

MERCANTILE BANK LIMITED
Statement Of Cash Flows
For The Year Ended December 31, 2012

	Amount in Taka	
	2012	2011
A. Cash Flows from Operating Activities	386,491,545	(47,904,378)
Interest Received	11,656,817,797	7,388,769,227
Interest Paid	(9,263,205,731)	(6,021,831,291)
Fees and Commission Received	816,145,038	744,016,176
Payment to the Employees	(1,363,756,665)	(1,292,014,793)
Payment to Suppliers	(77,464,899)	(124,064,567)
Income Tax Paid	(1,382,043,995)	(742,779,130)
Received from other operating activities	1,637,241,656	2,644,410,625
Exchange Gain	554,036,059	695,000,785
Other Operating Income	1,083,205,597	1,949,409,840
Payment for other operating activities	(1,174,322,474)	(1,053,930,303)
Rent, Taxes, Insurances and Electricity	(340,111,307)	(281,873,775)
Legal Expenses	(13,300,835)	(10,249,884)
Postage, Stamps and Telecommunication	(51,894,958)	(61,816,538)
Auditors' Fees	(707,059)	(750,000)
Repair and Maintenance	(43,737,500)	(31,714,455)
Chief Executive's Salary and Fees	(5,400,000)	(6,300,000)
Directors' Fees	(2,465,000)	(2,725,000)
Other Expenses	(716,705,815)	(658,500,651)
Operating profit before changes in Operating Assets and Liabilities	849,410,727	1,542,575,944
Increase / Decrease in Operating Assets and Liabilities	(30,296,976,440)	(27,405,603,241)
Trading Securities (Treasury Bills & Bonds)	(16,685,901,491)	(13,783,501,103)
Loans and Advances to other Banks	-	-
Loans and Advances to Customer	(13,611,074,949)	(13,622,102,138)
Other Assets (Item-wise)	(1,799,405,200)	505,603,623
Suspense Account (Note 9.1)	(275,947,781)	10,191,675
Demand Draft paid without Advice	(134,083)	35,833
Advance Rent	(65,636,172)	(75,535,482)
Advance Deposits	(322,027)	(542,485)
Stock of Stationery	4,488,681	2,835,760
Stamps in Hand	(1,203,888)	5,156
Premium on Bond	(283,385)	(3,210,232)
Clearing Adjustment Account	(16,534,326)	477,425,589
On Line Client Adjustment Account	(701,828)	5,124,845
Adjusting Account Debit (Note 9.2)	(217,489,548)	89,272,964
Mercantile Exchange House UK. Ltd.	(19,050,871)	-
Mercantile Bank OBU Unit	(1,206,589,972)	-
	36,320,557,329	26,939,256,404
Deposit from other Banks	11,336,516,874	5,112,719,303
Deposit from Customers	24,004,050,828	20,363,440,825
Other Liabilities on account of Customers	-	-
Other Liabilities	979,989,627	1,463,096,276
Net Cash Received from Operating Activities	5,073,586,415	1,581,832,730
B. Cash Flows from Investing Activities	(23,409,286)	222,458,146
Sale proceeds of Fixed Assets	-	-
Dividend Received	2,220,141	16,261,493
Purchase/ Sale of Property, Plant and Equipment	(42,712,942)	(550,731,564)
Purchase/ Sale of Shares	17,083,515	75,326,274
Other Investment activities	-	681,601,943
Net Cash from Investing Activities	-	-
C. Cash Flows from Financing Activities	-	-
Receipts from Issue of Loan Capital and Debt Securities	-	-
Paid for Repayment of Loan and Debt Securities	-	-
Received by Issue of Right Share	-	-
Dividend Paid	-	-
Net Cash from Financing Activities	-	-
D. Net Increase/(Decrease) of Cash & Cash Equivalent (A+B+C)	5,050,177,131	1,804,290,875
Effects of Exchange Rate changes on Cash and Cash Equivalent	-	-
E. Opening Cash and Cash Equivalent	7,589,959,598	5,785,668,723
F. Closing Cash and Cash Equivalent (D+E) note-16.A	12,640,136,728	7,589,959,598

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


M. Ehsanul Haque
Managing Director and CEO

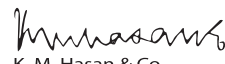

M. S. Ahsan
Director


A. S. M. Feroz Alam
Vice Chairman


Alhaj Akram Hussain (Humayun)
Chairman

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


Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Place: Dhaka
Date: 13 March, 2013


K. M. Hasan & Co.
Chartered Accountants
Place: Dhaka
Date: 13 March, 2013