
Other expenses	1,498,128	3,302,918
Total operating expenses	21,451,386	43,221,023
Profit before provision	296,458,925	582,479,071
Provision for loans & advances / Investments	23,123,500	62,556,000
Provision for Diminution in value of Investment	-	-
Other provision	(10,485,568)	6,485,870
	12,637,932	69,041,870
Total Profit before Taxes	283,820,993	513,437,201

Cash Flow Statements of Islami Banking Division
For the half-year ended 30 June 2018

		30.06.2018	31.12.2016
		Taka	Taka
A. Cash flow from operating activities			
		883,633,511	1,387,612,812
	Interest/Investment Income received in cash		
	Interest/Profit paid on Deposits	(616,460,249)	(875,463,849)
	Dividend receipts	33,000	450,000
	Fees and commission receipts in cash	-	-
	Recoveries of written off Loans/Investments	-	-
	Cash paid to employees	(19,356,168)	(39,411,377)
	Cash paid to suppliers	-	-
	Income Taxes paid	-	-
	Received from other operating activities (item-wise)	62,350,419	127,247,501
	Payments for other operating activities (item-wise)	(2,095,218)	(3,809,646)
	Operating profit before changes in operating Assets and Liabilities	308,105,295	596,625,441
	Increase/(Decrease) in operating assets & liabilities		
	Statutory Deposits	-	-
	Net Investment in trading securities	-	(672,048)
	Loan & advance/Investments to other banks	-	-
	Loan & advance/Investments to customers	(1,483,114,338)	(5,586,513,544)
	Other assets (item-wise) 38	16,026,233	(89,736,780)
	Deposits from other banks	-	-
	Deposits from customers	1,551,753,705	4,507,086,338
	Other liabilities account of customers	-	-
	Trading liabilities	-	-
	Other liabilities (item-wise) 39	(385,945,255)	(227,513,741)
	Net cash from operating activities (A)	6,825,640	(800,724,334)
B. Cash flow from investing activities			
	Proceeds from sale of securities	-	-
	Payments for purchase of government securities	(70,000,000)	(220,000,000)
	Purchase of property, plant & equipment	-	-
	Purchase of intangible assets	-	-
	Sale of property, plant & equipment	-	-
	Net cash from investing activities (B)	(70,000,000)	(220,000,000)
C. Cash flow from financing activities			
	Increase/(Decrease) in Borrowing:		
	Call loan	-	-
	Other borrowings	(304,431,380)	(328,184,819)
	Share Capital A/c	-	-
	Share Premium A/c	-	-
	Net cash from financing activities (C)	(304,431,380)	(328,184,819)
D. Net increase in Cash and Cash Equivalent (A+B+C)		(367,605,740)	(1,348,909,153)
E. Effects of exchange rate changes on cash and cash equivalents		-	-
F. Opening Cash and Cash Equivalent		1,645,546,404	2,994,455,557
Cash and cash equivalents at end of period (D+E+F)	40	1,277,940,664	1,645,546,404

TRUST BANK LIMITED
Offshore Banking Unit
Balance Sheet
as of 30 June 2018

	30.06.2018		31.12.2017
	USD	Taka	Taka
PROPERTY AND ASSETS			
Cash			
Cash in hand (including foreign currencies)	-	-	-
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	-	-	-
Balance with other banks and financial institutions			
In Bangladesh	-	-	-
Outside Bangladesh	1,412,281.98	118,208,002	17,370,704
	1,412,281.98	118,208,002	17,370,704
Money at call and short notice			
	-	-	-
Investments			
Government	-	-	-
Others	-	-	-
Loans and Advances/Islami Banking Investments			
Loans, Cash Credit, Overdrafts etc./ Investment	7,041,940.88	589,410,452	704,850,256
Bills purchased and discounted	33,594,925.58	2,811,895,271	3,347,940,521
	40,636,866.46	3,401,305,723	4,052,790,777
Fixed assets including premises, furniture and fixtures			
	-	-	-
Other assets			
	3,422.22	286,440	-
Non-banking assets			
	-	-	-
Total Assets	42,052,570.66	3,519,800,165	4,070,161,481
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	34,752,669.77	2,908,798,460	3,635,533,415
Deposits and other accounts			
Current / Al-wadeeah Current Accounts and other Accounts	6,904,894.30	577,939,653	371,479,039
Bills Payable	-	-	-
Savings Bank / Mudaraba Savings Deposits	-	-	-
Fixed Deposits / Mudaraba Term Deposits	-	-	-
Bearer Certificates of Deposit	-	-	-
Other Deposits	-	-	-
	6,904,894.30	577,939,653	371,479,039
Other liabilities			
	-	-	-
Total Liabilities	41,657,564.07	3,486,738,113	4,007,012,454
Capital/Shareholders' Equity			
Paid up Capital	-	-	-
Foreign Currency Transaction Difference	-	98,752.00	1,328,256
Statutory Reserve	-	-	-
Other Reserve	-	-	-
Retained Earnings	395,006.59	32,963,300	61,820,771
Total Shareholders' Equity	395,006.59	33,062,052	63,149,027
Total Liabilities and Shareholders' Equity	42,052,570.66	3,519,800,165	4,070,161,481

TRUST BANK LIMITED
Offshore Banking Unit
Profit and Loss Account
For the year ended as of 30 June 2018

	30.06.2018		31.12.2017
	USD	Taka	Taka
Interest income / Profit on Investment	1,260,774.89	105,211,665	211,929,136
Interest / Profit paid on deposits and borrowings etc.	863,449.24	72,054,839	149,835,141
Net interest income	397,325.65	33,156,826	62,093,995
Income from investments	-	-	-
Commission, exchange and brokerage	-	-	-
Other operating income	-	-	-
Total operating income	397,325.65	33,156,826	62,093,995
Salaries and allowances	-	-	-
Rent, taxes, insurance, electricity, etc.	-	-	-
Legal expenses	-	-	-
Postage, stamps, telecommunications, etc.	-	-	-
Stationery, printing, advertisement etc.	-	-	-
Managing Director's salary and benefits	-	-	-
Directors' fees	-	-	-
Auditors' fee	-	-	-
Charges on loan losses	-	-	-
Depreciation and repair of bank's assets	-	-	-
Other expenses	2,319.06	193,526	273,224
Total operating expenses	2,319.06	193,526	273,224
Profit before provision	395,006.59	32,963,300	61,820,771
Provision for loans & advances / Investments	-	-	-
Provision for Diminution in value of Investment	-	-	-
Other provision	-	-	-
Total Profit before Taxes	395,006.59	32,963,300	61,820,771
Provision for Taxation			
Current tax	-	-	-
Deferred tax	-	-	-
Net Profit after Taxation	395,006.59	32,963,300	61,820,771
Appropriations			
Statutory Reserve	-	-	-
General reserve	-	-	-
Retained surplus	395,006.59	32,963,300	61,820,771

TRUST BANK LIMITED
Offshore Banking Unit
Cash Flow Statements
For the year ended as of 30 June 2018

	30.06.2018		31.12.2017
	USD	Taka	Taka
A. Cash flow from operating activities			
Interest received in cash	1,260,774.89	105,211,665	211,929,136
Interest payments	(863,449.24)	(72,054,839)	(149,835,141)
Dividend receipts	-	-	-
Fees and commission receipts in cash	-	-	-
Recoveries of loans previously written off	-	-	-
Cash paid to employees	-	-	-
Cash paid to suppliers	-	-	-
Income Taxes paid	-	-	-
Received from other operating activities (item-wise)	-	-	-
Payments for other operating activities (item-wise)	(2,319.06)	(193,526)	(273,224)
Operating profit before changes in operating Assets and Liabilities	395,006.59	32,963,300	61,820,771
Increase/(Decrease) in operating assets & liabilities			
Statutory Deposits	-	-	-
Net Investment in trading securities	-	-	-
Loan & advance to other banks	-	-	-
Loan & advance to customers	(10,101,117.46)	651,485,054	(1,152,168,589)
Other assets (item-wise)	(3,422.22)	(286,440)	6,955,750
Deposits from other banks	6,359,751.30	206,460,614	(1,146,563,514)
Deposits from customers	-	-	-
Other liabilities account of customers	-	-	-
Trading liabilities	-	-	-
Other liabilities (item-wise)	-	-	-
Net cash from operating activities (A)	(3,349,781.79)	890,622,528	(2,229,955,582)
B. Cash flow from investing activities			
Proceeds from sale of securities	-	-	-
Payments for purchase of government securities	-	-	-
Purchase of property, plant & equipment	-	-	-
Purchase of intangible assets	-	-	-
Sale of property, plant & equipment	-	-	-
Net cash from investing activities (B)	-	-	-
C. Cash flow from financing activities			
Increase/(Decrease) in Borrowing:			
Call loan	4,947,784.77	(726,734,955)	2,281,174,922
Re-Purchase agreement (REPO)	-	-	-
Other borrowings	-	-	-
Share Capital A/c	-	-	-
Share Premium A/c	-	-	-
Profit transfer to Head Office	(420,037.00)	(61,820,771)	(44,200,483)
Net cash from financing activities (C)	4,527,747.77	(788,555,726)	2,236,974,439
D. Net increase in Cash and Cash Equivalent (A+B+C)	1,177,965.98	102,066,802	7,018,857
E. Effects of exchange rate changes on cash and cash equivalents	-	(1,229,504)	1,105,306
F. Opening Cash and Cash Equivalent	234,316.00	17,370,704	9,246,541
G. Cash and cash equivalents at end of year (D+E+F)	1,412,281.98	118,208,002	17,370,704