

MERCANTILE BANK LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2011

	Notes	Amount in Taka	
		2011	2010
Interest Income	19	9,732,681,382	6,837,900,076
Less: Interest Paid on Deposits, Borrowings etc.	21	8,022,131,491	5,071,998,071
Net Interest Income		1,710,549,891	1,765,902,005
Investment Income	20	1,671,292,448	815,443,728
Commission, Exchange and Brokerage	22	1,439,016,961	1,201,048,112
Other Operating Income	23	1,281,385,842	993,417,661
		<u>4,391,695,251</u>	<u>3,009,909,501</u>
Total Operating Income		6,102,245,142	4,775,811,506
Salaries and Allowances	24	1,292,014,793	932,982,480
Chief Executive's Salary and Fees	25	6,300,000	4,627,258
Directors' Fees	26	3,051,400	4,538,100
Rent, Taxes, Insurances, Electricity etc.	27	281,873,775	230,052,874
Legal Expenses	28	10,249,884	14,559,219
Postage, Stamps, Telecommunication etc.		61,816,538	50,082,585
Stationery, Printings, Advertisements etc.	29	124,064,567	116,660,521
Auditors' Fees		707,059	750,000
Depreciation and Repair of Fixed Assets	30	162,320,527	120,290,064
Other Expenses	31	658,174,251	454,142,496
Total Operating Expenses		<u>2,600,572,794</u>	<u>1,928,685,597</u>
Profit before Provision		3,501,672,348	2,847,125,909
Provision against Classified Loans	12.5	315,200,000	20,000,000
Provision against Un Classified Loans	12.5	143,000,000	230,500,000
Other Provision	12.5	39,300,000	160,700,000
Total Provision		<u>497,500,000</u>	<u>411,200,000</u>
Total Profit before Taxes		3,004,172,348	2,435,925,909
Provision for Taxation	12.4	1,250,000,000	1,010,587,500
Provision for Deferred Tax		20,000,000	-
		1,270,000,000	1,010,587,500
Net Profit after Taxation		1,734,172,348	1,425,338,409
Retained Surplus brought forward from		44,470,703	2,202,876

previous year

Appropriations

Statutory Reserve

Retained Surplus

1,778,643,051

1,427,541,285

600,834,470

487,185,182

1,177,808,581

940,356,103

1,778,643,051

1,427,541,285

Earning Per Share* (EPS)

32

3.49

2.87

* Earning Per Share (EPS) has been calculated by using weighted average number of share outstanding and previous year's EPS has been restated accordingly.

These Financial Statements should be read in conjunction with the annexed notes (1 to 41)

A.K.M. Shahidul Haque
Managing Director and CEO

Dr. Matiur Rahman, M.P.
Director

Mohd. Selim
Director

Md. Abdul Jalil, M.P.
Chairman

K. M. Hasan & Co.
Chartered Accountants
Place: Dhaka
Date: February 19, 2012

Auditors' Report to the Shareholders to see annexed report on even date

Ahmed Zaker & Co.
Chartered Accountants
Place: Dhaka
Date: February 19, 2012