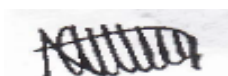


**Islami Bank Bangladesh Limited and its Subsidiaries**  
**Condensed Consolidated Balance Sheet (Un-audited)**  
**As at 30 June 2013**

<b>Property and assets</b>	<b>Amount in Taka</b>	
	<b>As at 30 June 2013</b>	<b>As at 31 December 2012</b>
<b>Cash in hand</b>	<b>41,916,415,657</b>	<b>41,774,012,643</b>
Cash in hand (including foreign currency)	7,512,086,215	6,308,274,680
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)	34,404,329,442	35,465,737,963
<b>Balance with other banks &amp; financial institutions</b>	<b>10,042,519,587</b>	<b>24,524,933,077</b>
In Bangladesh	6,390,112,826	17,432,561,802
Outside Bangladesh	3,652,406,761	7,092,371,275
<b>Placement with banks &amp; other financial institutions</b>	<b>-</b>	<b>-</b>
<b>Investments in shares &amp; securities</b>	<b>78,963,249,406</b>	<b>25,560,064,458</b>
Government	77,035,727,770	23,504,977,770
Others	1,927,521,636	2,055,086,688
<b>Investments</b>	<b>384,425,878,149</b>	<b>372,920,722,887</b>
General investments etc.	348,897,378,401	340,479,756,413
Bills purchased & discounted	35,528,499,748	32,440,966,474
<b>Fixed assets including premises</b>	<b>15,508,071,103</b>	<b>14,816,765,447</b>
<b>Other assets</b>	<b>8,008,830,008</b>	<b>3,052,992,955</b>
<b>Non - banking assets</b>	<b>-</b>	<b>-</b>
<b>Total property and assets</b>	<b>538,864,963,910</b>	<b>482,649,491,467</b>



**(Mohammad Nesar Uddin, FCA, FCMA)**  
**Executive Vice President & CFO**

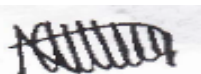


**(Mohammad Abdul Mannan)**  
**Managing Director**

**Islami Bank Bangladesh Limited and its Subsidiaries**  
**Condensed Consolidated Balance Sheet (Un-audited)**  
**As at 30 June 2013**

<b>Liabilities and capital</b>	<b>Amount in Taka</b>	
	<b>As at 30 June 2013</b>	<b>As at 31 December 2012</b>
<b>Liabilities</b>		
<b>Placement from banks &amp; other financial institutions</b>	<b>30,500,000,000</b>	-
<b>Deposits &amp; other accounts</b>	<b>440,481,398,723</b>	<b>417,845,688,579</b>
Mudaraba savings deposits	143,367,574,986	151,012,262,458
Mudaraba term deposits	114,296,971,129	97,278,542,378
Other mudaraba deposits	128,390,820,404	117,807,137,348
Al- wadeeah current and other deposit accounts	50,767,089,672	47,531,708,061
Bills payable	3,658,942,532	4,216,038,334
<b>Mudaraba perpetual bond</b>	<b>3,000,000,000</b>	<b>3,000,000,000</b>
<b>Other liabilities</b>	<b>24,012,317,956</b>	<b>21,903,809,274</b>
<b>Deferred tax liabilities</b>	<b>238,456,663</b>	<b>238,628,851</b>
<b>Total liabilities</b>	<b>498,232,173,342</b>	<b>442,988,126,704</b>
<b>Capital/shareholders' equity</b>	<b>40,632,790,568</b>	<b>39,661,364,763</b>
Paid - up capital	14,636,278,800	12,509,640,000
Statutory reserve	12,423,662,342	12,423,662,342
Other reserves	11,729,547,161	11,694,797,161
Retained earnings	1,843,243,798	3,033,205,973
Non-controlling interest	58,467	59,287
<b>Total liabilities &amp; shareholders' equity</b>	<b>538,864,963,910</b>	<b>482,649,491,467</b>
<b>Off-balance Sheet Items</b>		
<b>Contingent liabilities</b>		
Acceptances & endorsements	-	-
Letters of guarantee	6,937,465,779	7,297,485,550
Irrevocable letters of credit (including back to back bills)	90,538,935,741	87,161,261,558
Bills for collection	20,375,370,676	15,571,833,223
Other contingent liabilities	13,600,712	13,600,712
<b>Total</b>	<b>117,865,372,908</b>	<b>110,044,181,043</b>
<b>Other commitments</b>		
Documentary credits, short term and trade related transactions	-	-
Forward assets purchased and forward deposits placed	-	-
Undrawn note issuance, revolving and underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
<b>Total</b>	-	-
<b>Total off-balance sheet items including contingent liabilities</b>	<b>117,865,372,908</b>	<b>110,044,181,043</b>
Consolidated Net Asset Value (NAV) per share (Previous year's figure restated)	<b>27.76</b>	<b>27.10</b>

The annexed notes form an integral part of these condensed interim financial report.



**(Mohammad Nesar Uddin, FCA, FCMA)**  
**Executive Vice President & CFO**




**(Mohammad Abdul Mannan)**  
**Managing Director**

**Islami Bank Bangladesh Limited and its Subsidiaries**  
**Condensed Consolidated Profit & Loss Account (Un-audited)**  
**For the half year ended 30 June 2013**

Operating income	Amount in Taka			
	01 January to 30 June 2013	01 January to 30 June 2012	01 April to 30 June 2013	01 April to 30 June 2012
Investment income	23,803,078,243	20,392,469,904	11,929,065,376	10,559,152,457
Profit paid on mudaraba deposits	(15,005,177,155)	(11,122,034,610)	(8,121,844,257)	(5,567,253,783)
<b>Net investment income</b>	<b>8,797,901,088</b>	<b>9,270,435,294</b>	<b>3,807,221,119</b>	<b>4,991,898,674</b>
Income from investments in shares & securities	1,020,508,235	187,507,678	791,520,315	92,401,370
Commission, exchange & brokerage income	2,687,223,257	2,764,011,033	1,360,559,769	1,368,513,545
Other operating income	563,328,624	507,349,203	459,509,339	391,765,636
<b>Total operating income</b>	<b>13,068,961,204</b>	<b>12,729,303,208</b>	<b>6,418,810,542</b>	<b>6,844,579,225</b>
<b>Operating expenses</b>				
Salary & allowances	2,717,623,920	1,829,734,076	1,372,631,433	945,340,863
Rent, taxes, insurances, electricity etc.	368,506,368	295,271,708	201,930,415	111,181,852
Legal expenses	12,326,853	6,495,272	8,336,974	3,612,891
Postage, stamps and telecommunication etc.	51,530,910	48,651,378	31,767,398	28,920,602
Stationery, printing and advertisement etc.	133,325,241	92,359,040	96,388,579	54,582,064
Chief executive's salary & fees	2,223,548	1,890,000	1,278,548	945,000
Directors' fees & expenses	5,332,824	4,274,681	3,580,729	3,683,354
Shari'ah supervisory committee's fees & expenses	637,828	1,571,806	164,241	708,686
Auditors' fees	-	-	-	-
Charges on investment losses	-	-	-	-
Depreciation and repair to bank's assets	321,363,723	270,065,750	164,312,705	136,516,831
Zakat expenses	162,386,386	162,500,000	81,193,193	81,250,000
Other expenses	629,404,420	527,632,068	288,560,440	248,394,698
<b>Total operating expenses</b>	<b>4,404,662,021</b>	<b>3,240,445,779</b>	<b>2,250,144,655</b>	<b>1,615,136,841</b>
<b>Profit/ (loss) before provision</b>	<b>8,664,299,183</b>	<b>9,488,857,429</b>	<b>4,168,665,887</b>	<b>5,229,442,384</b>
Provision for investments & off- balance sheet items	3,012,440,000	1,083,190,000	1,129,880,000	630,190,000
Provision for diminution in value of investments in shares	102,283,689	94,753,174	(57,281,570)	99,097,862
Other provisions	7,005,000	-	7,005,000	-
<b>Total provision</b>	<b>3,121,728,689</b>	<b>1,177,943,174</b>	<b>1,079,603,430</b>	<b>729,287,862</b>
<b>Total profit/(loss) before taxes</b>	<b>5,542,570,494</b>	<b>8,310,914,255</b>	<b>3,089,062,457</b>	<b>4,500,154,522</b>
<b>Provision for taxation for the period</b>	<b>3,605,123,489</b>	<b>4,094,322,643</b>	<b>1,732,609,926</b>	<b>2,253,153,330</b>
Current tax	3,605,295,677	4,094,368,676	1,732,696,107	2,253,175,141
Deferred tax	(172,188)	(46,033)	(86,181)	(21,811)
<b>Net profit/ (loss) after tax</b>	<b>1,937,447,005</b>	<b>4,216,591,612</b>	<b>1,356,452,531</b>	<b>2,247,001,192</b>
<b>Net profit after tax attributable to:</b>	<b>1,937,447,005</b>	<b>4,216,591,612</b>	<b>1,356,452,531</b>	<b>2,247,001,192</b>
Equity holders of IBBL	1,937,447,825	4,216,592,497	1,356,450,640	2,247,002,516
Non-controlling interest	(820)	(885)	1,891	(1,324)
<b>Retained earnings from previous year</b>	<b>3,033,205,973</b>	<b>3,015,952,005</b>	<b>3,033,205,973</b>	<b>3,015,952,005</b>
Add: Net profit after tax (attributable to equity holders of IBBL)	1,937,447,825	4,216,592,497	1,356,450,640	2,247,002,516
<b>Profit available for appropriation</b>	<b>4,970,653,798</b>	<b>7,232,544,502</b>	<b>4,389,656,613</b>	<b>5,262,954,521</b>
<b>Appropriation:</b>	<b>4,970,653,798</b>	<b>7,232,544,502</b>	<b>4,389,656,613</b>	<b>5,262,954,521</b>
Statutory reserve	-	-	-	-
General reserve	-	-	-	-
Dividend	3,127,410,000	3,202,467,840	3,127,410,000	3,202,467,840
Retained earnings	1,843,243,798	4,030,076,662	1,262,246,613	2,060,486,681
Consolidated Earnings Per share (EPS) (Previous year's figure restated)	<b>1.32</b>	<b>2.88</b>	<b>0.93</b>	<b>1.54</b>

The annexed notes form an integral part of these condensed interim financial report.



**(Mohammad Nesar Uddin, FCA, FCMA)**  
**Executive Vice President & CFO**



**(Mohammad Abdul Mannan)**  
**Managing Director**

**Islami Bank Bangladesh Limited and its Subsidiaries**  
**Condensed Consolidated Cash Flow Statement (Un-audited)**  
**For the half year ended 30 June 2013**

Cash flows from operating activities	Amount in Taka	
	01 January to 30 June 2013	01 January to 30 June 2012
Investment income	22,942,091,965	20,392,469,904
Profit paid on mudaraba deposits	(17,560,191,052)	(11,122,034,610)
Income/ dividend receipt from investments in shares & securities	1,020,508,235	187,507,678
Fees & commission receipt in cash	2,687,223,257	2,764,011,033
Recovery from written off investments	7,632,307	27,670,592
Payments to employees	(2,719,847,468)	(1,831,624,076)
Cash payments to suppliers	(139,803,199)	(126,219,745)
Income tax paid	(3,214,610,095)	(2,688,484,562)
Receipts from other operating activities	595,817,387	479,678,611
Payments for other operating activities	(1,119,809,853)	(1,059,916,671)
<b>(i) Operating profit before changes in operating assets</b>	<b>2,499,011,484</b>	<b>7,023,058,154</b>
<b>Changes in operating assets and liabilities</b>		
Increase/decrease of statutory deposits	-	-
Increase/decrease of net trading securities	-	-
Increase/decrease of placement to other banks	-	-
Increase/decrease of investments to customers	(11,680,121,453)	(30,834,202,770)
Increase/decrease of other assets	(4,948,256,230)	(3,330,870,281)
Increase/decrease of deposits from other banks	9,959,920,189	327,538,765
Increase/decrease of deposits received from customers	12,675,788,955	35,922,753,847
Increase/decrease of other liabilities account of customers	-	-
Increase/decrease of trading liabilities	-	-
Increase/decrease of other liabilities	2,078,799,076	1,147,737,714
<b>(ii) Cash flows from operating assets and liabilities</b>	<b>8,086,130,537</b>	<b>3,232,957,275</b>
<b>Net cash flows from operating activities (A)=(i+ii)</b>	<b>10,585,142,021</b>	<b>10,256,015,429</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of securities	400,785,809	-
Payment for purchase of securities/BGIIB	(22,997,922,156)	(1,000,000,000)
Payment for purchase of securities/membership	(677,875,776)	267,424,480
Purchase/sale of property, plants & equipments	(649,369,174)	(441,107,363)
Purchase/sale of subsidiaries	-	-
<b>Net Cash flows from investing activities (B)</b>	<b>(23,924,381,297)</b>	<b>(1,173,682,883)</b>
<b>Cash flows from financing activities</b>		
Receipts from issue of debt instruments	-	-
Payment for redemption of debt instruments	-	-
Receipts from issuing ordinary share/ rights share	-	-
Dividend paid in Cash	(1,000,771,200)	(700,539,840)
<b>Net cash flows from financing activities (C)</b>	<b>(1,000,771,200)</b>	<b>(700,539,840)</b>
<b>Net increase/(decrease) in cash (A+B+C)</b>	<b>(14,340,010,476)</b>	<b>8,381,792,706</b>
Add/(less): effects of exchange rate changes on cash & cash equivalent	-	-
Add: cash & cash equivalents at beginning of the year	66,298,945,720	57,485,210,751
<b>Cash &amp; cash equivalents at the end of the period</b>	<b>51,958,935,244</b>	<b>65,867,003,457</b>
Consolidated Net Operating Cash Flow Per Share (NOCFPS) (Previous year's figure restated)	7.23	7.01



**(Mohammad Nesar Uddin, FCA, FCMA)**  
**Executive Vice President & CFO**



**(Mohammad Abdul Mannan)**  
**Managing Director**

**Islami Bank Bangladesh Limited and its Subsidiaries**  
**Condensed Consolidated Statement of Changes in Equity (Un-audited)**  
For the half year ended 30 June 2013

(Amount in Taka)

Particulars	Paid-up capital	Share premium	Statutory reserve	General/ other reserves *	Assets revaluation reserve	Revaluation reserve of securities	Retained earnings	Non-controlling interest	01 January to 30 June 2013
1	2	3	4	5	6	7	8	9	10(2+3+4+5+6+7+8+9)
<b>Balance as at 01 January 2013</b>	<b>12,509,640,000</b>	<b>1,989,633</b>	<b>12,423,662,342</b>	<b>159,136,208</b>	<b>11,498,971,320</b>	<b>34,700,000</b>	<b>3,033,205,973</b>	<b>59,287</b>	<b>39,661,364,763</b>
Changes in accounting policy restated balance									
Surplus/ (deficit) on account of revaluation of properties	-	-	-	-	-	-	-	-	-
Surplus/ (deficit) on account of revaluation of investments (shares & securities)	-	-	-	-	-	34,750,000	-	-	34,750,000
Currency translation differences	-	-	-	-	-	-	-	-	-
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	1,937,447,825	(820)	1,937,447,005
Transfer to reserve	-	-	-	-	-	-	-	-	-
Dividend:	-	-	-	-	-	-	-	-	-
Bonus shares	2,126,638,800	-	-	-	-	-	(2,126,638,800)	-	-
Cash dividend	-	-	-	-	-	-	(1,000,771,200)	-	(1,000,771,200)
Issue of Share Capital	-	-	-	-	-	-	-	-	-
<b>Total shareholders' equity as on 30 June 2013</b>	<b>14,636,278,800</b>	<b>1,989,633</b>	<b>12,423,662,342</b>	<b>159,136,208</b>	<b>11,498,971,320</b>	<b>69,450,000</b>	<b>1,843,243,798</b>	<b>58,467</b>	<b>40,632,790,568</b>
<b>Total shareholders' equity as on 30 June 2012</b>	<b>12,509,640,000</b>	<b>1,989,633</b>	<b>10,004,426,808</b>	<b>184,645,772</b>	<b>4,308,071,320</b>	<b>33,200,000</b>	<b>4,030,076,662</b>	<b>56,470</b>	<b>31,072,106,665</b>
Add: Mudaraba Perpetual Bond	-	-	-	-	-	-	-	-	3,000,000,000
Add: General provision for unclassified investments and off- balance sheet items	-	-	-	4,383,540,000	-	-	-	-	4,383,540,000
Adjustment for currency translation differences	-	-	-	3,303,771	-	-	-	-	3,303,771
Less: 50.00% of assets revaluation reserve	-	-	-	-	(5,749,485,660)	-	-	-	(5,749,485,660)
Less: 50.00% of revaluation reserve of securities	-	-	-	-	-	(34,725,000)	-	-	(34,725,000)
<b>Total equity as on 30 June 2013</b>	<b>14,636,278,800</b>	<b>1,989,633</b>	<b>12,423,662,342</b>	<b>4,545,979,979</b>	<b>5,749,485,660</b>	<b>34,725,000</b>	<b>1,843,243,798</b>	<b>58,467</b>	<b>42,235,423,679</b>
<b>Total equity as on 30 June 2012</b>	<b>12,509,640,000</b>	<b>1,989,633</b>	<b>10,004,426,808</b>	<b>6,025,185,772</b>	<b>2,154,035,660</b>	<b>16,600,000</b>	<b>4,030,076,662</b>	<b>56,470</b>	<b>37,742,011,005</b>

*Note : general / other reserves	01 January to 30 June 2013	01 January to 30 June 2012
General reserve	130,439,979	152,645,772
Dividend equalization	32,000,000	32,000,000
Currency translation differences (Translation reserve)	(3,303,771)	-
<b>Total</b>	<b>159,136,208</b>	<b>184,645,772</b>



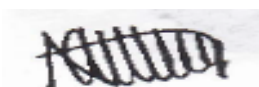
**(Mohammad Nesar Uddin, FCA, FCMA)**  
**Executive Vice President & CFO**



**(Mohammad Abdul Mannan)**  
**Managing Director**

**Islami Bank Bangladesh Limited**  
**Condensed Balance Sheet (Un-Audited)**  
**As at 30 June 2013**

Property and assets	Amount in Taka	
	As at 30 June 2013	As at 31 December 2012
<b>Cash in hand</b>	<b>41,916,397,993</b>	<b>41,774,009,647</b>
Cash in hand (including foreign currency)	7,512,068,551	6,308,271,684
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)	34,404,329,442	35,465,737,963
<b>Balance with other banks &amp; financial institutions</b>	<b>9,529,601,713</b>	<b>23,048,348,207</b>
In Bangladesh	5,877,194,952	15,955,976,932
Outside Bangladesh	3,652,406,761	7,092,371,275
<b>Placement with banks &amp; other financial institutions</b>	-	-
<b>Investments in shares &amp; securities</b>	<b>80,542,745,926</b>	<b>27,010,073,770</b>
Government	77,035,727,770	23,504,977,770
Others	3,507,018,156	3,505,096,000
<b>Investments</b>	<b>384,625,878,149</b>	<b>372,920,722,887</b>
General investments etc.	349,097,378,401	340,479,756,413
Bills purchased & discounted	35,528,499,748	32,440,966,474
<b>Fixed assets including premises</b>	<b>15,196,396,604</b>	<b>14,808,228,329</b>
<b>Other assets</b>	<b>7,923,465,207</b>	<b>2,974,933,877</b>
<b>Non - banking assets</b>	-	-
<b>Total property and assets</b>	<b>539,734,485,592</b>	<b>482,536,316,717</b>



**(Mohammad Nesar Uddin, FCA, FCMA)**  
**Executive Vice President & CFO**

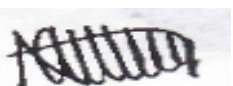


**(Mohammad Abdul Mannan)**  
**Managing Director**

**Islami Bank Bangladesh Limited**  
**Condensed Balance Sheet (Un-Audited)**  
**As at 30 June 2013**

Liabilities and capital	Amount in Taka	
	As at 30 June 2013	As at 31 December 2012
<b>Liabilities</b>		
Placement from banks & other financial institutions	30,500,000,000	-
<b>Deposits &amp; other accounts</b>	<b>441,485,270,753</b>	<b>417,844,142,245</b>
Mudaraba savings deposits	143,367,574,986	151,012,262,458
Mudaraba term deposits	115,161,240,301	97,278,542,378
Other mudaraba deposits	128,532,052,730	117,807,137,348
Al- wadeeah current and other deposit accounts	50,765,460,204	47,530,161,727
Bills payable	3,658,942,532	4,216,038,334
<b>Mudaraba perpetual bond</b>	<b>3,000,000,000</b>	<b>3,000,000,000</b>
<b>Other liabilities</b>	23,740,691,699	21,698,433,977
<b>Deferred tax liabilities</b>	238,230,992	238,230,992
<b>Total liabilities</b>	<b>498,964,193,444</b>	<b>442,780,807,214</b>
<b>Capital/shareholders' equity</b>	<b>40,770,292,148</b>	<b>39,755,509,503</b>
Paid - up capital	14,636,278,800	12,509,640,000
Statutory reserve	12,423,662,342	12,423,662,342
Other reserves	11,729,547,161	11,694,797,161
Retained earnings	1,980,803,845	3,127,410,000
<b>Total liabilities &amp; shareholders' equity</b>	<b>539,734,485,592</b>	<b>482,536,316,717</b>
<b>Off-balance Sheet Items</b>		
<b>Contingent liabilities</b>		
Acceptances & endorsements	-	-
Letters of guarantee	6,937,465,779	7,297,485,550
Irrevocable letters of credit (including back to back bills)	90,538,935,741	87,161,261,558
Bills for collection	20,375,370,676	15,571,833,223
Other contingent liabilities	13,600,712	13,600,712
<b>Total</b>	<b>117,865,372,908</b>	<b>110,044,181,043</b>
<b>Other commitments</b>		
Documentary credits, short term and trade related transactions	-	-
Forward assets purchased and forward deposits placed	-	-
Undrawn note issuance, revolving and underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Total off-balance sheet items including contingent liabilities</b>	<b>117,865,372,908</b>	<b>110,044,181,043</b>
Net Asset Value (NAV) per share (Previous year's figure restated)	27.86	27.16

The annexed notes form an integral part of these condensed interim financial report.



**(Mohammad Nesar Uddin, FCA, FCMA)**  
**Executive Vice President & CFO**



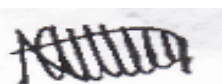
**(Mohammad Abdul Mannan)**  
**Managing Director**



**Islami Bank Bangladesh Limited**  
**Condensed Profit & Loss Account (Un-Audited)**  
**For the half year ended 30 June 2013**

Operating income	Amount in Taka			
	01 January to 30 June 2013	01 January to 30 June 2012	01 April to 30 June 2013	01 April to 30 June 2012
Investment income	23,803,078,243	20,392,469,904	11,907,457,488	10,559,152,457
Profit paid on mudaraba deposits	(15,045,298,225)	(11,122,034,610)	(8,140,357,439)	(5,567,253,783)
<b>Net investment income</b>	<b>8,757,780,018</b>	<b>9,270,435,294</b>	<b>3,767,100,049</b>	<b>4,991,898,674</b>
Income from investments in shares & securities	996,219,510	172,027,777	771,203,310	85,500,000
Commission, exchange & brokerage income	2,683,135,582	2,758,348,079	1,357,823,270	1,364,914,179
Other operating income	536,472,796	447,538,979	466,853,462	361,728,962
<b>Total operating income</b>	<b>12,973,607,906</b>	<b>12,648,350,129</b>	<b>6,362,980,091</b>	<b>6,804,041,815</b>
<b>Operating expenses</b>				
Salary & allowances	2,711,474,739	1,825,594,012	1,369,057,403	943,258,576
Rent, taxes, insurances, electricity etc.	367,170,337	293,657,153	201,270,878	110,249,394
Legal expenses	12,269,353	6,495,272	8,336,974	3,612,891
Postage, stamps and telecommunication etc.	51,476,837	48,617,873	31,716,537	28,893,602
Stationery, printing and advertisement etc.	133,238,193	92,253,067	96,327,292	54,499,376
Chief executive's salary & fees	2,223,548	1,890,000	1,278,548	945,000
Directors' fees & expenses	5,332,824	4,274,681	3,580,729	3,683,354
Shari'ah supervisory committee's fees & expenses	637,828	1,571,806	164,241	708,686
Auditors' fees	-	-	-	-
Charges on investment losses	-	-	-	-
Depreciation and repair to bank's assets	319,252,351	268,405,092	163,201,966	135,619,118
Zakat expenses	162,386,386	162,500,000	81,193,193	81,250,000
Other expenses	628,393,498	526,173,066	287,927,374	247,492,897
<b>Total operating expenses</b>	<b>4,393,855,894</b>	<b>3,231,432,022</b>	<b>2,244,055,135</b>	<b>1,610,212,894</b>
<b>Profit/ (loss) before provision</b>	<b>8,579,752,012</b>	<b>9,416,918,107</b>	<b>4,118,924,956</b>	<b>5,193,828,921</b>
Provision for investments & off- balance sheet items (Note-7.0)	3,012,440,000	1,083,190,000	1,129,880,000	630,190,000
Provision for diminution in value of investments in shares	159,912	-	159,912	-
Other provisions	7,005,000	-	7,005,000	-
<b>Total provision</b>	<b>3,019,604,912</b>	<b>1,083,190,000</b>	<b>1,137,044,912</b>	<b>630,190,000</b>
<b>Total profit/(loss) before taxes</b>	<b>5,560,147,100</b>	<b>8,333,728,107</b>	<b>2,981,880,044</b>	<b>4,563,638,921</b>
<b>Provision for taxation for the period</b>	<b>3,579,343,255</b>	<b>4,070,840,945</b>	<b>1,718,931,761</b>	<b>2,241,496,791</b>
Current tax	3,579,343,255	4,070,840,945	1,718,931,761	2,241,496,791
Deferred tax	-	-	-	-
<b>Net profit/ (loss) after tax</b>	<b>1,980,803,845</b>	<b>4,262,887,162</b>	<b>1,262,948,283</b>	<b>2,322,142,130</b>
Retained earnings from previous year	3,127,410,000	3,202,467,840	3,127,410,000	3,202,467,840
Add: Net profit after tax	1,980,803,845	4,262,887,162	1,262,948,283	2,322,142,130
<b>Profit available for appropriation</b>	<b>5,108,213,845</b>	<b>7,465,355,002</b>	<b>4,390,358,283</b>	<b>5,524,609,970</b>
<b>Appropriation:</b>	<b>5,108,213,845</b>	<b>7,465,355,002</b>	<b>4,390,358,283</b>	<b>5,524,609,970</b>
Statutory reserve	-	-	-	-
General reserve	-	-	-	-
Dividend	3,127,410,000	3,202,467,840	3,127,410,000	3,202,467,840
Retained earnings	1,980,803,845	4,262,887,162	1,262,948,283	2,322,142,130
Earnings Per Share (EPS) (Previous year's figure restated)	1.35	2.91	0.86	1.59

The annexed notes form an integral part of these condensed interim financial report.



**(Mohammad Nesar Uddin, FCA, FCMA)**  
**Executive Vice President & CFO**

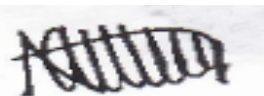


**(Mohammad Abdul Mannan)**  
**Managing Director**



**Islami Bank Bangladesh Limited**  
**Condensed Cash Flow Statement (Un-Audited)**  
**For the half year ended 30 June 2013**

Cash flows from operating activities	Amount in Taka	
	01 January to 30 June 2013	01 January to 30 June 2012
Investment income	22,942,091,965	20,392,469,904
Profit paid on mudaraba deposits	(17,560,191,052)	(11,122,034,610)
Income/ dividend receipt from investments in shares & securities	996,219,510	172,027,777
Fees & commission receipt in cash	2,683,135,582	2,758,348,079
Recovery from written off investments	7,632,307	27,670,592
Payments to employees	(2,713,698,287)	(1,827,484,012)
Cash payments to suppliers	(139,716,151)	(126,113,772)
Income tax paid	(3,183,893,808)	(2,680,028,015)
Receipts from other operating activities	528,840,489	419,868,387
Payments for other operating activities	(1,116,895,671)	(1,056,820,279)
<b>(i) Operating profit before changes in operating assets</b>	<b>2,443,524,884</b>	<b>6,957,904,051</b>
<b>Changes in operating assets and liabilities</b>		
Increase/decrease of statutory deposits	-	-
Increase/decrease of net trading securities	-	-
Increase/decrease of placement to other banks	-	-
Increase/decrease of investments to customers	(11,705,155,262)	(30,834,202,770)
Increase/decrease of other assets	(4,948,531,330)	(3,020,839,585)
Increase/decrease of deposits from other banks	9,959,920,189	377,921,062
Increase/decrease of deposits received from customers	13,681,208,319	35,922,825,976
Increase/decrease of other liabilities account of customers	-	-
Increase/decrease of trading liabilities	-	-
Increase/decrease of other liabilities	1,840,696,082	1,062,749,214
<b>(ii) Cash flows from operating assets and liabilities</b>	<b>8,828,137,998</b>	<b>3,508,453,897</b>
<b>Net cash flows from operating activities (A)=(i+ii)</b>	<b>11,271,662,882</b>	<b>10,466,357,948</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of securities	-	-
Payment for purchase of securities/BGIIB	(22,997,922,156)	(1,000,000,000)
Payment for purchase of securities/membership	-	-
Purchase/sale of property, plants & equipments	(649,327,674)	(440,190,155)
Purchase/sale of subsidiaries	-	-
<b>Net Cash flows from investing activities (B)</b>	<b>(23,647,249,830)</b>	<b>(1,440,190,155)</b>
<b>Cash flows from financing activities</b>		
Receipts from issue of debt instruments	-	-
Payment for redemption of debt instruments	-	-
Receipts from issuing ordinary share/ rights share	-	-
Dividend paid in Cash	(1,000,771,200)	(700,539,840)
<b>Net cash flows from financing activities (C)</b>	<b>(1,000,771,200)</b>	<b>(700,539,840)</b>
<b>Net increase/(decrease) in cash (A+B+C)</b>	<b>(13,376,358,148)</b>	<b>8,325,627,953</b>
Add/(less): effects of exchange rate changes on cash & cash equivalent	-	-
Add: cash & cash equivalents at beginning of the year	64,822,357,854	56,209,206,952
<b>Cash &amp; cash equivalents at the end of the period</b>	<b>51,445,999,706</b>	<b>64,534,834,905</b>
Net Operating Cash Flow Per Share (NOCFPS) (Previous year's figure restated)	7.70	7.15



**(Mohammad Nesar Uddin, FCA, FCMA)**  
**Executive Vice President & CFO**



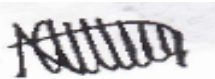
**(Mohammad Abdul Mannan)**  
**Managing Director**

**Islami Bank Bangladesh Limited**  
**Condensed Statement of Changes in Equity (Un-Audited)**  
**For the half year ended 30 June 2013**

(Amount in Taka)

Particulars	Paid-up capital	Share premium	Statutory reserve	General/ other reserves *	Assets revaluation reserve	Revaluation reserve of securities	Retained earnings	01 January to 30 June 2013
1	2	3	4	5	6	7	8	9 (2+3+4+5+6+7+8)
Balance as at 01 January 2013	12,509,640,000	1,989,633	12,423,662,342	159,136,208	11,498,971,320	34,700,000	3,127,410,000	39,755,509,503
Changes in accounting policy restated balance								
Surplus/ (deficit) on account of revaluation of properties	-	-	-	-	-	-	-	-
Surplus/ (deficit) on account of revaluation of investments (shares & securities)	-	-	-	-	-	34,750,000	-	34,750,000
Currency translation differences	-	-	-	-	-	-	-	-
Net gain and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Net profit for the period							1,980,803,845	1,980,803,845
Transfer to reserve								
Dividend:								
Bonus shares	2,126,638,800						(2,126,638,800)	-
Cash dividend							(1,000,771,200)	(1,000,771,200)
Issue of Share Capital	-	-	-	-	-	-	-	-
<b>Total shareholders' equity as on 30 June 2013</b>	<b>14,636,278,800</b>	<b>1,989,633</b>	<b>12,423,662,342</b>	<b>159,136,208</b>	<b>11,498,971,320</b>	<b>69,450,000</b>	<b>1,980,803,845</b>	<b>40,770,292,148</b>
<b>Total shareholders' equity as on 30 June 2012</b>	<b>12,509,640,000</b>	<b>1,989,633</b>	<b>10,004,426,808</b>	<b>184,645,772</b>	<b>4,308,071,320</b>	<b>33,200,000</b>	<b>4,262,887,162</b>	<b>31,304,860,695</b>
Add: Mudaraba Perpetual Bond	-	-	-	-	-	-	-	3,000,000,000
Add: General provision for unclassified investments and off- balance sheet items	-	-	-	4,383,540,000	-	-	-	4,383,540,000
Adjustment for currency translation differences				3,303,771				3,303,771
Less: 50.00% of assets revaluation reserve	-	-	-	-	(5,749,485,660)	-	-	(5,749,485,660)
Less: 50.00% of revaluation reserve of securities	-	-	-	-	-	(34,725,000)	-	(34,725,000)
<b>Total equity as on 30 June 2013</b>	<b>14,636,278,800</b>	<b>1,989,633</b>	<b>12,423,662,342</b>	<b>4,545,979,979</b>	<b>5,749,485,660</b>	<b>34,725,000</b>	<b>1,980,803,845</b>	<b>42,372,925,259</b>
<b>Total equity as on 30 June 2012</b>	<b>12,509,640,000</b>	<b>1,989,633</b>	<b>10,004,426,808</b>	<b>6,025,185,772</b>	<b>2,154,035,660</b>	<b>16,600,000</b>	<b>4,262,887,162</b>	<b>37,974,765,035</b>

*Note : general / other reserves	01 January to 30 June 2013	01 January to 30 June 2012
General reserve	130,439,979	152,645,772
Dividend equalization	32,000,000	32,000,000
Currency translation differences (Translation reserve)	(3,303,771)	-
<b>Total</b>	<b>159,136,208</b>	<b>184,645,772</b>



**(Mohammad Nesar Uddin, FCA, FCMA)**  
**Executive Vice President & CFO**



**(Mohammad Abdul Mannan)**  
**Managing Director**

**Islami Bank Bangladesh Limited and its Subsidiaries**  
**Notes to the condensed consolidated interim financial report (Un-audited)**  
**As at and for the half year ended 30 June 2013**

**1.0 The Bank and its activities**

- 1.1 Islami Bank Bangladesh Limited ("the Bank"/"IBBL") was established as a Public Limited Banking Company in Bangladesh in 1983 as the first interest free Shari'ah based Scheduled Commercial Bank in the South East Asia. Naturally, its modus operandi is substantially different from those of other conventional Commercial Banks. The Bank conducts its business on the Shari'ah principles of Mudaraba, Musharaka, Bai-Murabaha, Bai-Muajjal, Hire Purchase under Shirkatul Melk, Bai-Salam and Bai-as-Sarf etc. There is a Shari'ah Supervisory Committee in the Bank who ensures that the activities of the Bank are being conducted on the precepts of Islam. The Shari'ah Supervisory Committee consists of prominent Shari'ah scholars, reputed Bankers, renowned Lawyers and eminent Economists.

There are two Stock Exchanges in Bangladesh viz. Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited and the shares of the Bank are listed with both the Stock Exchanges. The Bank carries out its business activities through its Head Office in Dhaka, 14 Zonal Offices and 277 branches including 30 SME/Agriculture branches in Bangladesh. The Principal place of business is the Registered Office at Islami Bank Tower, 40, Dilkusha Commercial Area, Dhaka-1000, Bangladesh.

These interim financial report as at and for the half year ended 30 June 2013 include the condensed consolidated and the separate financial report of the Bank. The condensed consolidated interim financial report comprise the financial statements of the Bank and its two subsidiaries - Islami Bank Securities Limited (IBSL) and Islami Bank Capital Management Limited (IBCML) - together referred to as "the Companies".

**1.2 Nature of business/principal activities of the Bank**

All kinds of commercial banking services including Islamic micro-finance under Rural Development Scheme (RDS) and Urban Poor Development Scheme (UPDS), mobile financial services under the "Islami Bank mCash" are provided by the Bank to the customers following the principles of Islamic Shari'ah, the provisions of the Bank Company Act, 1991, Bangladesh Bank's directives and directives of other regulatory authorities. The Bank also provide services to its clients through currently two offshore-banking units (OBUs) located at Head Office Complex Branch and Agrabad Branch.

**2.0 Basis of preparation**

**2.1 Statement of compliance**

The operations of the Bank and its subsidiaries are in strict compliance with the rules of Islamic Shari'ah. This condensed consolidated and separate interim financial report for the half year ended 30 June 2013 of the Bank has been prepared in accordance with "*BAS: 34 Interim Financial Reporting*" and as per Bangladesh Bank (BB) Department of Banking Inspection (DBI) Circular Letter No. 01 dated 24 February 2004 and as per Rule 13 of Securities & Exchange Rules 1987. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Bank since the last annual consolidated and separate financial statements as at and for the year ended 31 December 2012. This condensed consolidated and separate interim financial report does not include all the information required for full annual financial statements prepared in accordance with Bangladesh Financial Reporting Standards.

**2.2 Authorization of the financial statements for issue**

The condensed consolidated and separate interim financial report of the Bank have been authorized for issue by the Board of Directors on 28 July 2013.

### 2.3 Use of estimates and judgments

Preparing the interim financial report requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated and separate interim financial report, significant judgements made by Management in applying the Companies'/Bank's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated and separate financial statements as at and for the year ended 31 December 2012.

### 2.4 Reporting period

These condensed consolidated and separate interim financial report of the Bank and its subsidiaries cover half year from 1 January 2013 to 30 June 2013.

### 3.0 Significant accounting policies

Except as described below, the accounting policies applied by the Bank/Companies in this condensed consolidated and separate interim financial report are the same as those applied by the Bank/Companies in its consolidated and separate financial statements as at and for the year ended 31 December 2012.

#### 3.1 Income tax expenses

Provision for current tax for the half year ended 30 June 2013 has been estimated and recognized based on the average rate of last year. No deferred tax of the Bank has been calculated for this period.

#### 3.2 Provision for investments and off-balance sheet exposures

Provision for Investment for the half year ended 30 June 2013 is made as per latest instruction of Bangladesh Bank through BRPD Circular No.14 dated 23 September 2012, BRPD Circular No.19 dated 27 December 2012 and BRPD Circular No.05 dated 29 May 2013.

The rates of provision for the half year ended 30 June 2013 and for the year ended 31 December 2012 are given below:

Particulars	30 June 2013					31 December 2012				
	Classification									
	UC	SMA	SS	DF	BL	UC	SMA	SS	DF	BL
Small and Medium Enterprise	0.25%	0.25%	20%	50%	100%	0.25%	5%	20%	50%	100%
Consumer										
Investment for House Building & Professional	2%	5%	20%	50%	100%	2%	5%	20%	50%	100%
Other than House Building & Professional	5%	5%	20%	50%	100%	5%	5%	20%	50%	100%
All Other (Except Short-term Agricultural and Micro-Credits)	1%	5%	20%	50%	100%	1%	5%	20%	50%	100%
Short-term Agricultural and Micro-Credits	5%				100%	5%				100%
Investment to Stock Dealers & Stock Broker	2%					2%				
Off Balance Sheet Items	1%					1%				

### 4.0 Dividend payments

The honorable shareholders of the Bank approved 17% stock and 8% cash dividend for the year 2012 in the 30th Annual General Meeting (AGM) of the Bank held on 22 May 2013. The dividend was paid during the 2nd quarter of the year 2013.

### 5.0 Events after the reporting period

There were no material events subsequent to the interim reporting period that have not been reflected in the financial statements for the interim period.

**6.0 Consolidated Fixed assets including premises, furniture and fixtures****Opening balance (book/written down value)**

Add: Acquisition/ addition/ purchase during the period

Less: Sale/disposal/adjustment during the period

Depreciation charged during the period

**Closing book value/writtendown value at the end of the period**

<b>30 June 2013</b>	<b>31 Dec 2012</b>
<b>Taka</b>	<b>Taka</b>
<b>14,816,765,447</b>	<b>7,110,249,574</b>
649,327,197	8,209,920,775
-	58,358,704
262,474,940	445,046,198
<b>15,203,617,704</b>	<b>14,816,765,447</b>

**7.0 Provision for un-classified, classified investment and Off-balance sheet items including Off-shore Banking Units (OBU)****A. Opening balance as on 1 January**

General Provision for Unclassified Investment including OBU

Provision for Classified Investment

Provision for Off-Balance Sheet items

**B. Total deduction/adjustment from classified investment for the period****C. Available balance of provision (A-B)****D. Provision made during the period**

General Provision for Unclassified Investment including OBU

Provision for Classified Investment

Provision for Off-Balance Sheet items

Additional Provision

**E. Closing balance as on 30 June ( C+D)**

General Provision for Unclassified Investment including OBU

Provision for Classified Investment

Provision for Off-Balance Sheet items

Additional Provision

<b>30 June 2013</b>	<b>30 June 2012</b>
<b>Taka</b>	<b>Taka</b>
<b>11,090,700,000</b>	<b>8,170,000,000</b>
3,935,900,000	3,996,000,000
6,054,350,000	3,054,000,000
1,100,450,000	1,120,000,000
<b>99,020,000.00</b>	<b>333,770,000.00</b>
<b>10,991,680,000</b>	<b>7,836,230,000</b>
<b>3,012,440,000</b>	<b>1,083,190,000</b>
(730,880,000)	521,540,000
2,910,120,000	358,650,000
78,070,000	203,000,000
755,130,000	-
<b>14,004,120,000</b>	<b>8,919,420,000</b>
3,205,020,000	4,517,540,000
8,865,450,000	3,078,880,000
1,178,520,000	1,323,000,000
755,130,000	-

**8.0 Earnings per share (EPS)**

a) Attributable profit for the period

b) Weighted average number of ordinary share during the period

**Basic earnings per share (EPS) (a ÷ b)**

<b>01 January to</b>	<b>01 January to</b>
<b>30 June 2013</b>	<b>30 June 2012</b>
1,980,803,845	4,262,887,162
1,463,627,880	1,463,627,880
<b>1.35</b>	<b>2.91</b>

Previous year's figures have been adjusted due to issuance of 21,266,388 bonus shares during the year 2013 against 17% Stock Dividend of 2012 as per guidelines of *BAS 33, "Earnings per share"*. Diluted earnings per share is not applicable since there is no possibility of dilution of shares during the period.

**9.0 Consolidated earnings per share**

Attributable profit for distribution to shareholders of IBBL for the period

Weighted average number of ordinary share during the period

**Consolidated basic earnings per share**

1,937,447,825	4,216,592,497
1,463,627,880	1,463,627,880
<b>1.32</b>	<b>2.88</b>

**10.0 Consolidated segment reporting**

The consolidated segment reporting has been shown in annexure A.

**Islami Bank Bangladesh Limited**  
**Consolidated segment reporting**  
**For the half year ended 30 June 2013**

**A. Segmental operating profit and loss**

**Annexure - A**  
**(Amount in Taka)**

Particulars	Head Office Controlled Branches	Dhaka Central Zone	Dhaka South Zone	Dhaka North Zone	Khulna Zone	Bogra Zone	Rajshahi Zone	Chittagong South Zone	Chittagong North Zone	Common	Consolidated
Investment income	4,485,152,465	4,084,951,435	1,598,379,564	1,960,801,467	1,391,843,546	774,634,125	1,766,014,362	2,735,573,641	1,124,453,516	4,901,782,357	24,823,586,478
Profit paid on mudaraba deposits	(1,110,551,354)	(1,199,312,462)	(961,951,462)	(1,391,059,461)	(840,182,461)	(455,341,652)	(615,168,564)	(1,202,374,635)	(823,561,842)	(6,405,673,262)	(15,005,177,155)
Profit received/(paid) on IB General Account	(2,069,346,813)	(1,385,638,425)	281,914,364	750,432,364	221,372,954	73,934,294	(375,131,542)	(257,597,526)	199,463,485	2,560,596,845	-
<b>Net investment income</b>	<b>1,305,254,298</b>	<b>1,500,000,548</b>	<b>918,342,466</b>	<b>1,320,174,370</b>	<b>773,034,039</b>	<b>393,226,767</b>	<b>775,714,256</b>	<b>1,275,601,480</b>	<b>500,355,159</b>	<b>1,056,705,940</b>	<b>9,818,409,323</b>
Commission, exchange & other income	567,101,435	372,631,725	162,041,943	223,794,625	126,871,364	46,789,648	97,462,354	182,291,654	116,072,436	1,355,494,697	3,250,551,881
<b>Total operating income</b>	<b>1,872,355,733</b>	<b>1,872,632,273</b>	<b>1,080,384,409</b>	<b>1,543,968,995</b>	<b>899,905,403</b>	<b>440,016,415</b>	<b>873,176,610</b>	<b>1,457,893,134</b>	<b>616,427,595</b>	<b>2,412,200,637</b>	<b>13,068,961,204</b>
Total operating expenses	(214,822,906)	(246,123,946)	(241,713,468)	(252,964,873)	(258,143,495)	(162,961,534)	(183,643,684)	(173,534,653)	(163,015,543)	(2,507,737,919)	(4,404,662,021)
<b>Operating Profit for the half year ended 30 June 2013</b>	<b>1,657,532,827</b>	<b>1,626,508,327</b>	<b>838,670,941</b>	<b>1,291,004,122</b>	<b>641,761,908</b>	<b>277,054,881</b>	<b>689,532,926</b>	<b>1,284,358,481</b>	<b>453,412,052</b>	<b>(95,537,282)</b>	<b>8,664,299,183</b>
<b>Operating Profit for the half year ended 30 June 2012</b>	<b>1,536,413,465</b>	<b>1,474,941,958</b>	<b>702,581,943</b>	<b>1,073,814,685</b>	<b>513,024,365</b>	<b>244,791,684</b>	<b>511,612,654</b>	<b>938,301,682</b>	<b>584,792,564</b>	<b>1,908,582,429</b>	<b>9,488,857,429</b>

There are 16 operating segments including subsidiaries as on 30 June 2013. Out of which only 9 are reportable as per BFRS 8 "Operating segments" and latest evaluation as at 31 December 2012. Hence other non-reportable segments have been shown as under 'Common'.

**B. Segmental assets and liabilities**

The necessary information regarding assets and liabilities of operating segments (except subsidiaries) are not separable and individually identifiable for this purpose. For this reason the assets and liabilities of the respective segments have not been presented.