

**Mercantile Bank Limited and its Subsidiaries**  
**Consolidated Balance Sheet**  
**As at 31 March 2016**

	Amount in BDT	
	Mar-16	Dec-15
<b>Property and Assets</b>		
<b>Cash</b>	<b>14,923,752,845</b>	<b>13,226,236,073</b>
Cash in hand (Including foreign currencies)	1,362,685,266	1,398,277,602
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)	13,561,067,579	11,827,958,471
<b>Balance with other banks and financial institutions</b>	<b>4,046,639,146</b>	<b>4,099,692,248</b>
In Bangladesh	3,374,165,661	3,816,461,041
Outside Bangladesh	672,473,485	283,231,207
<b>Money at call and short notice</b>	<b>2,720,000,000</b>	<b>800,000,000</b>
<b>Investments</b>	<b>35,023,061,329</b>	<b>34,059,461,147</b>
Government	28,825,863,648	28,817,526,390
Others	6,197,197,681	5,241,934,757
<b>Loans and Advances</b>	<b>128,468,072,900</b>	<b>126,624,048,642</b>
Loans, Cash Credit, Overdraft etc.	119,186,503,567	117,965,234,987
Bills Purchased and Discounted	9,281,569,333	8,658,813,655
<b>Fixed assets including premises, furniture and fixtures</b>	<b>3,339,473,919</b>	<b>3,348,176,820</b>
<b>Other assets</b>	<b>2,366,819,726</b>	<b>1,623,585,687</b>
<b>Non- banking assets</b>	-	-
<b>Total property and assets</b>	<b>190,887,819,865</b>	<b>183,781,200,617</b>
<b>Liabilities and Capital</b>		
<b>Liabilities</b>		
<b>Borrowings from other banks, financial institutions and agents</b>	<b>570,292,060</b>	<b>552,848,144</b>
<b>Deposits and other accounts</b>	<b>153,246,587,899</b>	<b>147,708,732,715</b>
Current Accounts and Other Accounts	36,250,862,262	30,452,897,558
Bills Payable	1,435,399,163	1,634,654,462
Savings Bank Deposits	13,584,125,895	12,739,771,915
Fixed Deposits	39,535,133,365	42,028,786,930
Deposits Under Schemes	62,441,067,214	60,852,621,850
<b>Subordinated bond</b>	<b>3,000,000,000</b>	<b>3,000,000,000</b>
<b>Other liabilities</b>	<b>17,929,848,079</b>	<b>16,951,728,792</b>
<b>Total Liabilities</b>	<b>174,746,728,038</b>	<b>168,213,309,651</b>
<b>Capital/Shareholders' Equity</b>	<b>16,087,759,374</b>	<b>15,515,249,055</b>
Paid-up Capital	7,391,567,010	7,391,567,010
Statutory Reserve	4,897,693,326	4,751,781,376
Other Reserve	2,611,940,979	2,477,869,048
Surplus in Profit & Loss Account	1,186,558,059	894,031,621
Non Controlling Interest	53,332,453	52,641,911
<b>Total Shareholders' Equity</b>	<b>16,141,091,827</b>	<b>15,567,890,966</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>190,887,819,865</b>	<b>183,781,200,617</b>

**Consolidated Balance Sheet  
As at 31 March 2016**

	Amount in BDT	
	Mar-16	Dec-15
<b>Off-Balance Sheet Items</b>		
<b>Contingent Liabilities</b>		
Acceptances and endorsements	22,900,960,952	22,710,709,305
Letters of guarantee	7,860,513,044	7,682,114,027
Irrevocable Letters of Credit	25,885,695,554	22,480,501,454
Bills for collection	9,405,832,118	8,771,335,282
Other contingent liabilities(BLW)	2,389,501,241	2,391,993,594
	<b>68,442,502,909</b>	<b>64,036,653,662</b>
<b>Other Commitments</b>		
Documentary credits and short term trade related transactions	-	-
Forward assets purchased and forward deposits placed	-	-
Undrawn note issuance and revolving underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
	-	-
<b>Total Off-Balance Sheet Items including contingent liabilities</b>	<b>68,442,502,909</b>	<b>64,036,653,662</b>

Company Secretary

Additional Managing Director and CFO

Managing Director and CEO

Director

Chairman

**Mercantile Bank Limited and its Subsidiaries**  
**Consolidated Profit & Loss Account**  
**For the 1st Quarter ended 31 March 2016**

	Amount in BDT	
	Mar-16	Mar-15
Interest Income	3,303,709,610	3,442,166,299
Less: Interest Paid on Deposits, Borrowings etc.	2,775,033,403	3,020,808,010
<b>Net Interest Income</b>	<b>528,676,207</b>	<b>421,358,289</b>
Investment Income	739,864,009	719,909,331
Commission, Exchange and Brokerage	446,603,655	338,782,699
Other Operating Income	767,646,253	231,590,888
	<b>1,954,113,917</b>	<b>1,290,282,918</b>
<b>Total Operating Income</b>	<b>2,482,790,124</b>	<b>1,711,641,207</b>
Salaries and Allowances	466,992,279	374,019,885
Chief Executive's Salary and Fees	2,980,645	3,240,323
Directors' Fees	1,536,490	1,232,275
Rent, Taxes, Insurances, Electricity etc.	141,088,903	112,656,667
Legal Expenses	3,406,352	955,046
Postage, Stamps, Telecommunication etc.	15,966,246	16,121,857
Stationery, Printings, Advertisements etc.	74,344,619	60,697,738
Auditors' Fees	-	23,000
Depreciation and Repair to Bank's property	90,104,488	37,076,799
Other Expenses	438,704,519	200,331,077
<b>Total Operating Expenses</b>	<b>1,235,124,541</b>	<b>806,354,667</b>
<b>Profit/(loss) before provision</b>	<b>1,247,665,583</b>	<b>905,286,540</b>
Provision for loans and advances including off Balance Sheet items	501,549,916	773,600,000
Provision for diminution in value of investments in shares	-	-
Other Provision	8,000,000	-
<b>Total Provision</b>	<b>509,549,916</b>	<b>773,600,000</b>
<b>Total Profit before taxes</b>	<b>738,115,667</b>	<b>131,686,540</b>
Provision for Current Tax	300,000,000	100,000,000
Provision for Deferred Tax	-	-
	<b>300,000,000</b>	<b>100,000,000</b>
<b>Net Profit after Taxation</b>	<b>438,115,667</b>	<b>31,686,540</b>
Retained Surplus brought forward from previous year	897,686,795	764,432,320
<b>Profit available for appropriation</b>	<b>1,335,802,462</b>	<b>796,118,860</b>
<b>Appropriation</b>		
Statutory Reserve	145,911,950	23,272,766
Non Controlling Interest in Profit	3,332,453	4,118,164
Retained Surplus	1,186,558,059	768,727,930
	<b>1,335,802,462</b>	<b>796,118,860</b>
Consolidated Earnings Per Share (EPS)	<b>0.59</b>	<b>0.04</b>

Company Secretary

Additional Managing Director and CFO

Managing Director and CEO

Director

Chairman

**Mercantile Bank Limited and its Subsidiaries**  
**Consolidated Cash Flow Statement**  
**For the 1st Quarter ended 31 March 2016**

	Amount in BDT	
	Mar-16	Mar-15
<b>A) Cash flows from operating activities</b>	<b>2,050,359,776</b>	<b>528,742,224</b>
Interest received	3,287,656,325	2,268,642,885
Interest paid	(747,367,270)	(1,128,470,696)
Fees and commission received	214,276,117	188,193,777
Payment to the employees	(466,992,279)	(374,019,885)
Payment to suppliers	(43,318,891)	(36,849,486)
Income tax paid	(193,894,226)	(388,754,371)
<b>Received from other operating activities</b>	<b>1,738,595,572</b>	<b>1,101,548,343</b>
Exchange gain	234,220,645	150,588,922
Other operating income	1,504,374,927	950,959,421
<b>Payment for other operating activities</b>	<b>(622,707,171)</b>	<b>(940,587,404)</b>
Rent, taxes, insurances and electricity	(141,088,903)	(112,656,667)
Legal expenses	(3,406,352)	(955,046)
Postage, stamps and telecommunication	(15,966,246)	(16,121,857)
Auditors' fees	(1,000,826)	(23,000)
Repair and maintenance	(18,023,190)	(12,018,026)
Chief Executive's salary and fees	(2,980,645)	(3,240,323)
Directors' fees	(1,536,490)	(1,232,275)
Other expenses	(438,704,519)	(794,340,210)
<b>Operating cash flows before changes in operating assets &amp; liabilities</b>	<b>3,166,248,177</b>	<b>689,703,163</b>
<b>(Increase)/ decrease in operating assets and liabilities</b>	<b>(1,844,024,258)</b>	<b>(821,834,476)</b>
Trading securities (Treasury Bills & Bonds)	-	-
Loans and advances to other banks	-	-
Loans and advances to customer	(1,844,024,258)	(821,834,476)
<b>Other assets (Item-wise)</b>	<b>(1,627,574,329)</b>	<b>(713,045,807)</b>
Advance deposits	(24,750)	1,732,464
Stock of stationery	3,516,659	(15,271,870)
Suspense account (Note 9.1)	26,685,666	(18,364,963)
Demand Draft paid without advice	88,373	2,208,051
Stamps in hand	(12,435)	(547,810)
Advance rent	23,218,507	(125,502,682)
Adjusting account debit (Note 9.2)	(108,086,084)	(480,721,473)
Premium on bonds	4,703,843	-
Clearing adjustment account	(764,349)	(78,611,348)
Mercantile Exchange House (UK) Limited.	1,229,917	2,033,824
Mercantile Bank OBU Unit	(1,677,651,351)	-
Mercantile Bank general account	99,521,675	-
	<b>3,044,798,809</b>	<b>3,157,470,766</b>
Deposit from other banks	17,443,916	(1,917,773,131)
Deposit from customers	5,537,855,184	7,046,475,065
Other liabilities on account of customers	-	-
Other liabilities	(2,510,500,291)	(1,971,231,168)
<b>Net cash flows from operating activities</b>	<b>2,739,448,399</b>	<b>2,312,293,646</b>

**Consolidated Cash Flow Statement**  
**For the 1st Quarter ended 31 March 2016**

	Amount in BDT	
	Mar-16	Mar-15
<b>B) Cash flows from investing activities</b>		
Brokerage House customer account	-	-
Dividend received	3,135,335	540,798
(Purchase)/ sale of property, plant and equipment	(80,519,882)	(64,363,825)
(Purchase)/sale of shares	(955,262,924)	(20,175)
(Purchase)/sale of bond	36,000,000	(1,214,000,000)
Other investment (Treasury bills & Bonds)	(8,337,258)	1,812,863,913
<b>Net cash flows from investing activities</b>	<b>(1,004,984,729)</b>	<b>535,020,711</b>
<b>C) Cash flows from financing activities</b>		
Receipts from issue of loan capital and debt Securities	-	-
Paid for repayment of loan and debt securities	(90,000,000)	-
Received by issue of right share	-	-
Dividend paid	-	-
<b>Net cash flows from financing activities</b>	<b>(90,000,000)</b>	<b>-</b>
<b>Net increase/(decrease) in cash &amp; cash equivalent (A+B+C)</b>	<b>1,644,463,670</b>	<b>2,847,314,357</b>
Cash and cash equivalent at beginning of the year	17,325,928,321	13,648,834,658
<b>Cash and cash equivalent at the end of the quarter</b>	<b>18,970,391,991</b>	<b>16,496,149,015</b>

**Company Secretary**

**Additional Managing Director and CFO**

**Managing Director and CEO**

**Director**

**Chairman**

Mercantile Bank Limited and its Subsidiaries  
Consolidated Statement of Changes in Equity  
For the 1st Quarter ended 31 March 2016

Amount in BDT

Particulars	Paid-up Capital	Statutory Reserve	Other Reserve				Surplus	Total	Non Controlling Interest	Total
			Dividend Equalization Fund	Adjustment for Approved Securities	Revaluation Surplus for Fixed Assets	Net Balance of Other Reserve	Profit/(loss)			
	A	B	C	D	E	F=(C+D+E)	G	H=(A+B+F+G)	I	J=(H+I)
<b>Balance as at 01 January 2016</b>	<b>7,391,567,010</b>	<b>4,751,781,376</b>	<b>45,680,250</b>	<b>1,788,576,843</b>	<b>643,611,955</b>	<b>2,477,869,048</b>	<b>894,031,621</b>	<b>15,515,249,055</b>	<b>52,641,911</b>	<b>15,567,890,966</b>
Changes in accounting policy	-	-	-	-	-	-	-	-	-	-
Statutory reserve	-	145,911,950	-	-	-	-	(145,911,950)	-	-	-
Market adjustment of approved securities (HTM)	-	-	-	134,071,931	-	134,071,931	-	134,071,931	-	134,071,931
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	-	-	-	-	-	-	-
Currency transaction difference	-	-	-	-	-	-	322,721	322,721	-	322,721
Net gains and losses not recognised in Income Statement	-	-	-	-	-	-	-	-	-	-
Net profit for the year after taxation	-	-	-	-	-	-	438,115,667	438,115,668	690,542	438,806,209
Transfer	-	-	-	-	-	-	-	-	-	-
Issuance of bonus shares	-	-	-	-	-	-	-	-	-	-
Bonus share premium	-	-	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	-	-	-	-	-
Dividend equalization fund	-	-	-	-	-	-	-	-	-	-
Non controlling share capital/profit	-	-	-	-	-	-	-	-	-	-
Issue of right share	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2016</b>	<b>7,391,567,010</b>	<b>4,897,693,326</b>	<b>45,680,250</b>	<b>1,922,648,774</b>	<b>643,611,955</b>	<b>2,611,940,979</b>	<b>1,186,558,059</b>	<b>16,087,759,374</b>	<b>53,332,453</b>	<b>16,141,091,827</b>
<b>Balance as at 31 December 2015</b>	<b>7,391,567,010</b>	<b>4,751,781,376</b>	<b>45,680,250</b>	<b>1,788,576,843</b>	<b>643,611,955</b>	<b>2,477,869,048</b>	<b>894,031,621</b>	<b>15,515,249,055</b>	<b>52,641,911</b>	<b>15,567,890,966</b>

Company Secretary

Additional Managing Director and CFO

Managing Director and CEO

Director

Chairman

**Mercantile Bank Limited and its Subsidiaries**  
**Consolidated Liquidity Statement**  
**Asset and Liability Maturity Analysis**  
**As at 31 March 2016**

Particulars	Amount in BDT					
	Up to 01 Month	01-03 Months	03-12 Months	01-05 Years	More than 05 years	Total
<b>Assets:</b>						
Cash in hand	1,362,685,266	13,561,067,579	-	-	-	14,923,752,845
Balance with other banks and financial institutions	3,374,165,661	-	672,473,485	-	-	4,046,639,146
Money at call and short notice	-	2,720,000,000	-	-	-	2,720,000,000
Investments	1,989,829,070	1,047,180,836	4,542,423,184	21,246,430,558	6,197,197,681	35,023,061,329
Loans and advances	20,590,200,823	19,198,243,406	44,630,544,231	31,179,350,320	12,869,734,120	128,468,072,900
Fixed assets including premises, furniture and fixtures	-	-	493,637,664	817,692,130	2,028,144,125	3,339,473,919
Other assets	890,854,431	1,045,810,724	73,402,353	356,752,218	-	2,366,819,726
Non-banking assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>28,207,735,251</b>	<b>37,572,302,545</b>	<b>50,412,480,917</b>	<b>53,600,225,226</b>	<b>21,095,075,926</b>	<b>190,887,819,865</b>
<b>Liabilities:</b>						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	-	-	570,292,060	-	-	570,292,060
Deposits	26,022,846,871	33,672,103,814	28,589,003,552	45,624,589,753	17,902,644,746	151,811,188,736
Other accounts	1,435,399,163	-	-	-	-	1,435,399,163
Subordinated bond	-	-	-	-	3,000,000,000	3,000,000,000
Provision and other liabilities	-	162,435,408	17,767,412,671	-	-	17,929,848,079
<b>Total Liabilities</b>	<b>27,458,246,034</b>	<b>33,834,539,222</b>	<b>46,926,708,283</b>	<b>45,624,589,753</b>	<b>20,902,644,746</b>	<b>174,746,728,038</b>
<b>Net Liquidity</b>	<b>749,489,217</b>	<b>3,737,763,323</b>	<b>3,485,772,634</b>	<b>7,975,635,473</b>	<b>192,431,180</b>	<b>16,141,091,827</b>

**Mercantile Bank Limited**  
**Balance Sheet**  
**As at 31 March 2016**

	Amount in BDT	
	Mar-16	Dec-15
<b>Property and Assets</b>		
<b>Cash</b>	<b>14,923,491,543</b>	<b>13,225,470,762</b>
Cash in hand (Including foreign currencies)	1,362,423,964	1,397,512,291
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)	13,561,067,579	11,827,958,471
<b>Balance with other banks and financial institutions</b>	<b>3,922,118,348</b>	<b>3,822,760,252</b>
In Bangladesh	3,264,083,036	3,551,643,870
Outside Bangladesh	658,035,312	271,116,382
<b>Money at call and short notice</b>	<b>2,720,000,000</b>	<b>800,000,000</b>
<b>Investments</b>	<b>34,793,061,444</b>	<b>33,829,461,266</b>
Government	28,825,863,648	28,817,526,390
Others	5,967,197,796	5,011,934,876
<b>Loans and Advances</b>	<b>128,266,409,323</b>	<b>126,338,834,275</b>
Loans, Cash Credit, Overdraft etc.	118,984,839,990	117,680,020,620
Bills Purchased and Discounted	9,281,569,333	8,658,813,655
<b>Fixed assets including premises, furniture and fixtures</b>	<b>3,317,845,244</b>	<b>3,325,794,196</b>
<b>Other assets</b>	<b>2,012,333,074</b>	<b>1,457,844,919</b>
<b>Non- banking assets</b>	-	-
<b>Total Property and Assets</b>	<b>189,955,258,976</b>	<b>182,800,165,670</b>
<b>Liabilities and Capital</b>		
<b>Liabilities</b>		
<b>Borrowings from other banks, financial institutions and agents</b>	<b>570,292,060</b>	<b>552,848,144</b>
<b>Deposits and other accounts</b>	<b>153,422,993,338</b>	<b>147,816,283,651</b>
Current accounts and other accounts	36,427,267,701	30,560,448,494
Bills payable	1,435,399,163	1,634,654,462
Savings bank deposits	13,584,125,895	12,739,771,915
Fixed deposits	39,535,133,365	42,028,786,930
Deposit under schemes	62,441,067,214	60,852,621,850
<b>Subordinated bond</b>	<b>3,000,000,000</b>	<b>3,000,000,000</b>
<b>Other Liabilities</b>	<b>16,884,615,302</b>	<b>15,917,307,280</b>
<b>Total Liabilities</b>	<b>173,877,900,700</b>	<b>167,286,439,075</b>
<b>Capital/shareholders' equity</b>		
Paid-up capital	7,391,567,010	7,391,567,010
Statutory reserve	4,897,693,326	4,751,781,376
Other reserve	2,611,940,979	2,477,869,048
Surplus in profit & loss account	1,176,156,961	892,509,161
<b>Total shareholders' equity</b>	<b>16,077,358,276</b>	<b>15,513,726,595</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>189,955,258,976</b>	<b>182,800,165,670</b>

**Balance Sheet**  
**As at 31 March 2016**

	Amount in BDT	
	Mar-16	Dec-15
<b>Off-Balance Sheet Items</b>		
<b>Contingent Liabilities</b>		
Acceptances and endorsements	22,900,960,952	22,710,709,305
Letters of guarantee	7,860,513,044	7,682,114,027
Irrevocable letters of credit	25,885,695,554	22,480,501,454
Bills for collection	9,405,832,118	8,771,335,282
Other contingent liabilities(BLW)	2,389,501,241	2,391,993,594
	<b>68,442,502,909</b>	<b>64,036,653,662</b>
<b>Other Commitments</b>		
Documentary credits and short term trade related transactions	-	-
Forward assets purchased and forward deposits placed	-	-
Undrawn note issuance and revolving underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
	-	-
<b>Total Off-Balance Sheet items including contingent liabilities</b>	<b>68,442,502,909</b>	<b>64,036,653,662</b>

**Company Secretary**

**Additional Managing Director and CFO**

**Managing Director and CEO**

**Director**

**Chairman**

**Mercantile Bank Limited**  
**Profit and Loss Account**  
**For the 1st Quarter ended 31 March 2016**

	Amount in BDT	
	Mar-16	Mar-15
Interest income	3,290,731,711	3,424,638,331
Less: Interest paid on deposits, borrowings etc.	2,775,033,403	3,020,808,010
<b>Net interest income</b>	<b>515,698,308</b>	<b>403,830,321</b>
Investment income	739,864,009	719,909,331
Commission, exchange and brokerage	421,641,597	327,622,730
Other operating income	766,759,314	230,801,739
	<b>1,928,264,920</b>	<b>1,278,333,800</b>
<b>Total operating income</b>	<b>2,443,963,228</b>	<b>1,682,164,121</b>
Salaries and allowances	459,946,764	368,830,688
Chief Executive's salary and fees	2,980,645	3,240,323
Directors' fees	1,076,400	680,105
Rent, taxes, insurances, electricity etc.	138,251,214	109,618,422
Legal expenses	3,360,381	955,046
Postage, stamps, telecommunication etc.	15,383,197	15,621,334
Stationery, printings, advertisements etc.	74,229,554	60,279,552
Auditors' fees	-	23,000
Depreciation and repair to Bank's assets	89,109,540	36,728,474
Other expenses	428,515,867	196,223,349
<b>Total operating expenses</b>	<b>1,212,853,562</b>	<b>792,200,293</b>
<b>Profit/(loss) before provision</b>	<b>1,231,109,666</b>	<b>889,963,828</b>
Provision for loans and advances including off Balance Sheet items	501,549,916	773,600,000
Other provision	-	-
<b>Total provision</b>	<b>501,549,916</b>	<b>773,600,000</b>
<b>Total profit/(loss) before taxes</b>	<b>729,559,750</b>	<b>116,363,828</b>
Provision for Current tax	300,000,000	100,000,000
Provision for Deferred Tax	-	-
	<b>300,000,000</b>	<b>100,000,000</b>
<b>Net profit after taxation</b>	<b>429,559,750</b>	<b>16,363,828</b>
Retained surplus brought forward from previous year	892,509,161	767,372,642
<b>Profit available for appropriation</b>	<b>1,322,068,911</b>	<b>783,736,470</b>
<b>Appropriation</b>		
Statutory reserve	145,911,950	23,272,766
General reserve	-	-
Retained earnings	1,176,156,961	760,463,704
	<b>1,322,068,911</b>	<b>783,736,470</b>
<b>Earnings per share (EPS)</b>	<b>0.58</b>	<b>0.02</b>

Company Secretary

Additional Managing Director and CFO

Managing Director and CEO

Director

Chairman

**Mercantile Bank Limited**  
**Cash Flow Statement**  
**For the 1st Quarter ended 31 March 2016**

	Amount in BDT	
	Mar-16	Mar-15
<b>A) Cash flows from operating activities</b>	<b>1,988,554,671</b>	<b>505,661,670</b>
Interest received	3,274,678,426	2,251,114,917
Interest paid	(747,367,270)	(1,128,470,696)
Fees and commission received	189,314,059	177,033,808
Payment to the employees	(459,946,764)	(368,830,688)
Payment to suppliers	(74,229,554)	(36,431,300)
Income tax paid	(193,894,226)	(388,754,371)
<b>Received from other operating activities</b>	<b>1,735,815,526</b>	<b>558,424,469</b>
Exchange gain	234,220,645	150,588,922
Other operating income	1,501,594,881	407,835,547
<b>Payment for other operating activities</b>	<b>(607,590,894)</b>	<b>(338,379,605)</b>
Rent, taxes, insurances and electricity	(138,251,214)	(109,618,422)
Legal expenses	(3,360,381)	(955,046)
Postage, stamps and telecommunication	(15,383,197)	(15,621,334)
Auditors' fees	-	(23,000)
Repair and maintenance	(18,023,190)	(12,018,026)
Chief Executive's salary and fees	(2,980,645)	(3,240,323)
Directors' fees	(1,076,400)	(680,105)
Other expenses	(428,515,867)	(196,223,349)
<b>Operating cash flows before changes in operating assets and liabilities</b>	<b>3,116,779,303</b>	<b>725,706,534</b>
<b>(Increase)/ decrease in operating assets and liabilities</b>	<b>(1,927,575,048)</b>	<b>(489,556,077)</b>
Trading securities (Treasury bills & Bonds)	-	-
Loans and advances to other banks	-	-
Loans and advances to customers	(1,927,575,048)	(489,556,077)
<b>Other assets (Item-wise)</b>	<b>(1,627,574,329)</b>	<b>(719,309,681)</b>
Advance deposits	(24,750)	1,732,464
Stock of stationery	3,516,659	(15,271,870)
Suspense account (Note 9.1)	26,685,666	(18,364,963)
Demand Draft paid without advice	88,373	2,208,051
Stamps in hand	(12,435)	(547,810)
Advance rent	23,218,507	(125,502,682)
Adjusting account debit (Note 9.2)	(108,086,084)	(480,721,473)
Premium on bonds	4,703,843	(78,611,348)
Clearing adjustment account	(764,349)	-
Mercantile Exchange House (UK) Limited.	1,229,917	(4,230,050)
Mercantile Bank OBU Unit	(1,677,651,351)	-
Mercantile Bank general account	99,521,675	-
	<b>3,329,249,096</b>	<b>3,023,671,982</b>
Deposit from other banks	17,443,916	(2,066,505,416)
Deposit from customers	5,606,709,687	7,055,352,684
Other liabilities on account of customers	-	-
Other liabilities	(2,294,904,507)	(1,965,175,286)
<b>Net cash flows from operating activities</b>	<b>2,890,879,022</b>	<b>2,540,512,758</b>

**Cash Flow Statement**

For the 1st Quarter ended 31 March 2016

	Amount in BDT	
	Mar-16	Mar-15
<b>B) Cash flows from investing activities</b>		
Sale proceeds of fixed assets		-
Dividend received	3,135,335	540,798
Purchase/sale of property, plant and equipment	(79,035,302)	(321,917,942)
Purchase/sale of shares	(955,262,920)	(20,175)
Purchase/sale of bond	36,000,000	(1,214,000,000)
Other investment activities	(8,337,258)	1,812,863,913
<b>Net cash flows from investing activities</b>	<b>(1,003,500,145)</b>	<b>277,466,594</b>
<b>C) Cash flows from financing activities</b>		
Receipts from Issue of loan capital and debt securities	-	-
Paid for repayment of loan and debt securities	(90,000,000)	-
Received by issue of right share	-	-
Dividend paid	-	-
<b>Net cash flows from financing activities</b>	<b>(90,000,000)</b>	<b>-</b>
<b>Net increase/(decrease) of cash &amp; cash equivalent (A+B+C)</b>	<b>1,797,378,877</b>	<b>2,817,979,352</b>
	-	-
Cash and cash equivalent at the beginning of the year	17,048,231,014	13,636,642,974
<b>Cash and cash equivalent at the end of the quarter</b>	<b>18,845,609,891</b>	<b>16,454,622,326</b>

Company Secretary

Additional Managing Director and CFO

Managing Director and CEO

Director

Chairman

Mercantile Bank Limited  
Statement of Changes in Equity  
For the 1st Quarter ended 31 March 2016

Amount in BDT

Particulars	Paid-up capital	Statutory reserve	Other reserve				Surplus profit/(loss)	Total
			Dividend Equalization Fund	Adjustment for Approved Securities	Revaluation surplus for Fixed assets	Net balance of other reserve		
	A	B	C	D	E	F=C+D+E	G	H=A+B+F+G
<b>Balance as at 01 January 2016</b>	<b>7,391,567,010</b>	<b>4,751,781,376</b>	<b>45,680,250</b>	<b>1,788,576,843</b>	<b>643,611,955</b>	<b>2,477,869,048</b>	<b>892,509,161</b>	<b>15,513,726,595</b>
Changes in accounting policy	-	-	-	-	-	-	-	-
Transfer from income of OBU	-	-	-	-	-	-	-	-
Statutory reserve	-	145,911,950	-	-	-	-	(145,911,950)	-
Market adjustment of approved securities (HTM)	-	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	134,071,931	-	134,071,931	-	134,071,931
Currency transaction difference	-	-	-	-	-	-	-	-
Net gains and losses not recognised in the income statement	-	-	-	-	-	-	-	-
Net profit for the year after taxation	-	-	-	-	-	-	429,559,750	429,559,750
Transfer	-	-	-	-	-	-	-	-
Issuance of bonus share	-	-	-	-	-	-	-	-
Bonus share premium	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	-	-	-
Dividend equalization fund	-	-	-	-	-	-	-	-
Issue of right share	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2016</b>	<b>7,391,567,010</b>	<b>4,897,693,326</b>	<b>45,680,250</b>	<b>1,922,648,774</b>	<b>643,611,955</b>	<b>2,611,940,979</b>	<b>1,176,156,961</b>	<b>16,077,358,276</b>
<b>Balance as at 31 December 2015</b>	<b>7,391,567,010</b>	<b>4,751,781,376</b>	<b>45,680,250</b>	<b>1,788,576,843</b>	<b>643,611,955</b>	<b>2,477,869,048</b>	<b>892,509,161</b>	<b>15,513,726,595</b>

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**Mercantile Bank Limited**  
**Liquidity Statement**  
**Asset and Liability Maturity Analysis**  
**As at 31 March 2016**

	Amount in BDT					
	Up to 01 Month	01-03 Months	03-12 Months	01-05 Years	More than 05 years	Total
<b>Assets:</b>						
Cash in hand	1,362,423,964	13,561,067,579	-	-	-	14,923,491,543
Balance with other banks and financial institutions	88,754,052	2,093,597,517	1,739,766,779	-	-	3,922,118,348
Money at call and short notice	2,720,000,000	-	-	-	-	2,720,000,000
Investments	1,989,829,070	1,047,180,836	10,509,620,980	5,526,400,354	15,720,030,204	34,793,061,444
Loans and advances	20,590,200,823	18,996,579,829	44,630,544,231	31,179,350,320	12,869,734,120	128,266,409,323
Fixed assets including premises, furniture and fixtures	-	-	494,391,647	795,309,550	2,028,144,047	3,317,845,244
Other assets	890,854,431	1,045,810,724	73,402,353	2,265,566	-	2,012,333,074
Non-banking assets	-	-	-	-	-	-
<b>Total assets</b>	<b>27,642,062,340</b>	<b>36,744,236,485</b>	<b>57,447,725,990</b>	<b>37,503,325,790</b>	<b>30,617,908,371</b>	<b>189,955,258,976</b>
<b>Liabilities:</b>						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	-	-	570,292,060	-	-	570,292,060
Deposits	27,458,246,034	21,479,654,750	26,989,003,552	15,624,589,753	60,436,100,086	151,987,594,175
Other accounts	1,435,399,163	-	-	-	-	1,435,399,163
Subordinated Bond	-	-	-	-	3,000,000,000	3,000,000,000
Provision and other liabilities	-	162,435,408	16,722,179,894	-	-	16,884,615,302
<b>Total liabilities</b>	<b>28,893,645,197</b>	<b>21,642,090,158</b>	<b>44,281,475,506</b>	<b>15,624,589,753</b>	<b>63,436,100,086</b>	<b>173,877,900,700</b>
<b>Net Liquidity</b>	<b>(1,251,582,857)</b>	<b>15,102,146,327</b>	<b>13,166,250,484</b>	<b>21,878,736,037</b>	<b>(32,818,191,715)</b>	<b>16,077,358,276</b>