

Mercantile Bank Limited

Cash Flow Statement

For the year ended 31 December 2015

| | Notes | Amount in BDT | |
|--|-------|------------------------|-------------------------|
| | | 2015 | 2014 |
| A) Cash flows from operating activities | | 510,098,743 | 485,751,069 |
| Interest received | | 13,267,296,728 | 13,245,337,551 |
| Interest paid | | (9,928,722,289) | (9,996,108,341) |
| Fees and commission received | | 798,636,400 | 779,145,084 |
| Payment to the employees | | (1,801,627,460) | (1,787,532,478) |
| Payment to suppliers | | (101,463,008) | (95,852,605) |
| Income tax paid | | (1,724,021,628) | (1,659,238,142) |
| Received from other operating activities | | 4,822,039,601 | 4,601,425,221 |
| Exchange gain | | 874,450,777 | 773,428,064 |
| Other operating income | | 3,947,588,824 | 3,827,997,157 |
| Payment for other operating activities | | (1,792,758,144) | (1,480,061,059) |
| Rent, taxes, insurances and electricity | | (543,221,676) | (479,327,244) |
| Legal expenses | | (6,476,627) | (12,716,373) |
| Postage, stamps and telecommunication | | (66,146,715) | (52,391,894) |
| Auditors' fees | | (690,000) | (430,278) |
| Repair and maintenance | | (70,997,093) | (46,516,410) |
| Chief Executive's salary and fees | | (12,390,323) | (11,688,710) |
| Directors' fees | | (3,470,705) | (2,745,395) |
| Other expenses | | (1,089,365,005) | (874,244,755) |
| Operating cash flows before changes in operating assets and liabilities | | 3,539,380,200 | 3,607,115,231 |
| (Increase)/ decrease in operating assets and liabilities | | (8,376,310,494) | (20,448,782,162) |
| Trading securities (Treasury bills & Bonds) | | 902,498,412 | (1,077,258,386) |
| Loans and advances to other banks | | - | - |
| Loans and advances to customers | | (9,278,808,906) | (19,371,523,776) |
| Other assets (Item-wise) | | (282,649,984) | 67,441,366 |
| Suspense account | | (111,930,360) | (4,533,285) |
| Demand Draft paid without advice | | 2,208,051 | (1,988,009) |
| Advance rent | | (126,466,505) | 11,113,869 |
| Advance deposits | | (597,901) | (3,584,515) |
| Stock of stationery | | (9,955,416) | 2,860,426 |
| Stamps in hand | | (416,339) | (91,927) |
| Premium on bond | | 113,816 | 54,961 |
| Clearing adjustment account | | 697,099 | 6,092,337 |
| On-line client adjustment account | | - | - |
| Adjusting account debit | | (37,875,077) | 61,747,559 |
| Mercantile Exchange House (UK) Ltd. | | 1,572,648 | (4,230,050) |
| Mercantile Bank OBU unit | | - | - |
| | | 12,414,869,959 | 17,940,400,226 |
| Deposit from other banks | | (3,139,519,894) | 2,313,615,558 |
| Deposit from customers | | 12,819,790,407 | 14,138,601,822 |
| Other liabilities on account of customers | | - | - |
| Other liabilities | | 2,734,599,446 | 1,488,182,846 |
| Net cash flows from operating activities | | 7,295,289,681 | 1,166,174,661 |

Mercantile Bank Limited

Cash Flow Statement

For the year ended 31 December 2015

| | Notes | Amount in BDT | |
|--|----------------|------------------------|------------------------|
| | | 2015 | 2014 |
| B) Cash flows from investing activities | | | |
| Sale proceeds of fixed assets | | - | - |
| Dividend received | | 19,196,996 | 16,343,389 |
| Purchase/sale of property, plant and equipment | | (359,175,654) | (321,917,942) |
| Purchase/sale of shares | | 13,368,285 | 8,776,039 |
| Purchase/sale of bond | | (2,457,600,000) | (1,025,000,000) |
| Other investment activities | | - | - |
| Net cash flows from investing activities | | (2,784,210,373) | (1,321,798,514) |
| C) Cash flows from financing activities | | | |
| Receipts from Issue of loan capital and debt securities | | - | 3,000,000,000 |
| Paid for repayment of loan and debt securities | | (360,000,000) | - |
| Received by issue of right share | | - | - |
| Dividend paid | | (739,491,268) | (527,969,073) |
| Net cash flows from financing activities | | (1,099,491,268) | 2,472,030,927 |
| Net increase/(decrease) of cash & cash equivalent (A+B+C) | | 3,411,588,040 | 2,316,407,074 |
| Cash and cash equivalent at the beginning of the year | | 13,636,642,974 | 11,320,235,900 |
| Cash and cash equivalent at the end of the year | 16.A(1) | 17,048,231,014 | 13,636,642,974 |

The annexed notes form an integral part of these financial statements.


Managing Director and CEO


Director


Director


Chairman

This is the Consolidated Balance sheet referred to in our separate report of even date


A. Qasem & Co.
Chartered Accountants
Dated: Dhaka
04 April, 2016


Aziz Halim Khair Choudhury
Chartered Accountants