

MERCANTILE BANK LIMITED

PROFIT AND LOSS ACCOUNT FOR THE QUARTER ENDED MARCH 31, 2011

	Notes	AMOUNT IN TAKA	
		31.03.2011	31.03.2010
Interest Income	18.1	2,179,163,090	1,524,563,720
Less: Interest Paid on Deposits, Borrowings etc.	19	1,762,406,636	1,168,820,179
Net Interest Income		416,756,454	355,743,541
Investment Income	18.2	383,669,961	184,501,902
Commission, Exchange and Brokerage	20	347,161,348	281,889,003
Other Operating Income	21	140,665,160	136,298,001
		871,496,469	602,688,906
Total Operating Income		1,288,252,923	958,432,447
Salaries and Allowances	23	249,345,387	183,501,072
Rent, Taxes, Insurances, Electricity etc.	24	59,392,163	51,440,969
Legal Expenses	25	1,339,027	2,806,676
Postage, Stamps, Telecommunication etc.		17,710,022	9,964,930
Stationery, Printings, Advertisements etc.	26	35,063,976	38,508,627
Chief Executive's Salary and Fees	23.1	1,350,000	1,350,000
Directors' Fees	22	732,000	296,850
Auditors' Fees		147,059	
Depreciation and Repair of Fixed Assets	27	18,864,604	22,746,915
Other Expenses	28	122,706,090	75,943,354
Total Operating Expenses		506,650,328	386,559,393
Profit before Provision		781,602,595	571,873,054
Provision against Classified Loans	12.5	41,000,000	129,100,000
Provision against Un Classified Loans	12.5	62,000,000	27,900,000
Other Provision	12.5	80,000,000	50,000,000
Total Provision		183,000,000	207,000,000
Total Profit before Taxes		598,602,595	364,873,054
Provision for Taxation	12.4	219,072,940	164,192,874
Net Profit after Taxation		379,529,655	200,680,180
Retained Surplus brought forward from previous year		940,356,103	477,053,776

Appropriations		<u>1,319,885,758677,733,956</u>
Statutory Reserve	119,720,519	40,136,036
Retained Surplus	1,200,165,239637,597,920	
		<u>1,319,885,758677,733,956</u>

Earning Per Share (EPS)*	29	9.32	5.78
--------------------------	----	------	------

Earning per Share (EPS) has been calculated as per clause 26 & 36 of BAS 33 and corresponding Quarter figures has been restated accordingly. Proposed stock dividend @ 22% has not been considered in calculating current Quarter EPS that has been approved in AGM held on 11 April 2011.

Deputy Managing Director & C F O

Managing Director & C E O