

Business review & segmental analysis

As a partner of economic development, UCB is collaborating & patronizing RMG sector to mobilize wheel of national economy. Due to our prudent credit administration, rationale assessment of credit requirement & prompt customer service, RMG export business has been mushroomed to more than US\$1.71 billion) in 2014 recording a growth of 55% over the year 2013. In 31st December'2014, UCB's exposure in RMG sector stood at BDT 52,680.30 million (both funded and non-funded) from BDT 36,948.20 million over the corresponding period of 2013. At present total 220 no. Direct & Deemed export customers executing export business through UCB, which was 176 no. in 2013.

To infuse dynamism into RMG business, UCB launched Garments Monitoring cell in 2009 and to give further momentum which eventually transformed into specialized Ready Made Garments Division in 2013. RMG division is in service with a set of experienced officials for nurturing RMG investment. In general, lending in RMG sector contains some unique challenges i.e. adherence to compliance as per buyer's requirement, strict conformity with rules & regulations to different regulatory authorities both in domestic & international arena. Therefore, to protect the bank from any untoward occurrence, Management of the Bank deployed a team named "RMG Field Officer" at factory level to vigorously monitor and follow-up the value chain at different stages and keeping eye on compliance standard.

Considering immense potential of the business segment in terms of strengthening foreign currency reserve, spawning industrialization and generating more employment of the country, the Management of UCB has prioritized RMG for further investment for partnering country's national economy to be vibrant, vigorous & prospective.

UCB Capital Management Limited

UCB Capital Management Limited, a concern of United Commercial Bank Limited was incorporated in Bangladesh as a private limited company with limited liability as on the 20 November of 2007 under the Companies Act 1994. The principal objective of the

company is to provide brokerage services both under the Dhaka Stock Exchange (DSE) and the Chittagong Stock Exchange (CSE). The Bank has two licenses under the title of "UCB Capital Management Limited", a TREC Holder of Dhaka Stock Exchange (Corporate TREC no -181) and a member of Chittagong Stock Exchange (TREC no -015) and allied services under the Bangladesh Securities and Exchange Commission Rules & Regulations. The principal place of business and the Registered Office of the company is located at 74, Motijheel C/A, (Ground Floor), Dhaka-1000. UCB Capital Management Limited has started full fledged operation in Dhaka Stock Exchange but business under Chittagong Stock Exchange is yet to be started.

Business Operation: The key operation of UCB Capital Management is to provide brokerage service to its clients both under Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE). Currently UCB Capital Management operates 7 (seven) DSE workstations. We will start CSE trading immediately. We have disbursed BDT 367.19 million margin loan this year that has increased 190% growth in interest income.

IPO Operation: We have launched the procedure of making applications through DP to mitigate the demand of clients. We have introduced software for smooth IPO application procedure.

Business Revenue: In 2014 our total number of client increased 13% compared to last year that has reflected in revenue generation. Our net profit after tax is BDT 28.39 million which is 560% more than that of 2013. Whereas, our total turnover has increased from BDT 3,380.05 million to BDT 11,223.48 million.

An analysis from financial performance perspective

Despite various challenges in the economy, volatility in the money market and capital market UCB achieved a significant growth in its assets. At the end of 2014, total asset of the Bank stood BDT 266,100.74 million registering a growth of 17.57 percent over previous year. Detail reviews of performance are as under;

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Key operating and financial results

UCB recorded a remarkable growth in last five years in term of business volume and profitability. At the end of 2010 total assets of the Bank was BDT 129,877.03 million whereas in 2014 it stood BDT 266,100.74 million record-

ing a growth of more than 100 percent. In last five year deposit growth was about 86.67 percent and loans & advances growth was about 86.13 percent.

(BDT in million)

	2010	2011	2012	2013	2014
Paid up capital	2,909.95	7,274.88	8,366.12	8,366.12	8,366.12
Shareholders' equity	7,817.27	15,966.41	18,171.02	20,504.97	22,491.54
Deposits	113,070.78	139,484.75	170,530.54	184,896.85	211,072.06
Loans and advances	93,560.70	115,506.33	136,071.65	148,664.86	174,146.10
Off-balance sheet exposure	40,797.74	40,255.37	52,153.26	67,094.06	144,554.47
Total assets	129,877.03	168,891.78	207,448.38	226,333.13	266,100.74
Total liabilities	122,059.76	152,925.36	189,277.37	205,828.17	243,609.20

With the increase of business volume, the profitability of the bank has also increased significantly. In 2010, operating profit of the bank was BDT 4,733.12 million whereas it was BDT 8,719.46 million in 2014 recording a growth of

more than 84.22 percent. During last five years, interest income increased by 136.16 percent and interest expense increased by 156.18 percent.

(BDT in million)

	2010	2011	2012	2013	2014
Interest income	9,468.36	15,351.63	21,318.92	22,999.36	22,360.83
Interest expense	5,632.95	10,203.21	14,705.21	15,919.86	14,430.24
Net interest income	3,835.41	5,148.42	6,613.71	7,079.50	7,930.59
Non-interest income	4,018.47	4,145.95	3,563.95	5,319.08	7,278.80
Non-interest expenses	3,120.76	3,321.46	4,415.44	5,272.21	6,489.93
Operating profit	4,733.12	5,972.91	5,762.22	7,126.37	8,719.46
Profit before tax	3,632.60	5,172.91	3,739.06	5,887.32	6,835.67
Net profit	2,182.43	2,945.80	1,586.13	3,065.41	3,668.73

Balance sheet review

At the end of 2014, total assets of the Bank stood to BDT 266,100.74 million from BDT 226,333.13 million in 2013 registering a growth of 17.57 percent. Total liabilities also increased to BDT 243,609.20 million from BDT

205,828.17 million in previous year. All the major elements of balance sheet have shown a significant growth over previous year. Performances of major elements of balance sheet are shown as under;

(BDT in million)

	2014	2013	Growth (%)
Total Assets	266,100.74	226,333.13	17.57
Total Liabilities	243,609.20	205,828.17	18.36
Shareholders' Equity	22,491.54	20,504.97	9.69
Paid-up Capital	8,366.12	8,366.12	-
Deposits	211,072.06	184,896.85	14.16
Loans and Advances	174,146.10	148,664.86	17.14
Investments	44,288.60	35,587.25	24.45
Fixed Assets	8,510.00	7,957.31	6.95

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Total Assets

Total asset of UCB stood at BDT 266,100.74 million as on 31 December 2014 as against BDT 226,333.13 million of previous year registering a growth of 17.57 percent over the year 2013. Among total assets, loans and advances is BDT 174,146.10 million in 2014 recording a growth of 17.14 percent over previous year. Performance of assets in 2014 of UCB is shown in following table.



Assets	2014	2013	Growth (%)
Cash	18,387.16	15,275.16	20.37
Balance with other Banks & FIs	6,024.88	6,993.51	(13.85)
Money at Call on Short Notice	2,190.00	1,570.00	39.49
Investments	44,288.60	35,587.25	24.45
Loans and Advances	174,146.10	148,664.86	17.14
Fixed Assets	8,510.00	7,957.31	6.95
Other Assets	12,553.99	10,285.05	22.06

Cash and bank balance

Cash and bank balance includes cash in hand, balance with Bangladesh bank and its agent bank and balance with other banks & financial institutions. Cash and bank

balance was BDT 24,412.04 million at the end of 2014 against BDT 22,268.67 million of 2013. Details are as follows:

Cash and Balance with other Banks & FIs	2014	2013	Growth (%)
Cash (Including foreign currencies)	18,387.16	15,275.16	20.37
Cash in hand	2,802.17	3,050.05	(8.13)
Balance with Bangladesh Bank & its agent bank(s)	15,584.99	12,225.11	27.48
Balance with other banks & FIs	6,024.88	6,993.50	(13.85)
In Bangladesh	4,168.17	6,073.67	(31.37)
Outside Bangladesh	1,856.71	919.83	101.85

Money at Call and Short Notice

This is one of the major areas of operation of the Treasury Division of the Bank. Banks lending under the head Money at Call on Short Notice was BDT 2,190 million on 31 December 2014 as against BDT 1,570 million in 2013 registering growth of 39.49 percent over same date of last year. The growth was attributable to relatively stable interest rate prevailed at the money market in 2014. Like most other banks and financial institutions, we have strong liquidity position throughout the year as well as on the date of reporting. We strategically invest in the money market with the objective of managing liquidity risk as well as earning reasonably higher risk free return on the investment. On the other hand, as investment in banks

and financial institutions carry low risk weight, it helps to maintain capital adequacy of the bank.

Investment

UCB's investment increased by BDT 8,701.35 million during the year 2014 and stood at BDT 44,288.60 million which was BDT 35,587.25 million in 2013. Investment in government securities increased by 28.86 percent which helps the bank to maintain surplus Statutory Liquidity

Ratio (SLR) of BDT 19,977.53 million at the end of 2014. UCB's direct investment in capital market increased to BDT 3,143.63 million at the end of 2014 against BDT 2,175.74 million in 2013.

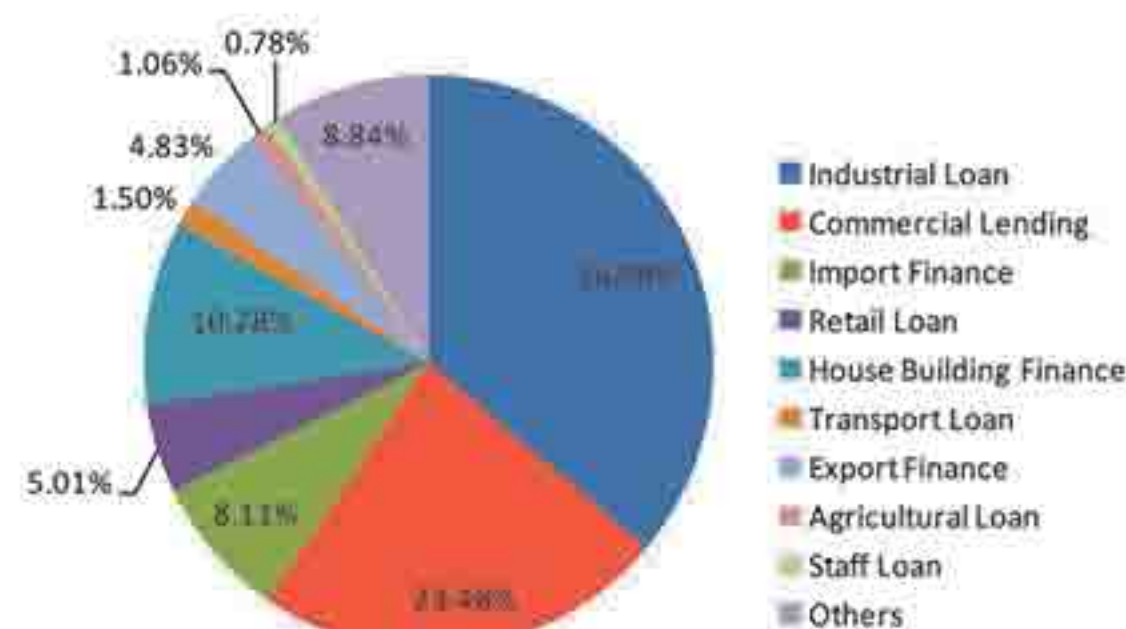
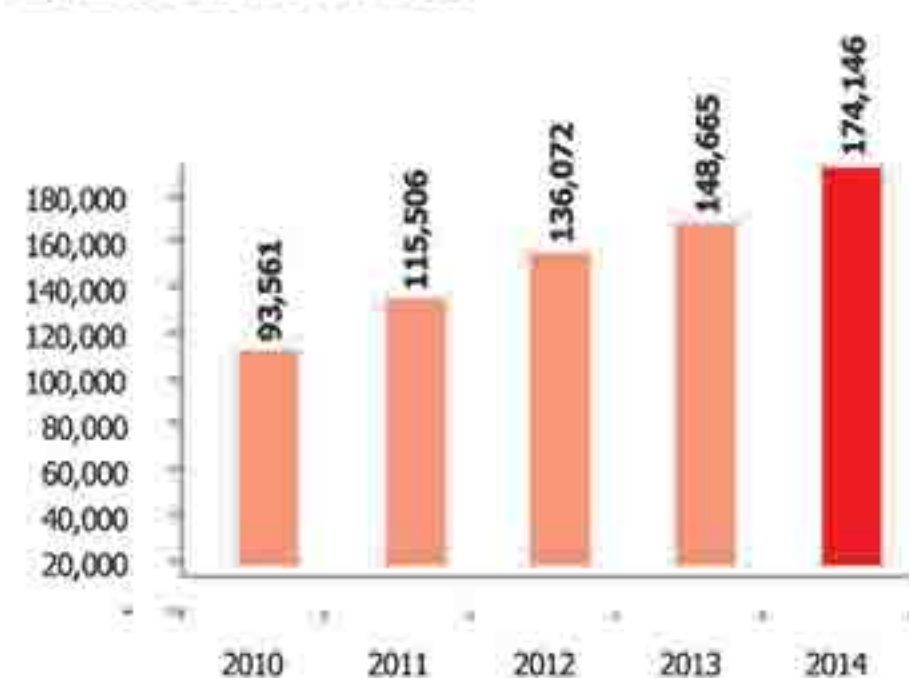
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	2014	2013	Growth (%)
Government	40,145.58	31,153.85	28.86
Held to Maturity (HTM)	20,842.94	16,227.03	28.45
Held for Trading (HFT)	3,390.40	2,593.19	30.74
Treasury Bills	11,055.07	9,994.82	10.61
Reverse repo with other Bank	4,851.13	2,333.10	107.93
Prize Bond	6.05	5.71	6.01
Others Investment	4,143.02	4,433.40	(6.55)
Shares in listed companies	3,143.63	2,175.74	44.49
Bangladesh Bank Bills	-	1,163.39	(100.00)
Shares in un-listed companies	974.39	1,044.27	(6.69)
Debentures	5.00	10.00	(50.00)
ACI 20% Convertible Zero Coupon Bond	20.00	40.00	(50.00)

Loans and advances

UCB's loans and advances increased by BDT 25,481.24 million during the year 2014 and stood at BDT 174,146.10 million which was BDT 148,664.86 million in 2013 showing a substantial growth of 17.14 percent over the previous year. Concentration of loans and advances was well managed and details of concentration are given at

notes to the financial statements. The ratio of non-performing loan was 4.62 percent which is much lower than the industry average. The Bank continued its participation in different credit program for financing in industrial projects, import, export, house-building, retail, agricultural etc.

Loans and Advances

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Fixed Assets

Fixed assets include land, building, furniture & fixture, office equipment and vehicles etc. UCB's fixed assets increased by BDT 552.69 million during the year 2014 and stood at BDT 8,510.00 million which was BDT 7,957.31 million in 2013. The rationale behind the increase is the expansion of the business over the last year through opening new branches and establishing new ATMs.

Other Assets

Other assets of the Bank increased by BDT 2,268.94 million during the year 2014 and stood at BDT 12,553.99 million which was BDT 10,285.05 million in 2013. The main components of other assets are advance income tax increased by 36.22 percent, advance rent decreased by 7.74 percent, branch adjustment account decreased by 21.49 percent, interest receivable increased by 172.38 percent, investment in share of subsidiary companies



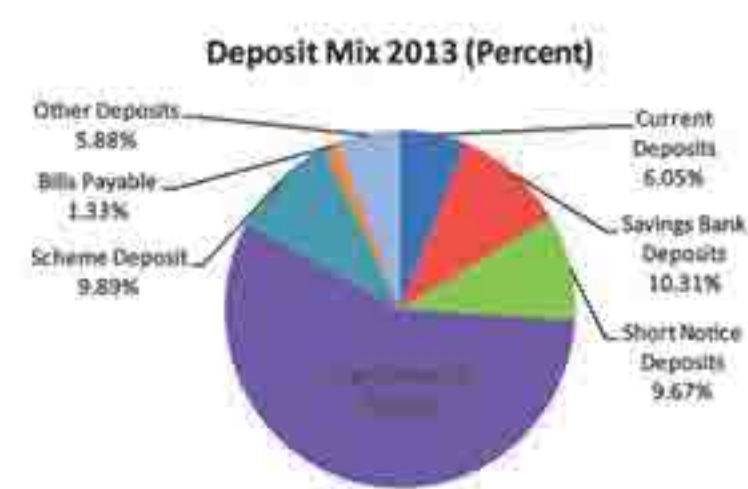
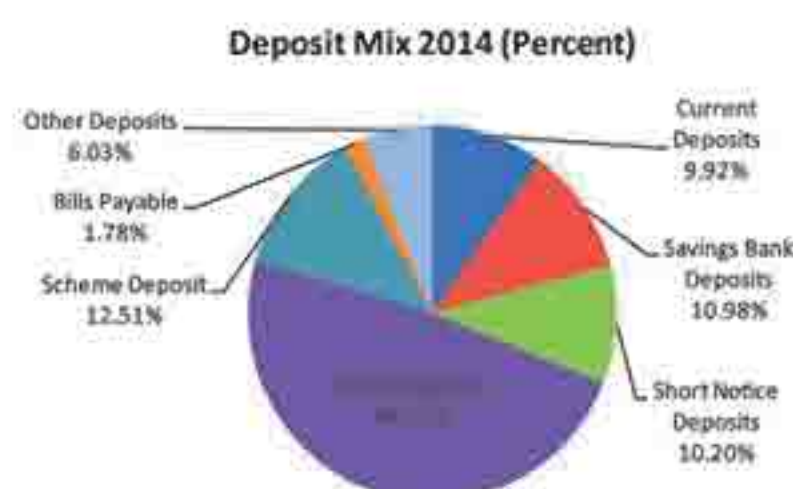
increased by 2.36 percent and others decreased by 66.77 percent. Mainly, due to increase of payment of advance income tax by BDT 2,165.91 million in 2014, total other assets increased by 22.06 percent.

Borrowings from other Banks, Financial Institutions and Agents

UCB has borrowing from Banks & Financial Institutions as well as from Bangladesh Bank amounting BDT 10,510.48 million at the end of 2014 against borrowing of BDT 3,617.13 million in 2013. The borrowing is mainly in terms of EDF borrowing from Bangladesh Bank of BDT 5,374.65 million, IPFF Fund from Bangladesh Bank of BDT 1,317.86 million and issuance of Subordinated Bond of BDT 2,000.00 million to different Banks, Financial Institutions, Insurance Companies and Mutual Funds.

Deposits

During the year 2014 total deposits of the Bank increased by BDT 26,175.21 million and stood at BDT 211,072.06 million which was BDT 184,896.85 million in 2013 representing growth of 14.16 percent over the year 2013. There are as many as 34 (thirty four) deposit products in our bank. The clientele group of the bank includes individuals, corporation, NGO, NBF, government bodies etc.



Deposits and other accounts	2014	2013	Growth (%)	Mix (%)	
				2014	2013
Current Deposits	20,937.55	11,180.28	87.27	9.92	6.05
Savings Deposits	23,184.51	19,064.89	21.61	10.98	10.31
Short Notice Deposits	21,527.09	17,880.41	20.39	10.20	9.67
Fixed deposits	102,512.06	105,157.25	(2.52)	48.57	56.87
Scheme Deposits	26,407.17	18,287.83	44.40	12.51	9.89
Bills Payable	3,767.01	2,461.86	53.01	1.78	1.33
Other Deposits	12,736.68	10,864.32	17.23	6.03	5.88
Total	211,072.06	184,896.85	14.16	100.00	100.00

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Shareholders' Equity

Total shareholders' equity includes paid up capital, share premium, statutory reserve and retained earnings and other reserves. By the end of the year 2014, total shareholder's equity increased by BDT 1,986.58 million

Shareholders' Equity	2014	2013	Growth (%)
Paid up Capital	8,366.12	8,366.12	0.00
Share Premium	1,454.98	1,454.98	0.00
Statutory Reserve	6,886.69	5,519.55	27.12
General Reserve	26.58	26.58	0.01
Other Reserve	3,226.06	3,234.99	3.36
Retained Earnings	2,531.12	1,902.75	123.48
Total	22,491.55	20,504.97	12.84



and stood at BDT 22,491.55 million as against BDT 20,504.97 million of 2013. The growth under the head is 9.69 percent over the previous year, which will help the Bank to expand its business in the coming days.

Analysis of operating results of UCBL

In 2014, operating revenue was BDT 15,209.39 million against BDT 12,398.58 million in 2013 recording a growth of 22.67 percent whereas operating expense was BDT 6,489.43 million in 2014 against BDT 5,272.21 million in 2013 recording a growth of 23.10 percent. Profit before provision and taxes increased by 22.35 percent due to increase of non-interest income by 36.84 percent. Profit

after tax increased to BDT 3,668.73 million in 2014 from BDT 3,065.41 million in previous year. Due to decrease of interest expense by 9.36 percent of the Bank through mobilization of low & no cost deposits along with increase of revenue generation from non funded activities, the net profit after tax has increased by 19.68 percent in 2014 from the previous year.

	2014	2013	Change (%)
Interest Income	22,360.83	22,999.36	(2.78)
Interest Expense	14,430.24	15,919.86	(9.36)
Net Interest Income	7,930.59	7,079.50	12.02
Non-Interest Income	7,278.80	5,319.08	36.84
Operating Revenue	15,209.39	12,398.58	22.67
Operating Expenses	6,489.93	5,272.21	23.10
Profit before Provision	8,719.46	7,126.37	22.35
Profit before Taxes	6,835.67	5,887.32	16.11
Net Profit after Taxes	3,668.73	3,065.41	19.68

Interest Income

UCBL earned total BDT 22,360.83 million as interest income during the year 2014 registering decrease of BDT 638.53 million, 2.78 percent from previous year. This

decline in interest income resulted from the reduced interest rate of loans and advances of the Bank. The major interest earning came from follows:

	2014	2013	Growth(%) in 2014 over 2013
Interest on loans and advances	21,885.20	22,413.77	(2.36)
Interest on Balances with other Banks & FIs	452.56	537.84	(15.86)
Interest on Balance with Foreign Bank	22.54	45.75	(50.74)
Penal Interest	0.53	1.99	(73.23)
Total Interest Income	22,360.83	22,999.36	(2.78)

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Product wise Interest Income Analysis

Among interest income, about 98 percent earned from loans and advances in 2014 despite recording decline of 2.36 percent. Among loans and advances products, about

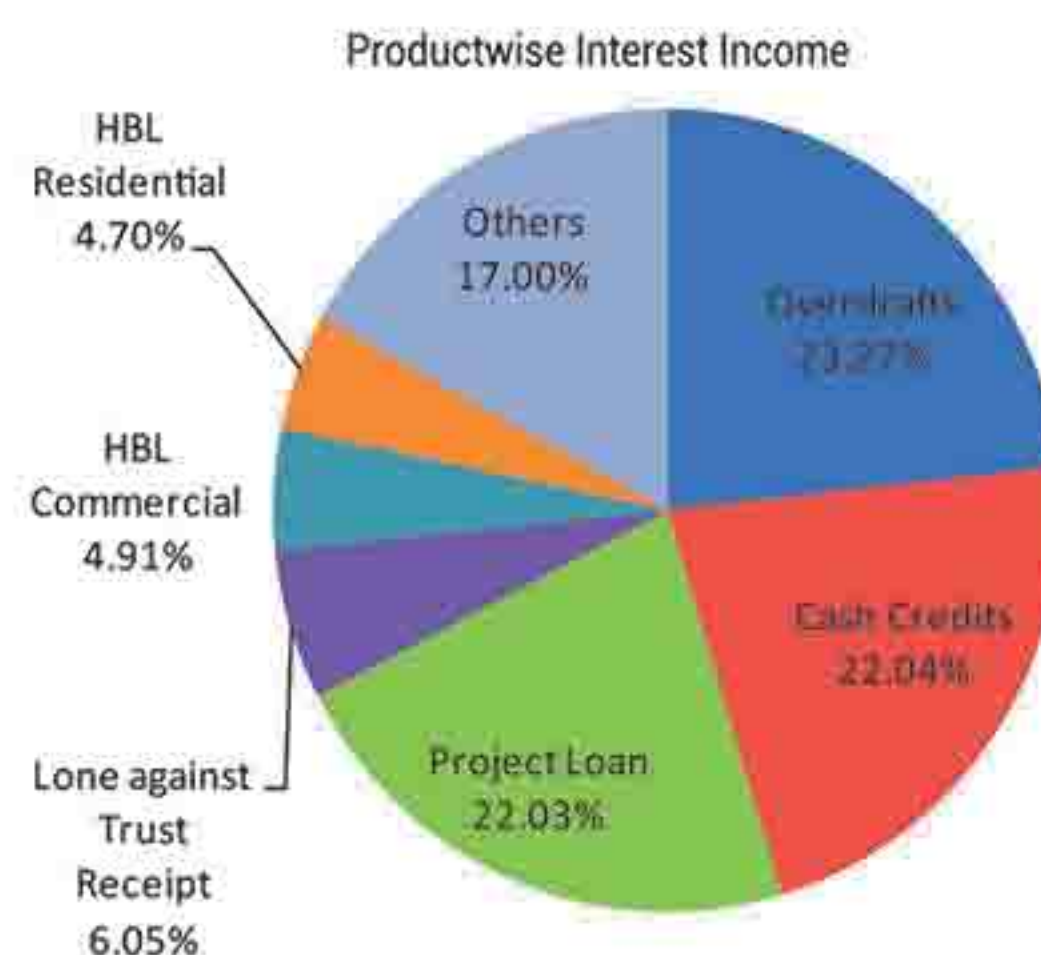
67.34 percent interest earned from overdraft, Cash Credit and Project Loan. Product wise interest income from different loans and advances are shown as below;

Interest on Loans and Advances	2014	2013	Growth(%)
Overdrafts	5,093.72	6,860.28	(25.75)
Project loan	4,822.56	3,694.78	30.52
Cash credits	4,822.28	4,668.48	3.29
Lone against Trust Receipt (LTR)	1,323.56	1,179.59	12.21
House building loan (HBL)-Commercial	1,074.32	588.86	82.44
Home loan	1,028.93	1,095.90	(6.11)
Time loan	921.83	1,335.81	(30.99)
Loan to leasing company	410.31	185.71	120.94
Local bills purchased & discounted (LBPD)	381.01	308.64	23.45
Loan against credit card	349.64	394.34	(11.34)
Home mortgage loan	182.50	224.44	(18.69)
Transport loan	144.84	190.00	(23.77)
House building loan (HBL)-Residential	131.06	751.19	(82.55)
Payments against documents (Cash)	101.33	100.84	0.49
Auto loan	92.15	172.58	(46.61)
Any purpose loan	43.18	86.82	(50.26)
Own acceptance purchase	12.56	68.61	(81.69)
Others	949.42	506.92	87.29
Total	21,885.20	22,413.77	(2.36)

In the year 2014, the Bank earned highest interest income from overdraft loan product which was 23.27 percent among interest income from loans and advances. From other products like cash credit, project loan, LTR, Home Loan and HBL-commercial, the Bank received interest income of 22.04 percent, 22.03 percent, 6.05 percent, 4.70 percent and 4.91 percent respectively among interest income from loans and advances.

Interest Expense

UCB paid BDT 14,430.24 million as interest expense during the year 2014 recording a decrease of BDT 1,489.62 million registering a decline of 9.36 percent from previous year. Due to liquidity surplus prevailed in the money market, the bank was able to continue procure deposit at lower cost. Our average cost of deposits in 2014 was 7.46 percent which was 9.15 percent in 2013. Among interest expense, the Bank mostly paid interest on deposit which was BDT 13,920.31 million in 2014 against BDT 15,658.36 million in 2013. Interest paid on borrowings was BDT 509.94 million in 2014 which was



BDT 261.51 million in 2013. Interest paid on borrowings increased due to increase of borrowings from other banks and financial institutions in 2014.

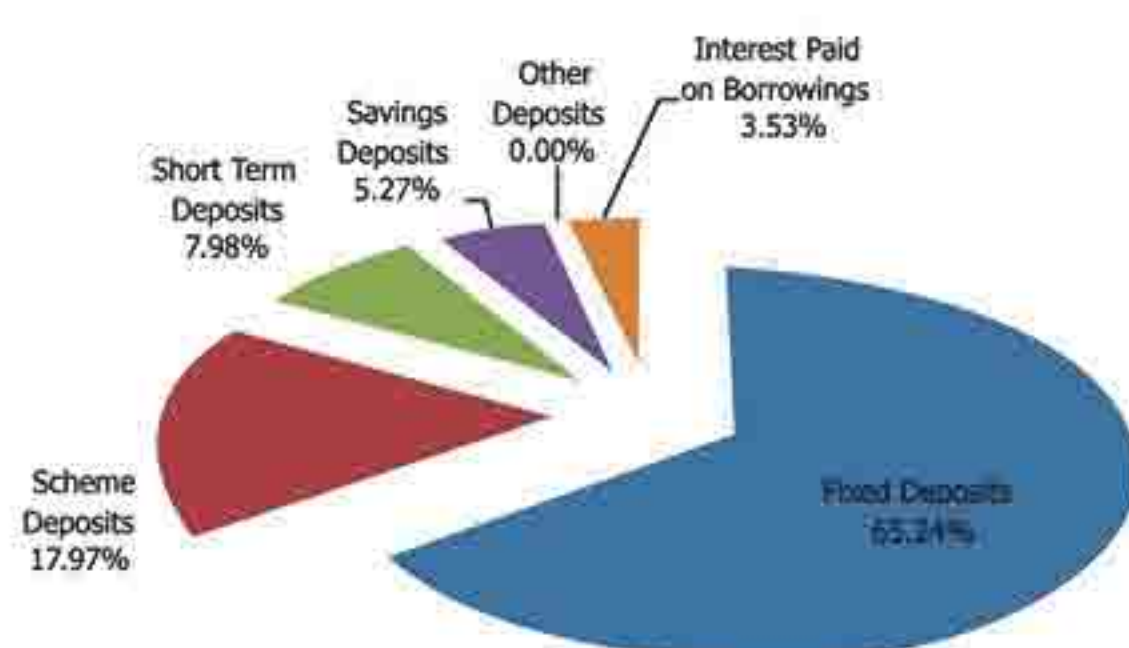
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Product wise Interest Expense Analysis

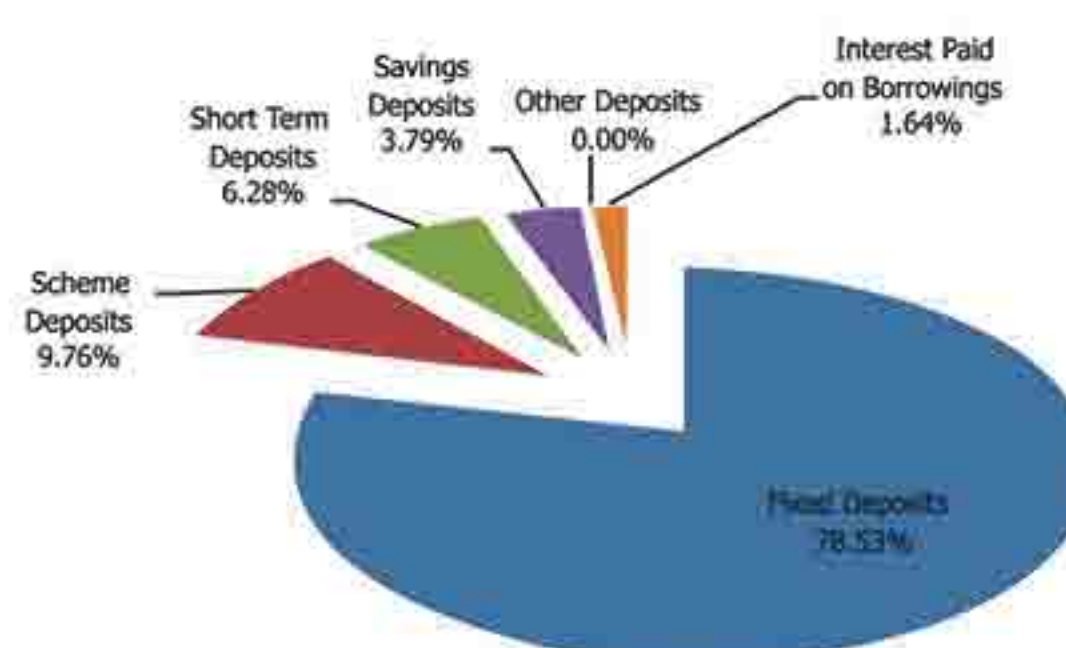
In 2014, the Bank paid highest amount of interest on fixed deposits which was BDT 9,414.56 million against BDT 12,501.93 million in 2013. Interest expense on fixed deposits was declined substantially by 24.70 percent in 2014 over 2013 whereas growth of fixed deposits amount decreased by 2.52 percent. In same way, growth of interest expense on SND and scheme deposits were 15.29 percent and 66.99 percent whereas growth of SND and scheme deposits amount were 20.39 percent and 44.40 percent respectively. On the other hand, growth of interest expense on saving deposits and growth of

amount same deposits near close in 2014 were 25.86 percent and 21.61 percent respectively. Due to liquidity surplus prevailed in the money market during 2014, the Bank emphasized on acquiring no & low cost deposits in exchange of high cost deposits. In this respect, the growth of interest expenses in deposits like savings and short term have increased relative to that of fixed deposits. Moreover, the Bank has borrowed in foreign currency from other banks and financial institutions for its OBU operations, which resulted in the increase of interest expense for borrowings.

Interests Paid on deposits and borrowings	2014	2013	Growth (%)
Fixed Deposits	9,414.56	12,501.93	(24.70)
Scheme Deposits	2,593.56	1,553.15	66.99
Short Term Deposits	1,151.83	999.06	15.29
Savings Deposits	760.11	603.94	25.86
Other Deposits	0.24	0.27	(9.99)
Interest Paid on Borrowings	509.94	261.51	95.00
Total	14,430.24	15,919.86	(9.36)



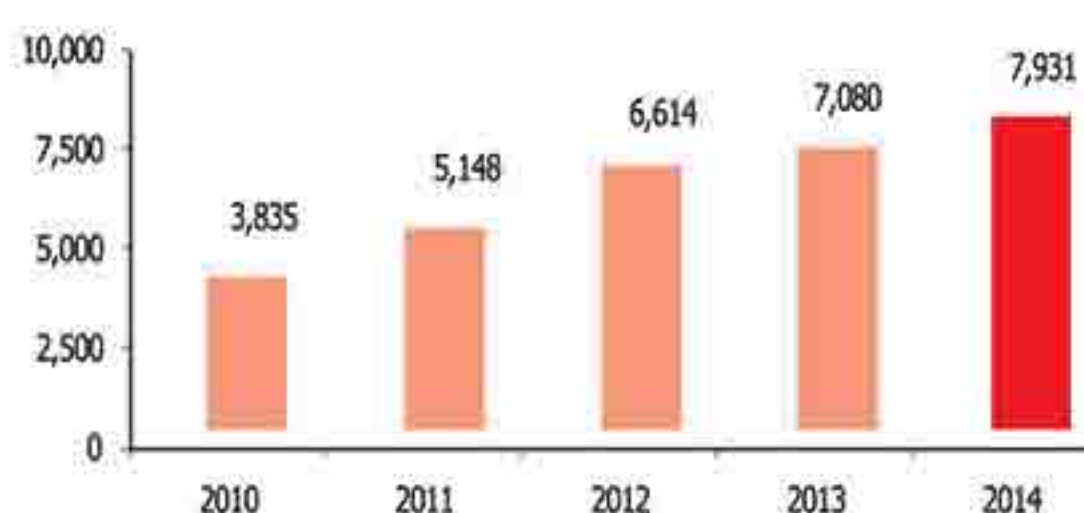
Interest Paid on Deposits 2014



Interest Paid on Deposits 2013

Net Interest Income

Net interest income (NII) during the year stood at BDT 7,930.59 million recording a smart growth of BDT 851.09 million which is equivalent to 12.02 percent growth over previous year.

Net interest income

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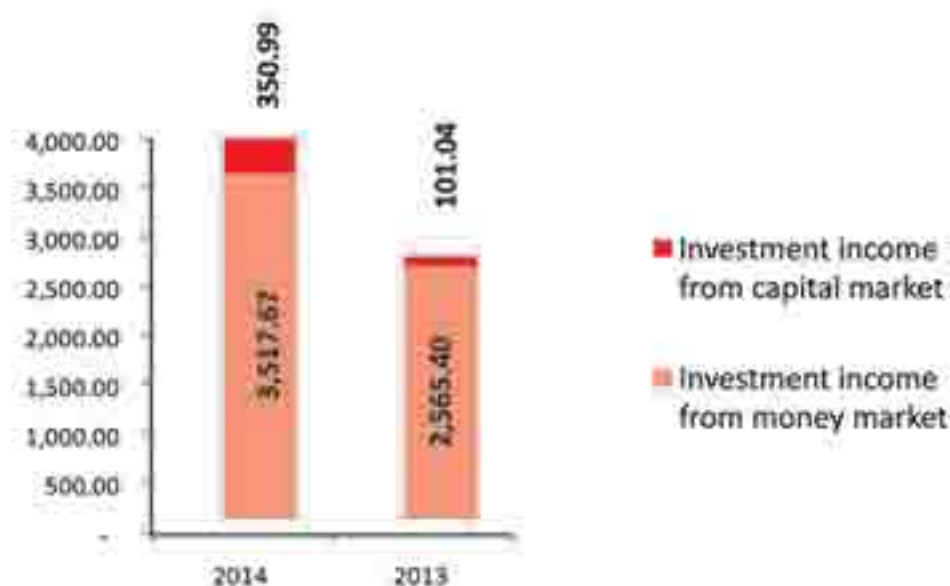
Income from investment

Investment income during 2014 was recorded BDT 3,868.66 million which was BDT 2,666.44 million in previous year and the income increased by BDT 1,202.22 million mainly attributed to interest and discount income from Treasury Bills & Bonds. Interest income from

investment has increased by 47.15 percent in 2014, which is mainly earned from government treasury bills and bonds. Non-interest income from investment increased to BDT 1,404.00 million in 2014 from BDT 991.49 million in previous year mainly due to discount income on government securities.

BDT in million			
Income from investments	2014	2013	Growth (%)
Government Treasury bills and bonds	2,391.74	1,570.24	52.32
Interest on bond, debenture & reverse repo	72.92	104.70	(30.36)
Interest income from investments	2,464.65	1,674.95	47.15
Discount, prizemoney & other income	1,116.12	929.49	20.08
Dividend on shares	166.71	144.11	15.68
Gain on sale of share	184.28	(43.07)	527.05
Gain on revaluation on govt. securities	(63.11)	(39.03)	(61.70)
Non-interest income from investments	1,404.00	991.49	41.60
Total	3,868.66	2,666.44	45.09

Investment income consists of investment in money market and capital market. Income from money market operation in 2014 was BDT 3,517.67 million registering an increase of BDT 952.26 million equivalent to a growth of 37.12 percent. Income from capital market operation was BDT 350.99 million in 2014 registering an increase of BDT 249.96 million, which represents 247.39 percent growth over the year 2013. The following graph shows the income from investment;

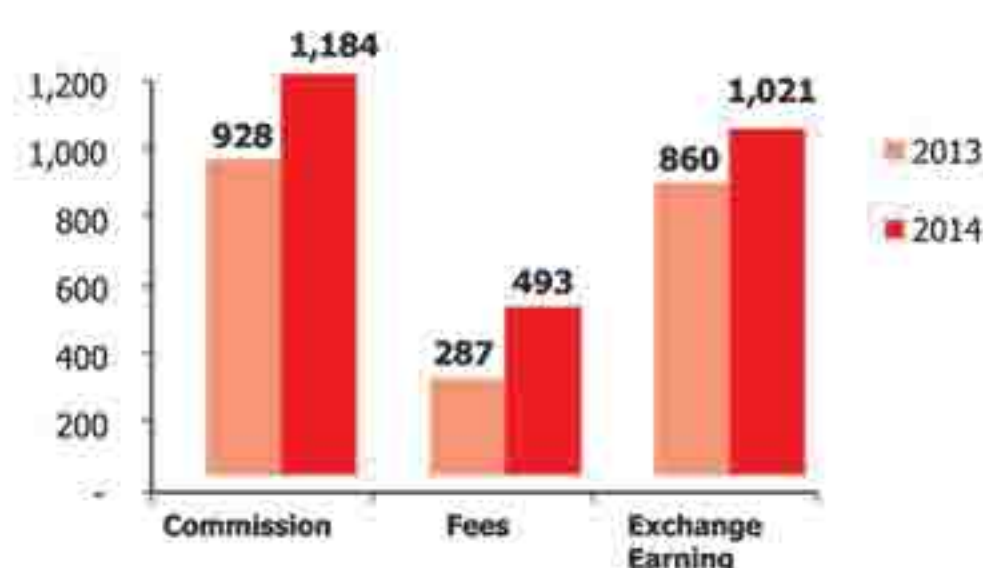


The increase in Money market income is attributed to the increase of interest income and discount income of Government bills and bonds by BDT 1,008.12 million in 2014 whereas in 2013 it was BDT 826.82 million. The gain arises mainly due to increase of the portfolio size of government securities by 28.86 percent in 2014. Moreover, income from capital market increased to BDT 350.99 million in 2014 from BDT 101.04 million in previous year. Gain on sale of share increased to BDT 184.28 million in 2014 from a loss of BDT 43.07 million in 2013 and dividend on shares increased to BDT 166.71 million in 2014 from BDT 144.11 million in previous year.

Commission, Fees, Exchange & Brokerage

Commission, fees, exchange & brokerage income during

2014 was recorded BDT 2,697.38 million which was BDT 2,074.94 million in previous year and the income increased by BDT 622.44 million which equivalent to a growth of 30.00 percent, while commission income increased by BDT 255.71 million (equivalent to 27.55 percent), fees income increased by BDT 206.07 million (equivalent to 71.92 percent) and exchange earnings increased by BDT 160.66 million (equivalent to 18.67 percent) over previous year.



Other operating income

Other operating income during 2014 was BDT 712.76 million which was BDT 577.70 million in previous year and the income increased by BDT 135.06 million i.e. 23.38 percent over the year 2013. The main components of other operating income were recoveries from previously written off loan BDT 278.76 million increased by 79.10 percent, swift charge recoveries BDT 101.38 million increased by 10.50 percent, other income on local credit card BDT 13.59 million decreased by 29.24 percent and other miscellaneous earning BDT 319.03 million increased by 2.54 percent.

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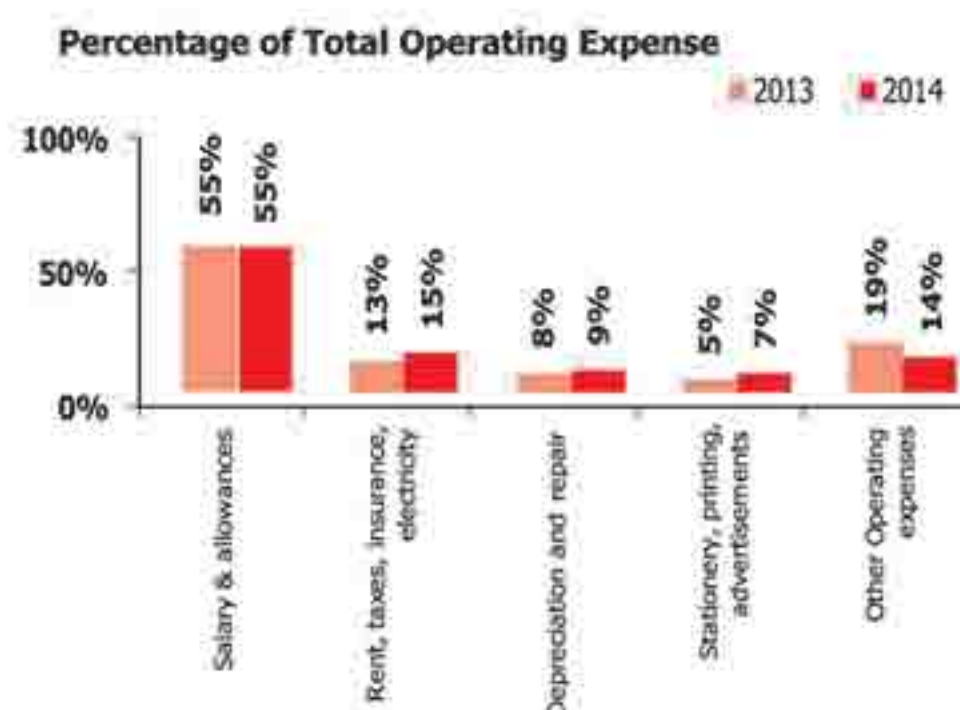
Other Operating Income	2014	2013	Growth (%)
Recoveries from previously written off loan	278.76	155.64	79.10
Swift charges	101.38	91.74	10.50
Other income on local credit card	13.59	19.20	(29.24)
Miscellaneous earning	319.03	311.11	2.54
Total	712.76	577.70	23.38

Operating expense

Total operating expense during 2014 was recorded at BDT 6,489.93 million which was BDT 5,272.21 million in previous year accounting an increase of BDT 1,217.72 million which is equivalent to 23.10 percent over last year. The main components of the operating expenses are mentioned below:

Operating Expenses	2014	2013	Growth (%)
Salary and allowances	3,589.09	2,923.33	22.77
Rent, taxes, insurance, electricity etc.	980.79	673.91	45.54
Depreciation and repair of banks assets	565.67	401.04	41.05
Stationery, printing, advertisements etc.	472.80	270.38	74.86
Petrol, oil & lubricant	114.76	106.65	7.60
Postage, stamps, telecommunications etc.	114.52	105.85	8.20
Medical expenses	103.87	89.87	15.59
Car expenses	81.64	64.07	27.42
Traveling	69.97	57.08	22.58
Visa Card	48.75	51.85	(5.98)
Entertainment	45.92	35.09	30.86
Other expenses	302.13	493.09	(38.73)
Total	6,489.93	5,272.21	23.10

In operating expenses, salary and allowances for the employees covered more than 55 percent of total expenses which record a growth of 22.77 percent. The main reasons for such increase of salary and allowances was the revision of pay scale in middle of 2014, increment of added over the last year and increase of number of employees by 234. Expenses for rent, taxes, insurance, electricity etc. and depreciation & repair of bank's assets increased 45.54 percent and 41.05 percent respectively which were second and third largest areas of operating expenses. These two areas of operating expenses increased mainly due to expansion of branch network to 148 from 139 and ATM booth from 101 to 115.

**Operating Profit**

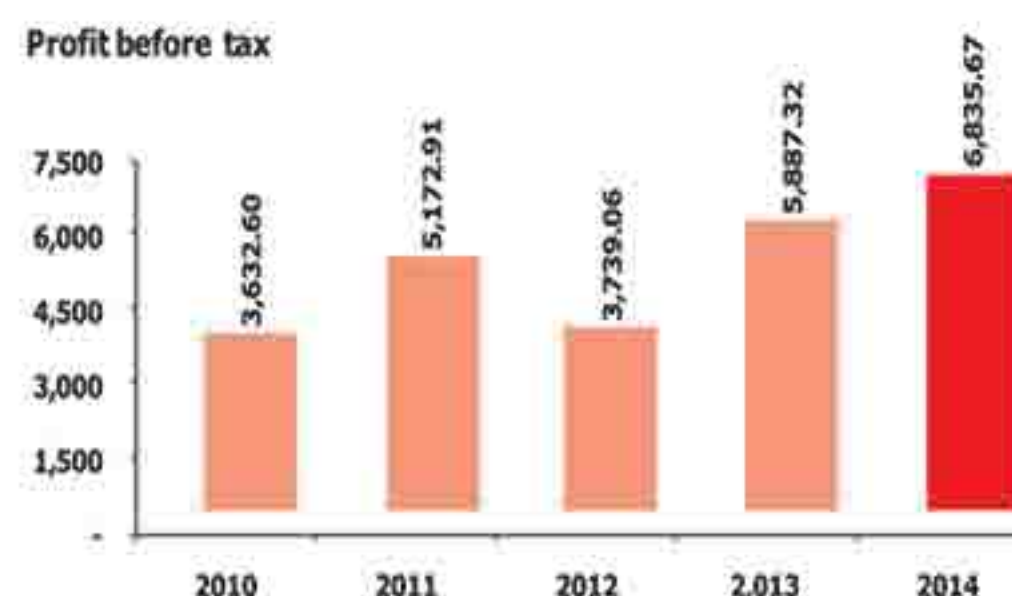
The total operating profit of the bank for the year 2014 stood at BDT 8,719.46 million in comparison to BDT 7,126.37 million of 2013. Significant growth of non interest income contributed the highest to reach at the operating profit of 2014. Non-interest income was BDT 7,278.80 million which was 36.84 percent higher than previous year and operating expense was BDT 6,489.93 million which was 23.10 percent higher than previous year. Mainly, due to significant growth in other operating income, bank's operating profit in 2014 trended to strong positive growth of 22.35 percent over previous year.



Business review & segmental analysis

Profit before tax

Profit before tax of the bank stood at BDT 6,835.67 million in 2014 compared to BDT 5,887.32 million of previous year. The bank maintained sufficient amount of provision against loans & advances, investments and other exposures in 2014, which was BDT 1,883.79 million against BDT 1,239.05 million in previous year. The bank maintained more than 100 percent provision against requirement in 2014. Despite this fact, profit before tax increased to BDT 6,835.67 million showing a healthy positive growth of 16.11 percent.

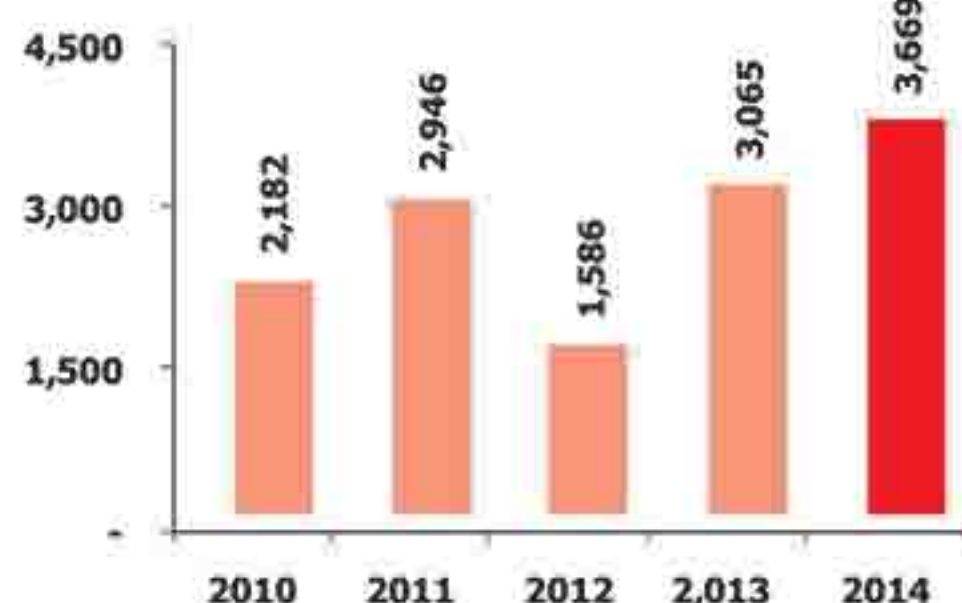


	2014	2013	Growth (%)
Profit before provision / operating profit	8,719.46	7,126.37	22.35
Provision for loans & advances	1,472.30	1,083.15	35.93
Other provision	411.49	155.90	163.94
Total provision	1,883.79	1,239.05	52.04
Profit before tax	6,835.67	5,887.32	16.11

Net profit

In 2014, bank's net profit after tax increased by BDT 603.32 million which equivalents to 19.68 percent over the year 2013. As on 31 December 2014, net profit after tax stood at BDT 3,668.73 million. Net profit increased significantly in 2014 mainly due to increase of non interest income by 1,959.72 million, which is 36.84 percent higher than that of the year 2013. The bank maintained substantial amount of provision for payment of tax on its income for the year 2014, which was BDT 3,166.95 million against BDT 2,821.91 million in previous year.

Net profit

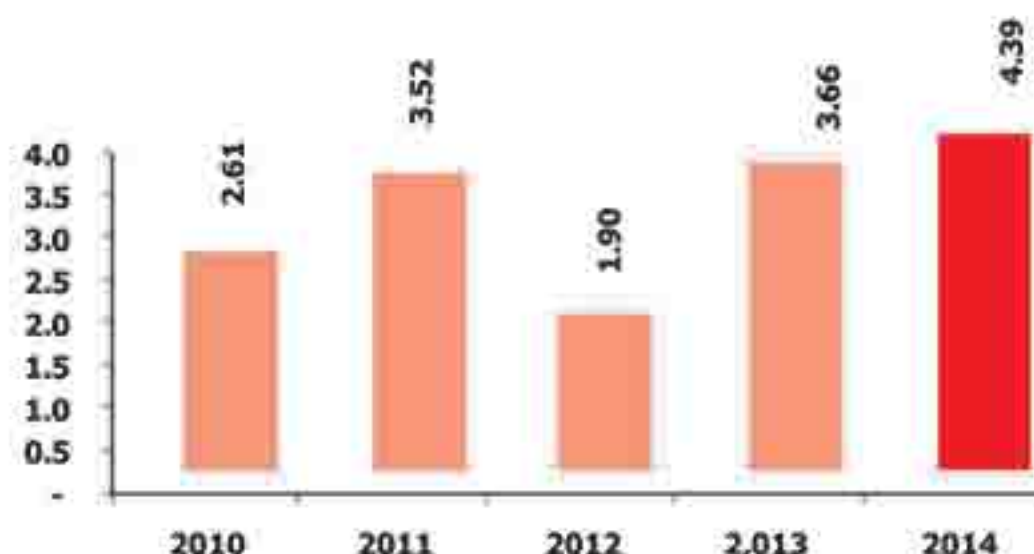


Earnings per share

In the year under review, Earnings per share (EPS) stood at BDT 4.39 which was BDT 3.66 in previous year. Bank's

EPS increased during the year 2014 due to substantial increase of net profit.

Earnings per share



UCB is making progress on embedding sustainability into business. We realize we have a long way to go and will continue to build our program in the year ahead. Market conditions for our industry are as challenging and volatile as we have seen in recent times. We have a strong capital position and we have accumulated a good size of quality portfolio and diversity in our revenue and earning streams. Our presence in the market is growing steadily and we have improved our presence in all areas of operations. We have professionals with profound managerial talents and perhaps most importantly, we have a hard earned reputation as one of the longest and top financial service providers in our industry. We are convinced of our ability to continue to thrive in all areas of our business backed by around three decade of experience and driven by the ambition to continue reaching new heights in

Report on Human Resources Management



The ultimate aim of the Human resources functions is to build and manage a motivated pool of professionals by grooming internal resources and recruiting the right skills from the market, develop a high performance work place as well as creating a culture of continuous learning and skill development. UCB recognizes the powerful role of its most valuable asset, its people as they are the main drivers of long term sustainable growth and performance. The Bank has challenging work environment where merit and performance help the individual to explore their true potential.

The Bank has brought out changes in Organizational Structure of Corporate Office and Branch to facilitate smooth functioning and effective results. Cards and Retail Division has been merged, Recovery Division renamed as Special Asset Management Division, International Division has been renamed as Financial Institutions & OBU. Bank has also revised its promotion policy after detail analysis to provide opportunities of advancement and a career path to the Bank Officers. The revised promotion system provide adequate motivation which would help the officers generally to attain their aspirations for advancement in career, and those who by virtue of their demonstrated merit and performance, display potential for assumption of higher responsibilities and contributing to the Bank's progress.

UCB focused on strengthening its resource pool by acquiring the best talent in the market and providing them with planned career growth opportunities. As part of continuing strategy to mix youth with the experiences, the management adopted the policy of inducting fresh graduates as Management Trainee/Probationary Officer through a transparent screening process. During the year 112 graduates has been recruited through competitive examination. Besides, experienced officers also been recruited to fill up the vacancy resulted from growth of business.

During the year insurance coverage of all the employees has been increased as a welfare measure. To boost the morale of the employees, stipend were given to the children of employees for academic feat from Employees Welfare Fund.

Banking technologies are evolving at a rapid pace and competence development is the prime need of the Bank by reinforcing the traditional banking skills with the new technology based skills. Major steps have been initiated by Learning and Development Centre(LDC) to augment the capacity of the in house training system both qualitatively and quantitatively. Foundation Training Course has been redesigned and sufficient exercise session has been included for practical orientation.

Report on Human Resources Management

LDC Accomplishment in 2014

1. A total 83 in-house development programs were organized by LDC where 2,726 employees participated in different programs from branches and divisions.
2. A total 302 employees attended in 108 external training programs (BIBM, BBTA, BAB, Foreign etc.) from different divisions and branches of UCB in 2014.
3. Learning & Development Center provided support for arranging 143 batches of CBS training programs (TOT, End User Training, Refreshers training etc.) at LDC, CHO and Chittagong office where the total number of participation was 6,637 in these training programs .

LDC focus in 2015

The focus in Learning and Development Plan-2015 is as follows:

1. Create a pool of officials who may be readily available for replacements as Branch Managers, Operation Managers, Credit and Foreign Trade officers by providing appropriate training.
2. Leadership development for building efficient, effective and highly motivated team.
3. Provide job rotation and cross functional training for every desk at branch level.
4. Develop learning culture at all branches & divisions through on site learning sessions.
5. Organize outreach training programs at regional branches.
6. Establish e-learning module to facilitate and promote remote learning.

UCB's Products and Services

UCB has a set of versatile products & services:

Deposit Products

Current Deposit
Savings Deposit
Special Notice Deposit
Fixed Deposit
Foreign Currency Deposit A/C
UCB Multi Millionaire
UCB Money Maximizer
UCB Earning Plus
UCB DPS Plus
UCB Youngsters Savings
UCB Youngsters DPS
UCB Savings Plus
UCB Women's Savings
UCB Women's DPS Plus
UCB NRB Savings
UCB NRB DPS Plus
UCB RMG DPS Plus

Loan Products

Trade Finance
Industrial Finance
Import Finance
Export Finance
Loan Syndication
Working Capital Finance
Packing Credit
Transport Loan
Lease Finance
Hire Purchase Loan
House Building Loan
Home Loan
Consumer Credit Scheme
Auto Loan
Doctors Loan
Marriage Loan
Education Loan
Hospitalization Loan
Travel Loan
CNG Conversion Loan
Home Mortgage Loan
House Hold Durable Loan
Credit Card

Other Services

Western Union Money Transfer
SMS Banking Service
Online Service
Inward & Outward Remittances
Travelers Cheques
Underwriting and Bridge Financing
Locker Service
Offshore Banking
Loan Syndication
UCash (Mobile Financial Service)

UCB's Products and Services



VISA Debit Card

Withdraw money (minimum Tk. 100) with absolutely no charge from any UCB and Dutch Bangla ATM 24/7 with this card. Transferring and withdrawing money from different personal accounts can be made with the same card. It also gives access to the largest network of VISA POS terminal at different shops.



VISA Credit Card

Shop, dine and travel with UCB VISA Credit Card and get discounts. Only 18 transactions can waive annual fees. The card comes along with 3 supplementary cards with no annual fees.



Youngsters Savings Account

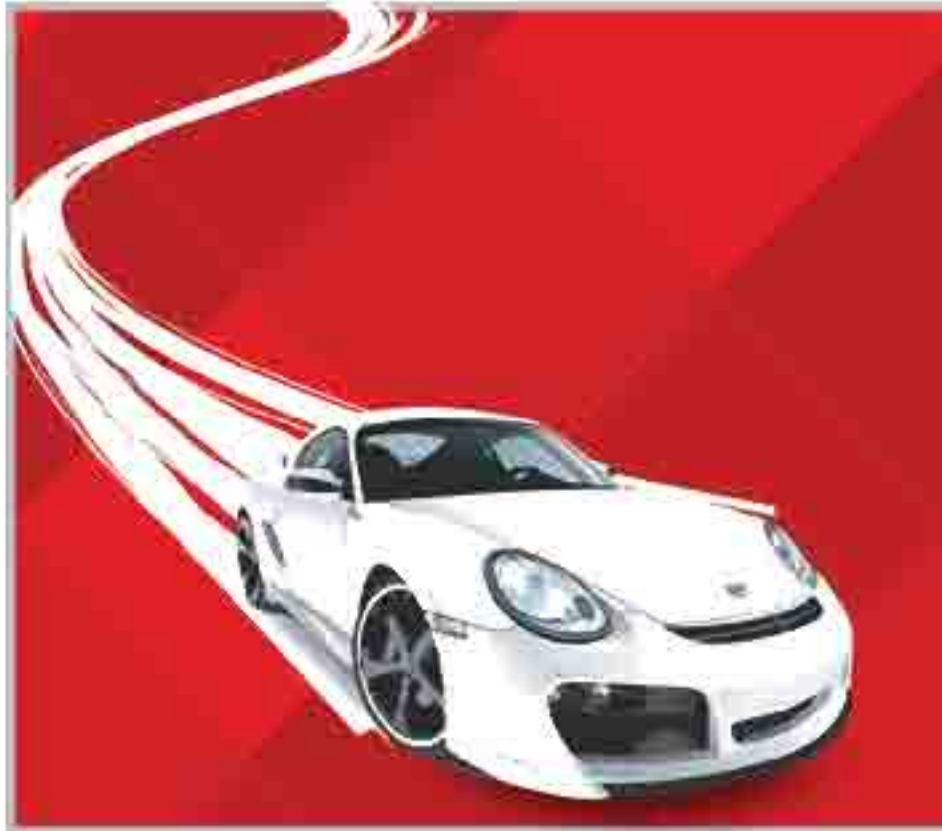
'UCB Youngsters Savings Account' is a condition free Savings Account which offers daily product basis interest, where no conditions will apply on transactions and amounts.



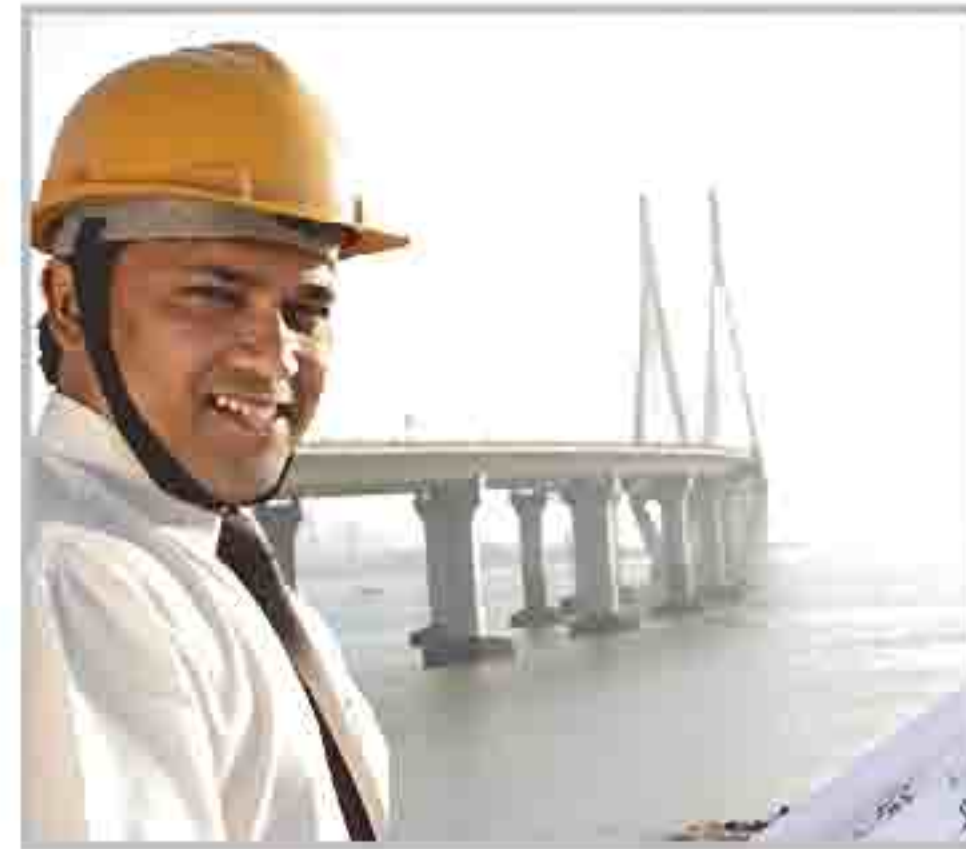
Youngsters DPS

'UCB Youngsters DPS' is a recurring monthly savings scheme for Youngster students of any school/Institution. It is a monthly savings plan created for developing the savings habit of Youngsters for their better future and turning small savings into a large amount of money over a certain period of student life.

UCB's Products and Services

**Car Loan**

Get 30% of the total value of a car as loan and repay within upto 60 installments.

**NRB Savings & DPS**

This is a recurring monthly savings scheme for Non-Resident Bangladeshi Citizen. It is a monthly savings plan designed for developing the savings habit of NRB citizens and turn small savings into a large amount of money over a certain period of time.

**Women's Savings & DPS**

This product has been designed with special interest rate to encourage women to develop savings habit for their better future and turn small savings into a large amount over a certain period of time.

**Travel Loan**

Discovering new places is now more possible with UCB Travel Loan. With a repayment period of 36 months new destinations just got closer.

UCB's Products and Services



RMG DPS Plus

UCB has designed to provide the opportunity of your better future by developing savings habit and turn your small savings in to a large amount after a certain period of time.



Money Maximizer

Deposit Tk. 25,000 to Tk. 25,00,000 and get double the amount just after 6 years. Avail loan facility upto 90% instantly.



DPS Plus

Save Tk. 500 to Tk. 25,000 for the period of 5 to 10 years and earn huge profit at the time of maturity. Avail loan facility upto 90% of deposited amount instantly.



Multi- Millionaire Scheme

Be a multi millionaire within a period of 5 to 10 years and earn Tk. 10 lacs to Tk 1 crore at the end of maturity. Avail loan facility upto 90% of the deposited amount instantly.

UCB Products & Services

**Earning Plus**

Make a deposit of Tk. 50,000 or its multiple for 3 or 5 years' term and get extra amount monthly or quarterly. Avail loan facility upto 90% instantly.

**Remittance**

Centralized Foreign Remittance Centre, located at the central branch of UCB, delivers money to the clients very efficiently. UCB Remittance has extremely competitive exchange rate, fastest delivery time and online banking facilities.

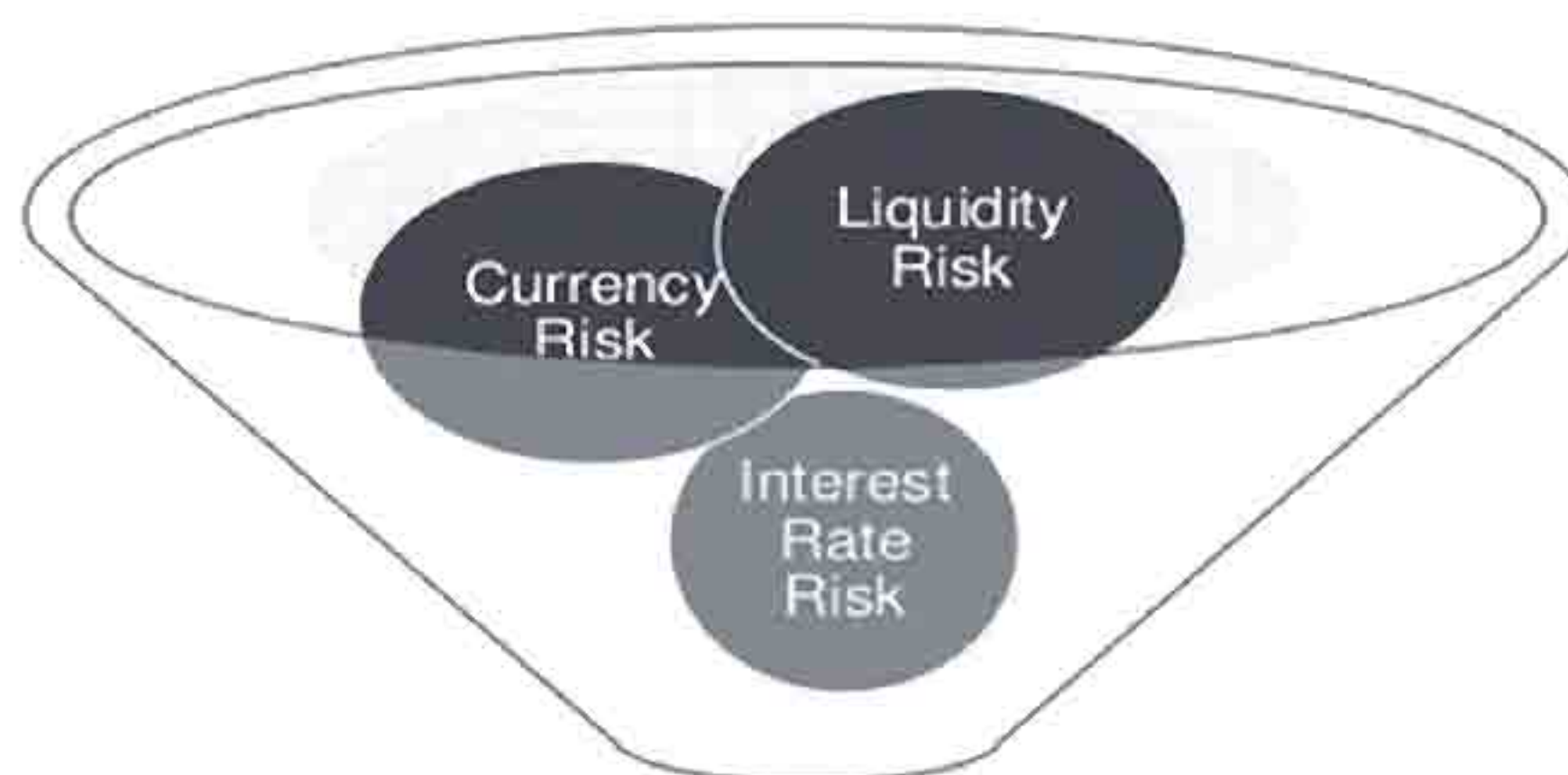
**Offshore Banking**

No matter how far the distance is or how complex the process might be, we will be there to cater all your Offshore Banking needs. Navigating your international trade across the globe will be much easier from now on.

**UCash**

UCash is the Mobile Financial Service offered by UCB. UCash offers customers to use their mobile phone as a bank account, which can be used to deposit money, transfer money to other UCash accounts or withdraw money from any of the agent points. UCash revolutionized the mobile financial services sector by being the first to offer interest on customer deposits.

Asset Liability Management



In the normal course of business banks are exposed to credit and market risks in view of the Asset – Liability transformation. The Asset Liability Management has been structured as a systematic process to earn a sufficient return while maintaining a comfortable surplus of Assets beyond Liabilities. The central theme of (ALM) is the management of a bank's entire balance sheet on continuous basis with a view to ensure a proper balance between funds mobilization and their deployment with respect to their maturity profiles, cost and yield as well as risk exposure so as to improve profitability, ensure adequate liquidity, manage risks and ensure long term viability.

So, it is essential to have a structured and systematic process to manage the Balance Sheet. UCB has an Asset Liability Committee (ALCO) comprised with senior management (including Managing Director). This committee meets at least once in every month to analyze, review and formulate strategy to manage the Asset and Liability of the Bank.

The ALCO is the decision making unit responsible for balance sheet planning from a risk return perspective. Under ALM the following risk are typically managed:

Liquidity Risk – Liquidity is a banks capacity to fund increase in assets and meet both expected and unexpected cash and collateral obligations at reasonable cost and without incurring unacceptable losses. Liquidity risk is the inability of a bank to meet such obligations as they become due, without adversely affecting the banks financial condition.

Measurement – Liquidity (risks) can be measured through flow and stock approaches.

Flow Approach: Flow approach measurement involves comprehensive tracking of cash flow mismatches for measuring and managing net funding requirements. This measurement approach is also called **Structural Liquidity Profile**; in this Bank prepare a Statement by placing all cash flows in the maturity ladder according to the expected timing of the cash flows, based on the projected future behavior of assets, liabilities and off balance sheet items. The Bank analyzes the behavioral maturity profile of various on and off balance sheet items on the basis of assumptions and trend analysis. Assets and liabilities are grouped into their appropriate maturity or repricing categories

Asset Liability Management

Structural Liquidity Profile

Particulars	Upto 1Month	Over 1 Month upto 3 Months	Over 3 Months upto 12 months	Over 1 year upto 5 Years	Over 5 years	Total
Assets						
Cash in hand	6,148.93	-	-	-	12,238.23	18,387.16
Balance with other banks & Fis	2,539.88	2,485.00	1,000.00	-	-	6,024.88
Money at call on short notice	2,190.00	-	-	-	-	2,190.00
Investment	8,099.70	6,061.50	7,457.90	5,581.50	17,088.00	44,288.60
Loan and Advance	30,745.23	42,198.63	40,736.52	39,853.93	20,611.80	174,146.11
Fixed assets	38.39	76.79	345.54	1,842.87	6,206.19	8,509.78
Other Assets	895.75	1,599.12	25.78	8,163.80	1,866.68	12,551.13
Non banking assets	-	-	-	-	-	-
Total Assets (A)	50,657.88	52,421.04	49,565.74	55,442.10	58,010.91	266,097.66
Liabilities						
Borrowing	1,414.62	2,045.62	5,050.24	1,200.00	800.00	10,510.48
Deposits	35,005.50	49,334.30	37,041.36	39,139.16	50,551.74	211,072.06
Other liabilities	1,098.97	1,091.86	3,073.80	11,386.88	5,318.53	21,970.04
Total Liabilities (B)	37,519.09	52,471.78	45,165.40	51,726.04	56,670.27	243,552.58
Net Liquidity Gap (A-B)	13,138.79	(50.74)	4,400.34	3,716.06	1,340.63	22,545.08
Cumulative Maturity Mismatch	13,138.80	13,088.06	17,488.40	21,204.46	22,545.09	

Maturity Analysis: Above statement transpire that out of total deposit liabilities of BDT 211,072.05 million, contractual maturity of liability within 1 year is BDT 121381.16 million. In the liquidity statement it is apparent that UCB has BDT13138.80 million positive Gap in 1 month bucket and BDT 4,400.34 million positive Gap in 3-12 months, BDT 3,716.06 million 1 to 5 years and over 5 years bucket i.e. in this bucket UCB has more assets maturity than liabilities. On the other hand UCB has BDT 50.75

million negative Gap in 1-3 month bucket conforms that pressure from liquidity is minimal. In reality, above 90 percent of fixed term deposits are renewed on maturity. As such, the negative gap actually converts into positive gap

Stock Approach: In this UCB have identified several key liquidity risk indicators, which are monitored on a regular basis to ensure healthy liquidity position. The ratios and its limits are:

Name of the Ratios	Limits
Loan Deposit Ratio	Loan Deposit Ratio should not exceed 85% Trigger 83%
Medium Term Funding Ratio	Minimum 30.00%-120%
Maximum Cumulative Outflow (MCO)	MCO should not exceed 20% of Balance sheet
CRR	6.50% of Average time & demand liabilities
SLR	13.00% of Average time & demand liabilities

Some other ratios which ALCO continuously monitors are as follows:

- Net Stable Funding Ratio
- Snap Liquidity Ratio
- Borrowing Ratio
- Volatility liability dependency Ratio
- Liquidity Coverage Ratio

Asset Liability Management

Contingency Funding Plan (CFP) In order to develop comprehensive liquidity risk management framework, we have Contingency Funding Plan (CFP), which is a set of policies and procedures that serves as a blueprint for the bank to meet its funding needs in a timely manner and at a reasonable cost. For day-to-day liquidity risk management, CFP ensures that the bank is best prepared to respond to an unexpected situation. In this sense, a CFP is an extension of ongoing liquidity management that formalizes the objectives of liquidity management. CFP also provides directions for plausible actions in distress and emergency situations. In case of a sudden liquidity stress, it is important for the bank to be organized, candid, and efficient to meet its obligations to the stakeholders. Since such a situation requires a spontaneous action, CFP will put the bank in better position to address the liquidity problem more efficiently and effectively.

Interest Rate Risk Management Interest rate risk is the risk where changes in market interest rates affect a bank's financial position. Changes in interest rates impact a bank's earnings (i.e. reported profits) through changes in its Net Interest Income (NII). Changes in interest rates also impact a bank's Market Value of Equity (MVE) or Net Worth through changes in the economic value of its rate sensitive assets, liabilities and off-balance sheet

positions. The interest rate risk, when viewed from these two perspectives, is known as 'earnings perspective' and 'economic value perspective', respectively.

Measurement: Earnings Perspective – Traditional Gap Analysis (TGA): TGA is to measure the level of a bank's exposure to interest rate risk in terms of sensitivity of its NII to interest rate movements over the horizon of analysis which is usually one year. It involves bucketing of all RSA and RSL and off balance sheet items computing Earnings at Risk (EaR) i.e. loss of income under different interest rate scenarios over a time horizon of one year. To evaluate the extent of Interest Rate Risk UCB prepare following Gap Report

To summarize, the above statement indicates that UCB will suffer a positive earnings impact (profit) of Tk 16.29 crore in the first quarter and Tk 3.89 crore in second quarter and rest two quarter UCB has Tk 17.01 crore loss. The total year-to-date accumulated earnings impact continues to be positive. So the accumulated earnings impact for the year owing to a 1% increase in interest rates is a profit of Tk. 3.16 crore and vice versa. The earnings impact of UCB from the first to the fourth quarter of the one-year period does not reach 10% of average quarterly operating profit.

Particulars	Amount in Crore			
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Total Rate Sensitive Assets (RSA)	9,414.17	2,670.78	922.85	1,077.22
Total Rate Sensitive Liabilities (RSL)	7,785.57	3,910.44	1,451.60	2,498.69
Gap (RSA-RSL)	1,628.60	(1,239.66)	(528.74)	(1,421.47)
Cumulative Gap	1,628.60	388.94	(139.80)	(1,561.27)
Adjusted Interest Rate Change (IRC)	1.00%	1.00%	1.00%	1.00%
Earning Impact (Cumulative Gap x IRC)	16.29	3.89	(1.40)	(15.61)
Accumulated Earning Impact to date	16.29	20.18	18.78	3.16
Earning Impact / Avg. Quarterly Operating Profit	7.34%	9.09%	8.46%	1.43%
Limit	10%	10%	10%	10%

Asset Liability Management

Economic Value Perspective – Duration Gap Analysis (DGA) : DGA is to measure the level of a bank's exposure to interest rate risk in terms of sensitivity of Market Value of its Equity (MVE) to interest rate movements. The DGA involves bucketing of all RSA and RSL as per residual maturity/ re-pricing dates in various time bands

and computing the Modified Duration Gap (MDG). The RSA and RSL include the rate sensitive off balance sheet asset and liabilities. MDG can be used to evaluate the impact on the MVE of the bank under different interest rate scenarios. UCBL observed Duration Gap Analysis (DGA) on quarterly basis as following:

Particulars	Amount
Equity as on date	2,254.50
RSA as on date	22,315.70
RSL as on date	18,414.60
MDA (Modified duration of Assets)	1.35
MDL (Modified duration of Liabilities)	0.57
MDG = {MDA-[MDL*(RSL/RSA)]}	0.88
$\Delta E = -MDG * RSA * \Delta i$	(392.76)
for 200 bps rise in interest MVE will fall by	-17.42%

Above duration analysis transpire that UCB market value of equity (MVE) will decline by (17.42%) on a standardized interest rate shock of 200 basis points based on December 31, 2014 against limit 20% Market value of equity (MEV) set by the Board of Directors of UCB.

Currency Risk It is the risk that the Bank may suffer losses as a result of adverse exchange rate movements during a period in which it has an open position in an individual foreign currency.

Measuring Risk: Currency wise Exposure: A common approach to measuring and monitoring exchange rate risk is to limit the size of open positions (whether positive or negative) in each currency as of the close of each business day. UCB prepared following report to evaluate the extent of currency risk arising from its positions in a variety of currencies.

Bank Exposure to Foreign Exchange Risk as on 31-12-2014
In Bangladesh Taka (in crore)

Currency	Short Term Foreign Currency Holdings			Long Term Foreign Currency Holdings			Overall Net Position	Overall Net Position*/Core Capital**
	Assets In FCY	Liabilities In FCY	Net Short Term Position	Assets In FCY	Liabilities In FCY	Long Term Net Position		
	1	2	3=1-2	4	5	6=4-5	7=3+6	8
USD	1,548.97	1,552.30	(3.33)	-	-	-	(3.33)	
EUR	1.86	1.13	0.73	-	-	-	0.73	
GBP	0.18	0.20	(0.02)	-	-	-	(0.02)	
JPY	35.39	35.52	(0.13)	-	-	-	(0.13)	
CAD	0.03	-	0.03	-	-	-	0.03	
SAR	0.24	-	0.24	-	-	-	0.24	
AED	0.00	-	0.00	-	-	-	0.00	
Total	1,586.67	1,589.15	(2.47)	-	-	-	(2.47)	-0.11%

Core Capital	2,255
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Asset Liability Management

Currency wise exposure shows that UCB has maximum exposure in US dollar and JPY in second position. Overall exposure of UCB is BDT 2.47 crore against open position limit is +/- BDT 344.07 crore which was insignificant in relation to core capital,

Value at Risk Analysis

Value at Risk tells us how much money one can lose over a given time period and for a given level of confidence from the positions held. Foreign Exchange positions could lose a lot more than VaR

indicates based on the volatility within the time frame.

Foreign Exchange VaR Calculation Method: We have used Variance & Covariance approach as per Foreign Exchange Risk Management Guideline of Bangladesh Bank for calculating the VaR.

Key Factors considered calculating the VaR on Foreign Exchange Position:

Method	:	Variance Covariance Approach
Sample Taken	:	250 Observations of Last One Year
Confidence Interval	:	97.50
Standard Deviation	:	2.243

Amount in BDT				
Particulars	High	Low	Average	FX VaR Dec 31, 2014
FX VaR during 2014	379,674.97	15,351.42	153,037.36	34,914.80

UCB FX 1 day VaR at 97.50 confidence level with the stipulated limit (20% of last month exchange gain) given by the Board of Directors of the Bank.

UCBL ALM

On the basis of the market outlooks UCB ALCO continued to take exposure on falling interest rate by cutting rate by 2.00% on different buckets. As desired by ALM desk, BDT 3,290.00 crore high-cost fund was re-priced during 2014. UCBL was able to reduce the cost of deposit by 1.68%. High concentration of Term deposit on 3 months bucket was a major challenge for us. However, because of active product pricing and offering of new deposit products, we were able to decrease the concentration of 3 months deposit to 59.40% on 31 December, 2014 from 63.02%. During the period UCB ALCO gave more emphasis on deposit cost, in relation to that UCB achieved tremendous growth

(of) 42.84% over 2013 on CASA deposit. On the asset side, bank maintained sufficient liquid asset as it bought large amount of bills/bonds to take exposure on interest rate and to utilize excess fund.

Overall, 2014 was a good years on balance sheet management as all the interest rate and macro bet from ALM desk was accurate and bank was able to keep the balance sheet composition close to desired level.

Risk Management & Sustainability Analysis

This section contains:

- Report on Risk Management Framework, Mitigation Methodology and Risk Reporting
- Disclosures on Risk Based Capital Adequacy (Basel II)
- Corporate Social Responsibility Initiatives
- Contribution to National Economy
- Value Added Statement
- Economic Value Added (EVA) Statement
- Market Value Added Statement
- Report on Green Banking
- Report on Going Concern

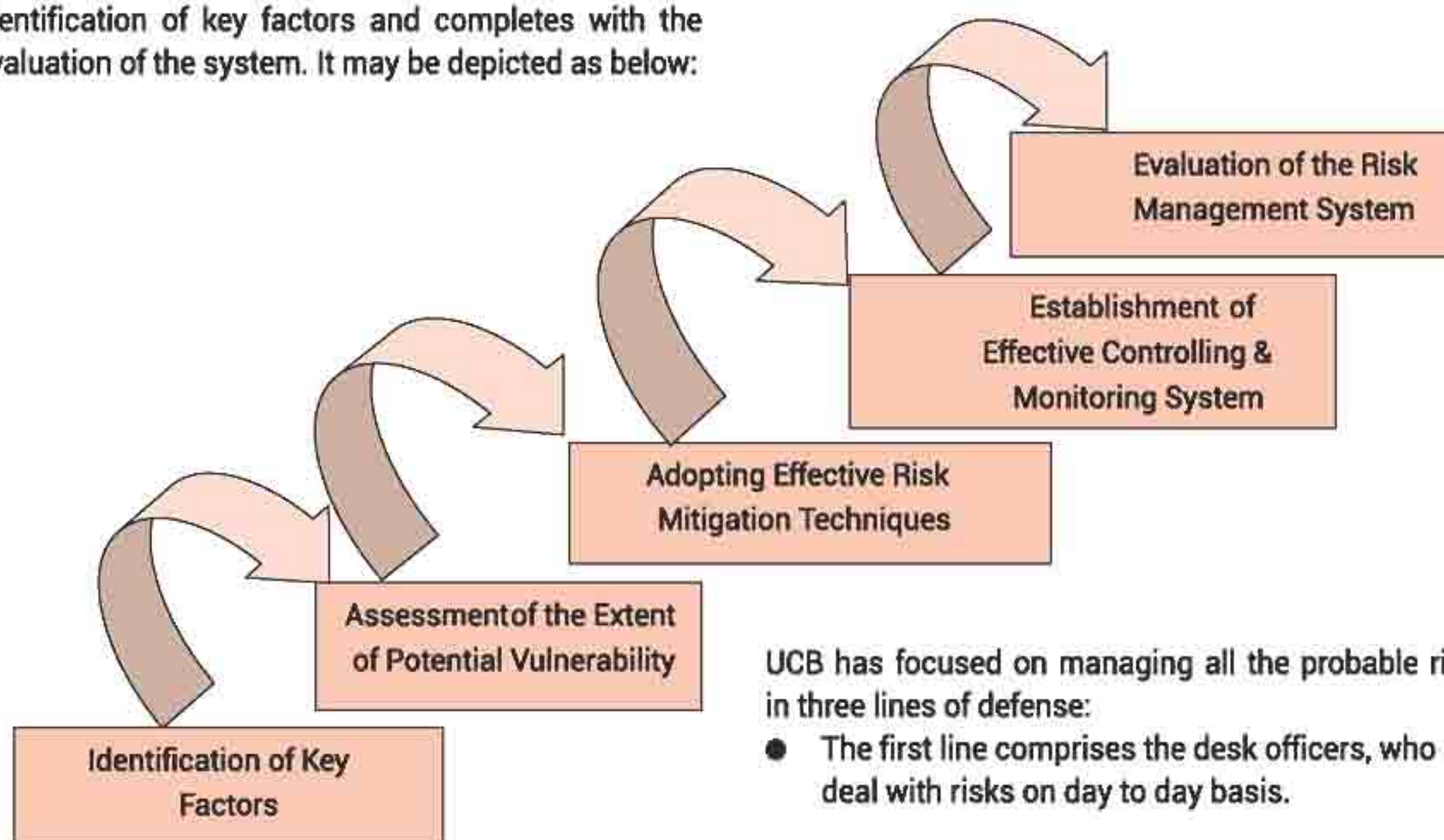
Report on Risk Management Framework, Mitigation Methodology and Risk Reporting

Importance of Risk in the Banking Business:

Risk is inherent in any walk of life in general and in financial sectors in particular. Due to highly regulated environment, banks cannot afford to take redundant risks. But of late, banks are exposed to intense competition and hence are compelled to encounter various types of financial and non-financial risks. Risks and uncertainties form an integral part of banking, which by nature entails risk-taking. Risk management has, therefore, become one of the prime concerns for the Banking industry. The management is to deal with ideas of risk management on proactive basis rather than on traditional post-facto basis so that it can serve to maximize the shareholders' value efficiently.

Risk Management- A Continuous Process:

UCB has a well established approach in the process of risk management. The process starts with the identification of key factors and completes with the evaluation of the system. It may be depicted as below:



Organizational Structure in UCB:

Addressing the issue with utmost importance, UCB has designed an integrated framework of risk management by inclusion of personnel from root to the top level of the Bank. The ultimate responsibility lies with the Board of Directors, which formulates the proper risk management policies and establishes overall control over the implementation process. In this aspect, the Board of Directors has formed a committee named Risk Management Committee. It assists the Board in fulfilling its responsibilities relating oversight of Bank's risk management strategies, policies and processes that have the potential to impact significantly on earnings performance, reputation and capital protection.

UCB has focused on managing all the probable risks in three lines of defense:

- The first line comprises the desk officers, who deal with risks on day to day basis.
- The second line of defense consists of the risk management wings of the Bank, who primarily prepares risk reports and review the risk exposures adopted at different levels.
- The third line of defense includes the evaluation of the risk management system of the Bank by the internal and external auditors.

Report on Risk Management Framework, Mitigation Methodology and Risk Reporting



UCB believes in adopting a strong and integrated Risk Management Approach to ensure the overall financial soundness and stability of the Bank. It will continue to invest extensively to ensure that policies and infrastructure for advanced risk management system are established at all Branches/ HO Divisions level for systematic identification, measurement, monitoring, and control of all material risks faced by the Bank. As such, the Bank's agenda for risk management includes, among others, the followings;

- Promotion of a strong and proactive culture, which gives high value to effective risk management,
- Communication of a concise risk management standards through policies, directives, operating procedures and trainings,
- Engagement of dedicated professional workforce with a high degree of expertise in all the segments of risk management structure.

Understanding the Risks and its Management:

Every function of the banking business has an element of risk and success of this business lies in prudent identification, calculation, and management of these risks. Although Banks have been doing these

(prudently or imprudently) for ages, several tools and techniques have been developed recently by different regulators and supervising bodies to bring uniformity in the approach. As for UCB, we are focusing on the risks from two broad perspectives- Core Risk Management and Basel Framework (Presently Basel II regime is running). Therefore, the risks can be described from both these perspectives.

Addressing Core Risks Management:

The Core Risks, as guided by Bangladesh Bank (the Central Bank of the Country), are as under:

- Credit Risk
- Foreign Exchange Risk
- Asset Liability Management Risk
- Internal Control & Compliance Risk
- Money Laundering Risk and
- Information Technology Risk.

The Bank has taken a number of initiatives to identify, measure, and manage the risks associated to the banking activities posed by the ever changing business environment. UCB has taken appropriate initiatives to manage the Core Risks.

Report on Risk Management Framework, Mitigation Methodology and Risk Reporting

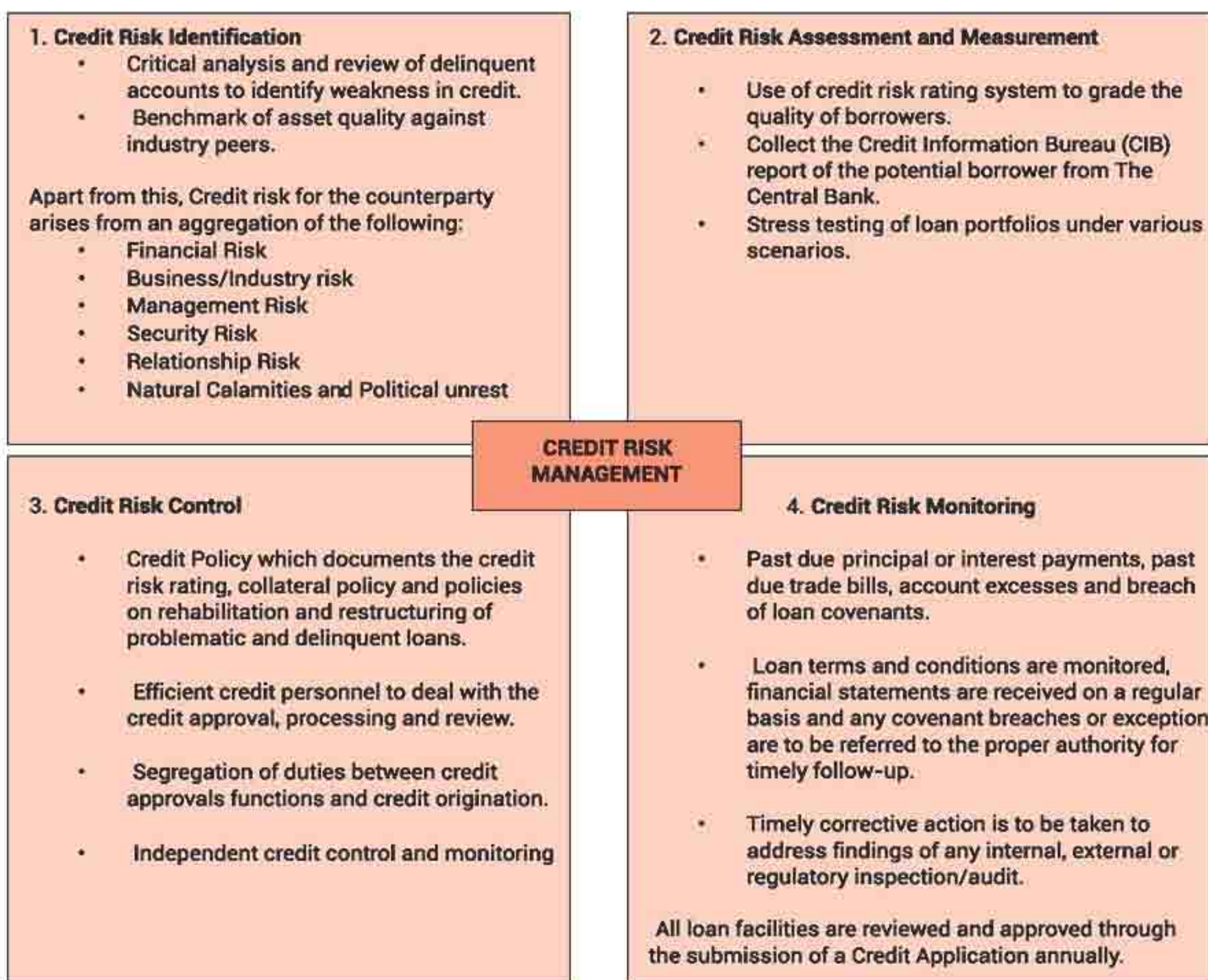
A. Credit Risk:

The world over, credit risk has proved to be the most critical of all risks faced by a banking institution. Credit Risk arises as a result of customers or counter-parties not being able to or willing to fulfill their financial and contractual obligations as and when they fall due. These obligations arise from lending, trade financing and other activities undertaken by the Bank. So, Credit Risk is the potential loss of revenue as a result of the failure of the borrower or the counter parties to meet their obligations in accordance with agreed terms.

It is a real challenge for credit risk managers to correctly identify pockets of risk concentration and quantify extent of risk. The two distinct dimensions of credit risk management can readily be identified as preventive measures and curative measures. Preventive measures include risk assessment, risk measurement and risk pricing, early warning system

to pick early signals of future defaults and better credit portfolio diversification. The curative measures, on the other hand, aim at minimizing post-sanction loan losses through such steps as securitization, derivative trading, risk sharing, legal enforcement etc. carried, identify opportunities for diversification and balance the risk-return trade-off in their credit portfolio.

UCB has placed strong emphasis in creating credit risk awareness among all lending employees within the Bank. Credit Risk awareness programs are conducted regularly to create a risk aware culture and empower staff with the capability to identify and manage credit risks more effectively. Selection and training of lending personnel is considered a key process in the management of credit risk. The key methods used to identify, assess, control and monitor the Credit Risk of the Bank are as follows:



CREDIT RISK MANAGEMENT

Report on Risk Management Framework, Mitigation Methodology and Risk Reporting

Major credit exposures to individual borrowers, groups of connected counterparties and portfolios of retail exposures are reviewed by the risk review units and recommend the loan to the approval authority. All credit approval authorities are delegated by the Board of Directors to executives based on their capability, experience & business acumen. Credit origination and approval roles are segregated in all cases.

B. Foreign Exchange Risk

FX Risk refers to the potential change in earnings resulted from exchange rate fluctuations, adverse exchange positioning or change in the market prices. FX Risk of the Bank is minimal, as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance requirements. This risk usually affects import-export business, but it can also affect investors making international investments. If money is converted to another currency to make an investment, then any changes in the currency exchange rate will cause that investment's value to either decrease or increase when the investment is sold and converted back into the original currency. FX Risk may arise from:

- Exchange Rate fluctuations
- Adverse Foreign Exchange position of the Bank,
- Changes in market price of Foreign Exchange

FX Risk management is one of the important responsibilities of the Treasury and International Divisions of the Bank. Regular FX operations are done confirming the Central Bank's guidelines. Treasury Division conducts the FX transactions and the Back Office of the Treasury Division is responsible for verification of the deals and passing of their entries in the books of account. All Nostro accounts are reconciled on a monthly basis and the management for its settlement reviews outstanding entry beyond 30 days. The position maintained by the Bank at the end of day was within the stipulated limit prescribed by the Central Bank. UCB has adopted a policy guideline with a view to reducing the FX Risk.

C. Money Laundering Risk

Money Laundering Risk can be defined as the loss of reputation and expenses incurred as penalty for being

negligent in prevention of money laundering. The Bank has a designated Chief Compliance Officer at Head Office and Compliance Officers at branches, who independently review the transactions of the accounts to verify suspicious transactions.

The convergence of several remarkable changes in the world markets propelled Money Laundering to become a worldwide problem. UCB considers Money Laundering and Terrorist Financing Risk not only a compliance requirement of the regulatory bodies but also as one of its core business values. The Board of Directors and the Management are firmly committed to combat Money Laundering activities.

D. Internal Control and Compliance Risk

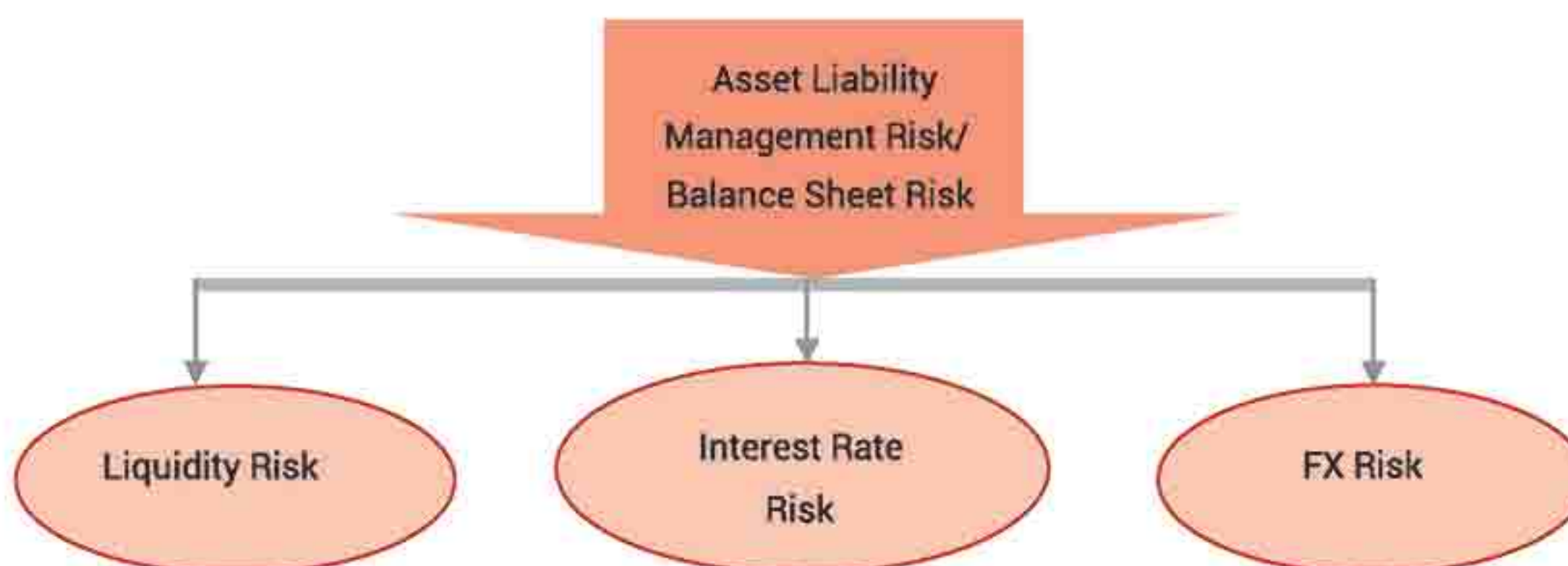
Internal control can be defined as a system in place, on a permanent basis, to control the activities in an organization to accomplishing specific goals or objectives. It is the process by which an organization's resources are directed, monitored, and measured. It plays an important role in preventing and detecting fraud and protecting the organization's resources. At the organizational level, internal control objectives relate to the reliability of financial reporting, timely feedback on the achievement of operational/strategic goals, and compliance with laws and regulations. At the specific transaction level, internal control refers to the actions taken to achieve a specific objective (e.g., how to ensure the organization's payments to third parties are for valid services rendered.) Internal control can provide reasonable, not absolute, assurance that the objectives of an organization will be met. Effective internal control implies the organization generates reliable financial reporting and substantially complies with the laws and regulations that apply to it.

Effective internal control leads an organization to be more sustainable. Ensuring efficiency and effectiveness in operational activities; reliability, completeness and timelines of financial disclosures and compliance with applicable laws & regulations, there is no alternative to effective internal control system.

E. Asset Liability Management Risk

Asset and Liability Management is the practice of managing risks that arise due to mismatches between the assets and liabilities. Asset Liability management (ALM) is a strategic management tool to manage interest rate risk, liquidity risk and foreign exchange risk faced by banks and other financial institutions. Banks manage the risks of asset liability mismatch by

matching the assets and liabilities according to the maturity pattern or the matching the duration. The key to successful Asset & Liability Management is to understand the uncertainties in return on investments (Assets) and the uncertainties in the amount and the duration of payouts (Liability). ALM /Balance Sheet risk can be classified into three major types such as;



Liquidity Risk arises when Bank may not meet its financial obligations/commitment as they become due. Liquidity risk also includes the inability of the bank to liquidate any assets at reasonable price in a timely manner. An investment may sometimes need to be sold quickly. An insufficient secondary market may limit the funds that can be generated from the asset. Some assets are highly liquid and have low liquidity risk (stock of a publicly traded company), while other assets are highly illiquid and have high liquidity risk (Building).

Interest Rate Risk is possible loss from adverse movements in market interest rates. Changes in interest rates affect a bank's earnings by changing its net interest income and the level of other interest-sensitive income and operating expenses. An investment's value will change due to a change in the absolute level of interest rates. Such changes usually affect securities inversely and can be reduced by diversifying or hedging (through an interest rate swap).

FX Risk is also involved with Balance Sheet. Foreign Exchange risk is potential loss arising from movements in foreign exchange rate. Foreign exchange risk and its management by the Bank have already been discussed.

F. Information Technology Risk

In a very short space of time, banks and other financial institutions have become more dependent on internet, computer and other electronic data to run their daily operations. Risks surrounding IT, such as network failure, lack of skills, hacking and viruses and poor system integration have the potential to have a negative impact on an organization. Rather, information and communication technology is changing over the time. The Bank has taken initiatives to serve its customers through the modern technology.

Report on Risk Management Framework, Mitigation Methodology and Risk Reporting

Clear policies and procedures have been formulated, training programs have been arranged, roles and responsibilities of all relevant officials have been defined with a view to maintain IT risk effectively. So, the Bank is in a place to manage the IT Risk efficiently taking a good number of initiatives:

• **Introducing Core Banking System**

Recognizing the importance of assuring real time risk management process on pro active basis, the Bank has initiated the core banking system implementation project in the last year. With the completion of the project, the Bank will avail itself on readily available information more authentically and there by estimate the probable adverse movements well ahead of its occurrence.

• **Automation and Delivery Channels**

To provide more convenient and efficient service to the customers, the Bank has taken steps to improve the branch automation and delivery channels. UCB provides online services to the customers including Debit Card and Credit Card facilities. Very soon, the Bank is going to start on Centralized Core Banking Solutions.

• **Disaster Recovery Site**

Data is protected and secured in various ways. Data is kept in secured place prescribed by the Bank's policy. The Bank implemented a disaster recovery site that would be activated in case of disaster, which brought and restored data in authenticated way.

• **IT Audit Team**

A IT Audit Team has been formed as per the Central bank's guideline. The Team members audit the Branches and Divisions. They follow the prescribed guideline, solve the unsettled issue and also suggests to the higher Management for needful action.

• **Training for the Concerned Officers**

IT Division takes necessary initiatives to conduct training courses for the Bank's employees. Trainings are being conducted time to time enabling the employees to handle the IT Risk in an efficient manner.

G. Operational Risk

Operational Risk is the risk of loss resulting from inadequate or failed internal process, people and systems or from external events. It includes risks of physical and logical security, transaction processing, operations control, technology and systems, as well as unique risk that arise due to outsourcing.

Operational Risk is monitored and controlled through an operational risk management framework designed to provide a sound and well-controlled operational environment within the Bank. Daily functional checks and balances method is used to manage the Operational Risk in the Bank. The Bank has developed internal procedures and monitoring mechanism. Effective internal control has been ensured that operational policies and procedures are being adhered at different levels throughout the Bank. In response to the threat of external fraud, losses arising from fraud or control lapses are analyzed with emphasis on identifying the causes of such losses.

Compliance of Basel II Framework & Introducing Basel III:

In line with the regulatory framework under Basel II regime provided by Bangladesh Bank, UCB has been maintaining a strong capital base in respect of its risk exposure. The total eligible capital held by the Bank has fully covered the requirement against credit risk, market risk & operational risk under pillar 1 of Basel II framework. In addition, the Bank calculates additional capital requirement for residual risk, concentration risk, liquidity risk, interest rate risk of banking book, reputation risk, strategic risk, settlement risk, environmental risk and other material risks under the Internal Capital Adequacy Assessment Process (ICAAP) of Pillar 2. The Bank has formulated its plan to raise its capital position to support this additional regulatory capital. However, the ultimate aim is to manage the asset portfolio of the Bank as per its risk appetite so that the trade-off between risk and profitability stays at optimum level.

Report on Risk Management Framework, Mitigation Methodology and Risk Reporting

Stress Testing & Shock Absorption Ability:

Beside the plan to the path of success, UCB also prepares for the worst case events by conducting some sensitivity analysis on its capital. Stress Testing has been used, as suggested by Bangladesh Bank for

an estimation of adverse pressure on the capital of the Bank in different challenging condition with different magnitudes.

Different Shocks	Existing CAR (%)	CAR After Shocks (%)		
		Minor	Moderate	Major
Decrease in FSV of the Collateral	10.56	10.10	9.62	8.67
Increase in NPLs	10.56	10.24	9.59	8.93
Negative Shift in NPLs Categories	10.56	10.15	11.44	10.52
Interest Rate	10.56	10.19	9.82	9.45
Foreign Exchange Rate	10.56	10.56	10.56	10.56
Equity Shock	10.56	10.44	10.32	10.09

Governance and Board Oversight:

UCB views that strong risk governance is essential as the foundation for successful Risk Management. In the line with the Bank's guideline on corporate governance, the Board of Directors has overall risk oversight responsibility. The Board utilizes its Risk Management Committee to discharge that responsibility. Risk Management Committee assists the Board in this regard by ensuring that an effective risk management framework exists within the Bank.

The Risk Management structure of the Bank includes the following Divisions/Departments/Units/Cells/Committees:

- Risk Management Committee
- Risk Management Division
- Credit Risk Management Division

- Credit Administration Department
- Special Asset Management Division
- Treasury Division
- Information Technology Division
- General Banking & Development Division
- Internal Control and Compliance Division
- Board Audit Cell
- All Risk Committee
- Credit Risk Review Committee
- Asset Liability Management Committee

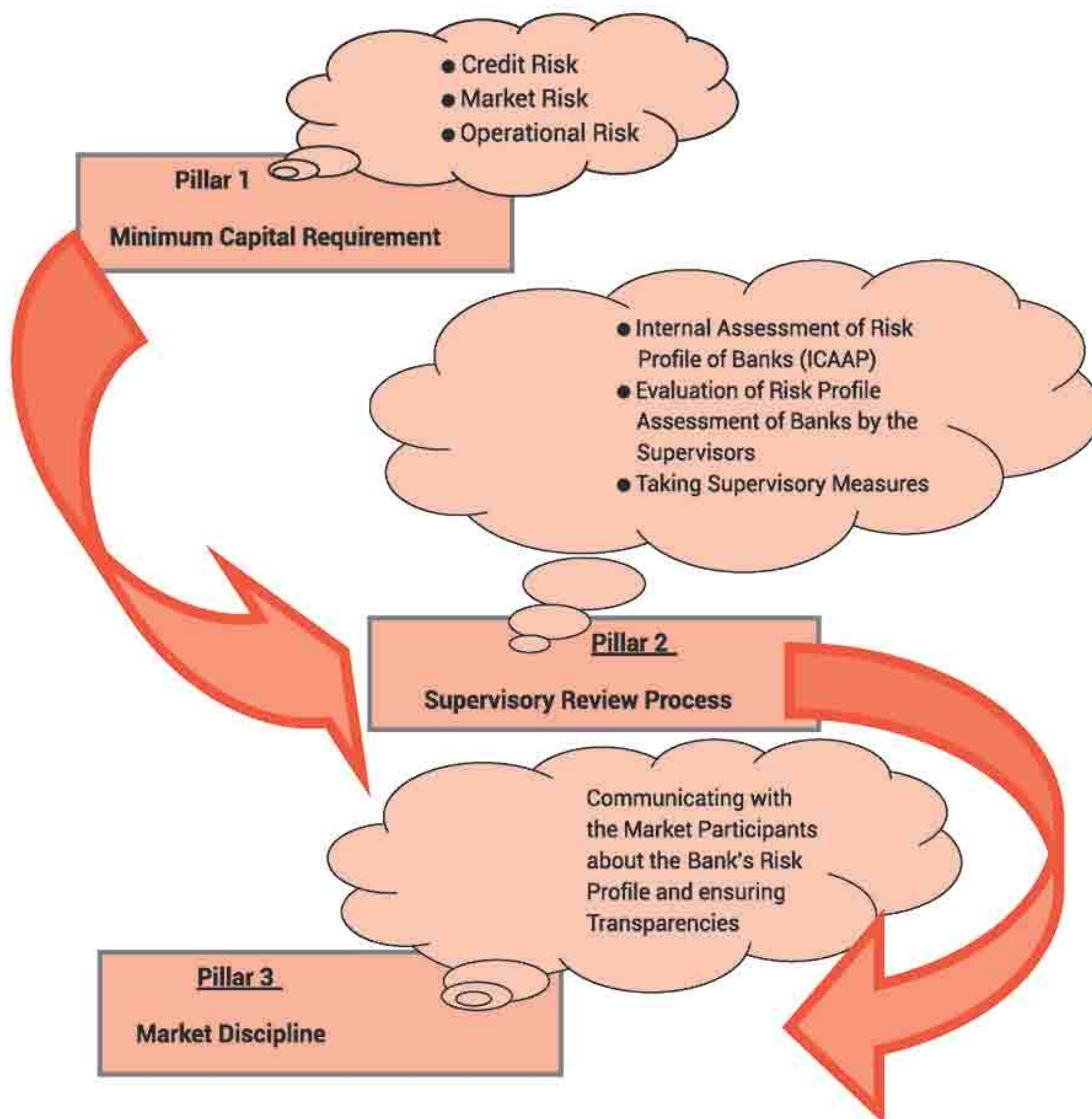
Disclosures on Risk Based Capital Adequacy (Basel II)

As per the Bangladesh Bank BRPD Circular no. 24 dated August 03 of 2010 regarding the Guidelines on 'Risk Based Capital Adequacy of Banks' under Basel II framework, the Market Disclosure of risk based capital adequacy framework has been acknowledged.

Risk based regulatory capital adequacy in line with Basel II framework has fully come into force from January 01, 2010 as stipulated by Bangladesh Bank. As per the framework, Minimum Capital Requirement, Supervisory Review Process and

Market Disclosure requirements must be followed by all the scheduled banks of Bangladesh as for regulatory compliance, which constitutes of three-mutually reinforcing pillars:

Credit Risk, Market Risk & Operational Risk constitutes the basic risks that require the Bank to maintain the minimum level of capital. In case of identifying both credit and market risk, the Bank resorts to the Standardized Approach. For measuring the operational risk, Basic Indicator Approach is followed.



Disclosures on Risk Based Capital Adequacy (Basel II)

Apart from the above mentioned risks, all other risks are assessed through the evaluation of Supervisory Review Process. Under Internal Capital Adequacy Assessment Process, the Additional Capital Requirement of a Bank is estimated. The supervisor will evaluate the risk assessment process of the Bank and give directions to the acceptability of the process.

Under Pillar 3 of the framework, Market discipline comprises a set of disclosures on the capital adequacy and risk management framework of the Bank. These disclosures are intended for market participants to assess key information about the Bank's exposure to various risks and to provide a consistent and understandable disclosure framework for easy comparison among banks operating in the market.

Scope of Application

The disclosure made in the following section has addressed United Commercial Bank Limited as a single entity as well as in a consolidated form. The risk based regulatory capital adequacy framework is applied to Bank both on Solo Basis as well as on Consolidated Basis.

- 'Solo Basis' refers to all position of the Bank including the Offshore Banking Unit.
- 'Consolidated Basis' refers to all position of the Bank and its subsidiary companies.

The consolidated financial statements of UCBL consist of the statements of:

- United Commercial Bank Limited
- UCB Securities Limited
- UCB Investment Limited

United Commercial Bank Limited

United Commercial Bank Limited ("UCBL" or the "Bank") was incorporated in Bangladesh as a public limited company with limited liability on 26 June 1983 under the Companies Act 1913 to carry on banking business in Bangladesh. It obtained permission from Bangladesh Bank on 13 November 1983 to commence its business. The Bank has 148 branches as on 31 December 2014. All the

branches of the Bank run on Commercial Conventional basis. The Bank offers services for all commercial banking needs of the customers, which includes deposit banking, loans & advances, export import financing, inland and international remittance facility etc. The Bank is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly traded Company.

The principal place of business and the registered office of the bank is located at Plot # CWS (A) 1, Gulshan Avenue, Dhaka – 1212.

UCB Capital Management Limited

During the year 2014 UCB Securities Limited, a subsidiary company of the bank and Anam Capital Limited, a subsidiary company of UCB Securities Limited has been merged with UCB Capital Management Limited as per approval from the court and as such UCB Capital Management Limited has become the subsidiary company of United Commercial Bank Limited. The activities of the company includes brokerage service, margin loan etc. As of now the company is carrying out its activities under the license of Dhaka Stock Exchange Ltd. only, the company has also a license of Chittagong Stock Exchange Limited which is not in operative yet.

UCBL holds 51,34,999 nos. of shares of UCB Capital Management Limited with face value of Tk. 100 each which equivalent to 99.99998% of total shares of the company.

UCB Investment Limited

UCB Investment Limited was incorporated in Bangladesh as a private limited company with limited liability as on 3 August of 2011 under Companies Act 1994. The principal objective of the company is to carry out full-fledged merchant banking activities in Bangladesh i.e. portfolio management, share transfer agent, fund management to issue in the capital and security market, underwrite, manage and distribute the issue of stock shares, bonds and other securities. The principal place of business and the registered office of the company is located at Sara Tower (9th Floor), 11/A Toyenbee Circular Road, Motijheel C/A, Dhaka - 1000.

Disclosures on Risk Based Capital Adequacy (Basel II)

UCBL holds 24,975,000 nos. of shares of UCB Investment Limited with face value of Tk. 10 each which equivalent to 99.90% of total shares of the company.

The Bank has computed the Capital Adequacy Ratio adopting the following approaches;

- a. Standardized Approach for Credit Risk to compute Capital Adequacy under Basel II, using national discretion for:
 - Accepting the credit rating agencies as external credit assessment institutions (ECAI) for claims on Corporate Customers;
 - Accepting Credit Risk Mitigates (CRM) against the financial securities.
- b. Standardized (Rule Based) Approach for Market Risk; and

- c. Basic Indicator Approach for Operational Risk.

Capital Structure

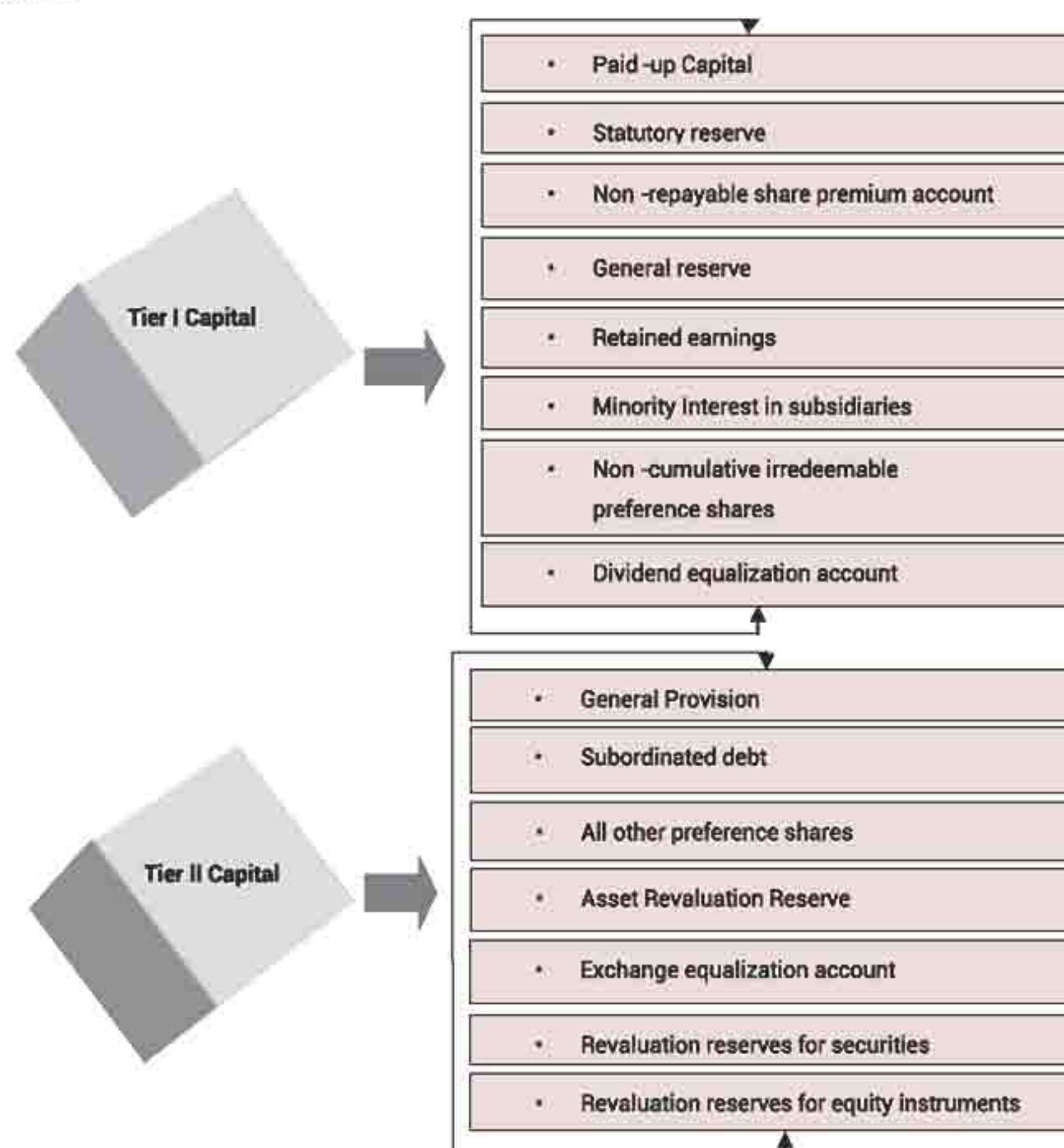
The capital structure of the Bank is comprised of both Tier I and Tier II capital.

Tier I Capital

The highest quality of capital components comprises the Tier I capital. This is also known as Core Capital.

Tier II Capital

The components of Tier II capital lacks some quality of Tier I capital, but strengthen the capital base of the Bank. The Components of Tier I Tier II capitals are depicted below:



The Bank's capital structure consists of Tier I capital and Tier II capital. Capital Structure of the Bank is as under as on December 31, 2014;

Disclosures on Risk Based Capital Adequacy (Basel II)

Eligible Capital

(BDT in Millions)			
Sl.	Particulars	Solo	Consolidated
1.0	Tier-1 (Core Capital)		
1.1	Fully Paid -up Capital	8,366.12	8,366.12
1.2	Statutory Reserve	6,886.69	6,886.69
1.3	Non-repayable Share premium account	1,454.98	1,454.98
1.4	General Reserve	26.58	26.58
1.5	Retained Earnings	2,531.12	2,566.26
	Total Tier I Capital	19,265.48	19,300.62
2.0	Tier-2 (Supplementary Capital)		
2.1	General Provision (Unclassified Loans + SMA + Off Balance Sheet Exposure)	2,806.75	2,806.75
2.2	Assets Revaluation Reserves up to 50%	1,267.05	1,267.05
2.3	Revaluation Reserve for Securities up to 50%	345.98	345.98
2.4	Revaluation Reserve for equity instruments up to 10%	5.92	5.92
2.5	Subordinated debt	2,000.00	2,000.00
	Total Tier II Capital	6,425.70	6,425.70
	Total Eligible Capital	25,691.18	25,726.32

Capital Adequacy

For accessing Capital Adequacy the Bank has adopted Standardized Approach for Credit Risk measurement, Standardized (Rule Based) Approach

for Market Risk measurement and Basic Indicator Approach for Operational Risk measurement. Capital Requirement and Adequacy of the Bank as on December 31, 2014 are as under;

(BDT in Millions)		
Particulars	Solo	Consolidated
Capital requirement for Credit Risk	21,662.83	21,574.79
Capital requirement for Market Risk	722.67	722.67
Capital requirement for Operational Risk	1,939.55	1,943.23
Total Capital Requirement under Pillar-I	24,325.05	24,240.69
Tier 1 Capital Adequacy Ratio:	7.92	7.96
Tier 2 Capital Adequacy Ratio:	2.64	2.65
Capital Adequacy Ratio (CAR)	10.56	10.61

Disclosures on Risk Based Capital Adequacy (Basel II)

Credit Risk

The possibility of incurring loss due to inability of a borrower or counterparty to honor its obligations or fulfilling their commitment in accordance with the agreed terms and conditions is termed as credit risk. In other words, it is the loss associated with degradation in the credit quality of borrowers or counterparties. In a Bank's portfolio, losses stem from outright default due to the inability or unwillingness of the customer or counterparty to meet commitments in relation to lending, trading, settlement and other financial transactions. Alternatively, losses result from reduction in portfolio value arising from actual or perceived deterioration in credit quality. Credit risk emanates from a bank's on and off balance sheet dealings with an individual, firm, company, corporate entity, bank, financial institution or a sovereign.

Past Due/Impaired Loans

Bank classifies loans and advances (loans and bill discount in the nature of an advance) into performing and non-performing loans (NPL) in accordance with the Bangladesh Bank guidelines in this respect. An NPA (impaired) is defined as a loan or an advance where interest and/ or installment of principal remain overdue for more than 90 days in respect of a Continuous credit, Demand loan or a Term Loan etc.

Classified loan is categorized under following 03 (three) categories:

1. Sub-standard
2. Doubtful
3. Bad & Loss

Any continuous loan will be classified as:

- 'Sub-standard' if it is past due/overdue for 3 months or beyond but less than 6 months.
- 'Doubtful' if it is past due/overdue for 6 months or beyond but less than 9 months.
- 'Bad/Loss' if it is past due/overdue for 9 months or beyond.

Any Demand Loan will be classified as:

- 'Sub-standard' if it remains past due/overdue for 3 months or beyond but not over 6 months from the date of claim by the bank or from the date of creation of forced loan.
- 'Doubtful' if it remains past due/overdue for 6 months or beyond but not over 9 months from the date of claim by the bank or from the date of creation of forced loan.
- 'Bad/Loss' if it remains past due/overdue for 9 months or beyond from the date of claim by the bank or from the date of creation of forced loan.

In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the due date, the amount of unpaid installment(s) will be termed as 'past due or overdue installment'.

In case of Fixed Term Loans:

- If the amount of 'past due installment' is equal to or more than the amount of installment(s) due within 3 (three) months, the entire loan will be classified as "Sub-standard".
- If the amount of 'past due installment' is equal to or more than the amount of installment(s) due within 6 (six) months, the entire loan will be classified as "Doubtful".
- If the amount of 'past due installment' is equal to or more than the amount of installment(s) due within 9 (nine) months, the entire loan will be classified as "Bad/Loss".

In case of Short-term Agricultural and Micro-Credit, the loans will be considered:

- 'Substandard' if the irregular status continuous for a period of 12 months from the stipulated due date as per loan agreement;
- 'Doubtful' if the irregular status continuous for a period of 36 months from the stipulated due date as per loan agreement;
- 'Bad/Loss' if the irregular status continuous for a period of 60 months from the stipulated due date as per loan agreement;

Disclosures on Risk Based Capital Adequacy (Basel II)

Approaches followed for Specific & General Allowances and Statistical Methods

As per the guideline of Bangladesh Bank regarding

the provisioning of loans & advances, the Bank has followed the following approaches in calculating the Specific & General Allowances:

Types of Loans & Advances		Rate of Provision Requirement				
		UC	SMA	SS	DF	BL
Consumer	House Building & Professionals	2%	2%	20%	50%	100%
	Other than Housing Finance & Professionals to setup business	5%	5%	20%	50%	100%
Brokerage House, Merchant Banks, Stock Dealers, etc.		2%	2%	20%	50%	100%
Short term Agri. Credit and Micro Credit		5%	5%	5%	5%	100%
Small & Medium Enterprise Finance		0.25%	0.25%	20%	50%	100%
Others		1%	1%	20%	50%	100%

Methods used to measure Credit Risk

As per Central Bank's Guidelines, the Bank follows Standardized Approach for measurement of Credit Risk adopting the credit rating agencies as External Credit Assessment Institutions (ECAI) for claims on Bank & Non-banking Financial Institutions (BNBFIs), Corporate Customers and Credit Risk Mitigates (CRM) against the financial securities & guarantees of loan exposure.

Credit Risk Management

Credit risk arises while the borrowers or counterparty to a financial transaction fails to discharge an obligation as per agreed covenants, resulting in financial loss to the Bank. Credit exposures may arise from both the banking and trading books as well as Off-Balance sheet exposures. Credit risk is managed in the UCBL through a framework that spell out policies and procedures covering the measurement and management of credit risk. There is a clear segregation of duties between transaction originators in the businesses and approvers in the Risk function. All credit exposure limits are approved within a defined credit approval authority framework. Credit policies and standards are considered and approved by the Board of Directors.

Credit Risk measurement

Risk measurement plays a central role, along with judgment and experience, in informing risk taking and portfolio management decisions. The standard

credit risk grading (CRG) system is used in both Corporate and SME Banking. The grading is used to assess the client along with a range of quantitative and qualitative factors. Our credit grades against Corporate & Medium clients are supported by external credit grades, and ratings assigned by external ratings agencies.

Credit approval

Major credit exposures to individual borrowers, groups of connected counterparties and portfolios of retail exposures are reviewed by the risk review units and recommend the loan to the approval authority. All credit approval authorities are delegated by the Board of Directors to executives based on their capability, experience & business acumen. Credit origination and approval roles are segregated in all cases.

Credit Monitoring

We regularly monitor credit exposures, portfolio performance, and external trends through relationship and credit administration team at Branch and Head Office. Internal risk management reports containing information on key environmental, political and economic trends across major portfolios; portfolio delinquency and loan impairment performance; as well as credit grade migration are presented to risk committee PAMC. The PAMC meets regularly to assess the impact of external events and trends on the credit

Disclosures on Risk Based Capital Adequacy (Basel II)

risk portfolio and to define and implement our response in terms of appropriate changes to portfolio shape, underwriting standards, risk policy and procedures. Accounts or portfolios are placed on Early Alert (EA) when they display signs of weakness or financial deterioration. Such accounts and portfolios are subjected to a dedicated process overseen by the Special Asset Management Division. Account plans are re-evaluated and remedial actions are agreed and monitored. In Retail/Consumer Banking, portfolio delinquency trends are monitored continuously at a detailed level. Individual customer behavior is also tracked and informed in lending decisions. Accounts which are past due are subject to a collections process, monitored in collaboration with the Relationship manager by the Risk function. Charged-off accounts of the Bank are managed by specialist recovery teams of Special Asset Management Division.

Concentration risk

Credit concentration risk is managed within concentration caps set for counterparty or groups of connected counterparty, for industry sector; and for product. Additional targets are set and monitored for concentrations by credit committee.

Credit concentrations are monitored by the responsible risk committees in each of the businesses and concentration limits that are material to the Bank are reviewed and approved at least annually by the Board of Directors.

Credit risk mitigation

Potential credit losses from any given account, customer or portfolio are mitigated using a range of tools such as collateral, netting agreements, insurance, and other guarantees. The reliance that can be placed on these mitigates is carefully assessed in light of issues such as legal certainty and enforceability, market valuation correlation and counterparty risk of the guarantor. Risk mitigation policies determine the eligibility of collateral types. Collateral types which are eligible for risk mitigation include: cash; residential, commercial and industrial property; fixed assets such as motor vehicles, plant and machinery; marketable securities; commodities; bank guarantees; and letters of credit. Collateral is valued in accordance with our risk mitigation policy, which prescribes the frequency of valuation for different collateral types, based on the level of price volatility of each type of collateral. Collateral held against impaired loans is maintained at fair value.

Distribution of Credit Exposure by Major Types

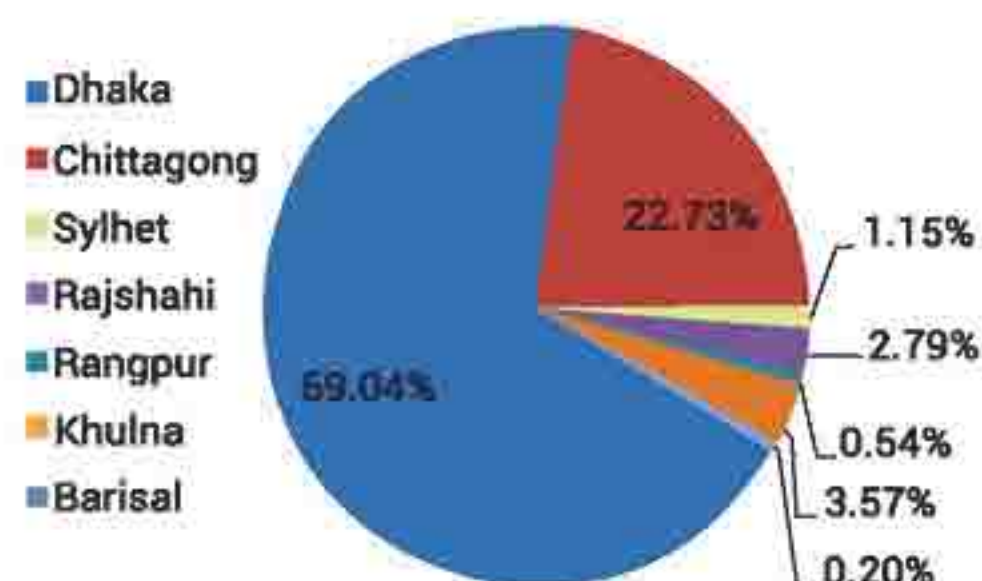
Types of Credit Exposure	BDT in Million	%
Industrial Loan	62,851.97	36.09%
Commercial Lending	40,895.73	23.48%
House Building Loan	17,905.32	10.28%
Others	15,402.71	8.84%
Import Finance	14,127.11	8.11%
Retail Loan	8,720.36	5.01%
Export Finance	8,416.09	4.83%
Transport Loan	2,617.00	1.50%
Agricultural Loan	1,848.40	1.06%
Staff Loan	1,361.40	0.78%
Total	174,146.10	100.00%

Disclosures on Risk Based Capital Adequacy (Basel II)

Geographical Distribution of Credit Exposure

Division wise Loan	BDT in Million	%
Dhaka	120,229.52	69.04%
Chittagong	39,579.18	22.73%
Sylhet	1,997.84	1.15%
Rajshahi	4,850.43	2.79%
Rangpur	933.41	0.54%
Khulna	6,211.29	3.57%
Barisal	344.43	0.20%
Total	174,146.10	100.00%

Division wise Loan



Industry Type Distribution of Exposure

Types of Credit Exposure	BDT in Million	%
Commercial trade financing	38,571.74	22.15%
RMG & Textiles Industry	23,121.21	13.28%
Other Manufacturing Industries	19,080.02	10.96%
Construction (other than housing)	11,696.57	6.72%
Housing industry	8,997.41	5.17%
Telecommunication, Transport & communication	4,418.58	2.54%
Food products & processing	4,202.17	2.41%
Power & energy	3,095.98	1.78%
Agriculture	1,848.40	1.06%
Shipping Industries	1,362.20	0.78%
Service Industry	990.04	0.57%
Others	56,761.81	32.58%
Total	174,146.10	100.00%

Residual Contractual Maturity wise Distribution of Exposure

Particulars	BDT in Million
On demand	1,729.10
Not more than three months	71,214.75
More than three months but less than one year	40,736.52
More than one year but less than five years	39,853.92
More than five years	20,611.80
Total	174,146.10

Disclosures on Risk Based Capital Adequacy (Basel II)

Loans & Advances and Provision

Particulars	(BDT in Millions)	
	Outstanding Loans & Advances	Provision against Loans & Advances
Total Loans and Advances	174,146.10	3,680.82
Un -Classified Loans & Advances	166,096.06	1,751.24
Classified Loans and Advances	8,050.04	1,929.58
Substandard (SS)	286.94	17.17
Doubtful (DF)	317.27	43.99
Bad/Loss (BL)	7,445.83	1,868.42
Off -balance Sheet Items	144,554.47	1,055.51

Movement of Specific Provisions for NPLs

(BDT in Millions)	
Opening balance	2,122.87
Adjustment due to written off	(1,114.75)
Provision made during the year	882.81
Transferred from surplus of other provision heads	38.65
Closing Balance	1,929.58

Equities: Disclosures for Banking Book Positions

The quoted shares are valued both at cost price and market price basis. However, the unquoted shares are valued at their cost price.

The major portion of the Bank's holding of equity exposure is mainly with the purpose of capital gain.

(BDT in Millions)		
Particulars	Cost Price	Market Price
Investment in Quoted Share	3,163.63	3,222.85

Particulars	BDT in million
Realized Gains	184.28
Unrealized Gains	831.58
Unrealized Losses	(772.36)
Net Unrealized Gains/(Loss)	59.22
Amount included in Tier-2 Capital	5.92
Capital requirement for Equity Risk (Specific & General)	644.58
Supervisory Provision against Classified Equity Investment	0.00

Disclosures on Risk Based Capital Adequacy (Basel II)

Capital Requirement as per Grouping of Equity:

(BDT in Millions)

Sector	Cost Price	Market price	Capital Charge for Specific Risk	Capital Charge for Specific Risk	Total Capital Charge
Bank	195.57	267.06	26.71	26.71	53.42
Financial Institutions	104.93	219.55	21.96	21.96	43.92
Mutual Funds	573.47	357.02	35.70	35.70	71.40
Pharmaceutical & Chemical	250.64	241.22	24.12	24.12	48.24
Engineering	209.82	135.19	13.52	13.52	27.04
Cement	149.19	303.82	30.38	30.38	60.76
Fuel & Power	531.58	486.67	48.67	48.67	97.34
Services & Real Estate	109.62	71.12	7.11	7.11	14.22
Textiles	392.36	369.26	36.93	36.93	73.86
Travel & Leisure	80.14	37.97	3.79	3.79	7.58
Ceramic	125.65	56.04	5.60	5.60	11.20
Telecommunication	132.13	543.25	54.33	54.33	108.66
Insurance	121.95	61.22	6.12	6.12	12.24
Miscellaneous	166.59	44.97	4.50	4.50	9.00
Corporate Bond	19.99	28.49	2.85	2.85	5.70
Total	3,163.63	3,222.85	322.29	322.29	644.58

Interest Rate Risk in the Banking Book

Interest Rate Risk in the Banking Book reflects the shocks to the financial position of the Bank including potential loss that the bank may face in the event of adverse change in market interest rate. This has an impact on earning of the bank through Net Interest Earning as well as on Market Value of Equity or net worth.

Thus this risk would have an impact on both earning potential and economic value of the Bank.

a) The Bank uses following measures for deriving value of capital requirement for interest rate risk.

- Modified duration gap
- Simulation on market value of equity
- Impact of average interest rate fluctuation demonstrated in last 12 months from the date of computation. In the event of lack of data for last twelve month the bank considers data of maximum period available.

Disclosures on Risk Based Capital Adequacy (Basel II)

The Bank ensures that interest rate risk is not included within the market risk. The Bank has calculated the rate sensitive assets and liabilities with maturity up to 12 months bucket and applied

the sensitivity analysis to measure the level of interest rate shock on its capital adequacy.

(BDT in Millions)

Particulars	Up to 3 months	3 - 6 months	6 - 12 months
Rate Sensitive Assets	82,081.67	35,213.84	30,127.78
Rate Sensitive Liabilities	88,760.84	28,822.65	39,169.09
Rate Sensitive Gap	(6,679.16)	6,391.19	(9,041.30)
Cumulative Gap	(6,679.16)	(287.97)	(9,329.28)

Interest Rate Shock on Capital:

(BDT in Millions)

Total Eligible Capital	25,691.18		
Total Risk Weighted Assets	243,250.40		
Capital Adequacy Ratio (CAR)	10.56%		
Assumed Increase in Interest Rate	1%	2%	3%
Earnings Impact on Cumulative Gap	(93.29)	(186.59)	(279.88)
Capital After Shock	25,597.89	25,504.59	25,411.30
CAR after Shock	10.52%	10.48%	10.45%
Decrease in CAR	(0.04%)	(0.08%)	(0.12%)

Market Risk

Market risk is a trading book concept. It may be defined as the risk of losses in on and off-balance sheet positions arising from movements in market prices. The market risk positions subject to the risks pertaining to interest rate related instruments and equities in the trading book and Foreign exchange risk and commodities risk throughout the Bank. This signifies the risk of loss due to decrease in market portfolio arising out of market risk factors. The Bank has considered interest rate risk on banking book separately and the impact of interest rate risk on the trading book will not be considered here.

The Board approves all policies related to market risk, sets limits and reviews compliance on a

regular basis. The objective is to provide cost effective funding last year to finance asset growth and trade related transaction.

Methods used to measure Market Risk:

Standardized (Rule Based) Approach is used to measure the Market Risk of the Bank whereas for Interest Rate Risk and Equity Risk both General and Specific risk factors are applied for calculating capital charge and for Foreign Exchange and Commodities only General risk factor is applied.

Disclosures on Risk Based Capital Adequacy (Basel II)

Management System of Market Risk:

The duties of managing the market risk including liquidity, interest rate and foreign exchange risk lies with the Treasury Division under the supervision of ALCO committee. The ALCO committee is

comprised of senior executives of the Bank, who meets at least one time in a month during the ALCO meeting. The committee evaluates the current position of the Bank and gives directions to mitigate the market risk exposure to a minimum level.

Capital Charges for Market Risk

(BDT in Millions)		
Sl.	Market Risk	Capital Charge
A.	Interest Rate Related instruments	74.62
B.	Equities	644.58
C.	Foreign Exchange Position	3.47
D.	Commodities	0.00
	Total	722.67

Operational Risk

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Recognizing the importance of information technology in banking business, the Bank has considered information technology risk as an independent risk.

Views of BOD on system to reduce Operational Risk:

The responsibility of mitigating the operational risk of the Bank lies with Internal Control & Compliance Division under the guidance of Audit Committee of the Board. The audit committee delivers policies and directions from time to time to keep the operating efficiency of the Bank up to the mark.

Performance gap of executives and staffs:

The Bank identifies the loop holes among the effectiveness of the employees and executives.

These loop holes are removed by arranging appropriate training programs, offering competitive packages and providing best working environment. In this process, the Bank kept the performance gap of executives and staffs to a minimum level.

Potential external event:

No potential external event is expected to expose the Bank to significant operational risk.

The Bank has a separate Operational Risk policy addressing specific issues involving Operational Risk.

Methods used to measure Operational Risk:

Basic Indicator Approach is used to measure Operational Risk where capital charge is 15% on last three years average positive gross income of the Bank.

Capital Charges for Operational Risk

(BDT in Millions)					
Basis	Operational Risk	2012	2013	2014	Capital Charge
Solo	Gross Income	10,394.68	12,595.67	15,800.60	1,939.55
Consolidated	Gross Income	10,394.68	12,609.18	15,860.68	1,943.23

Corporate Social Responsibility Initiatives



The notion of Corporate Social Responsibility (CSR) is highly embedded with the commitment of enterprises to contribute towards sustainable and socially equitable development. CSR is the dedication whereby companies contribute to a better society through its business activities and social investment. United Commercial Bank Limited, the largest first generation private commercial bank of the country firmly believes that we cannot expect to step forward to build a prospective country in relation to development leaving social concerns behind. Consequently, we focus on three major components comes priority basis as people, planet and profit.

UCB integrates CSR into all its business activities with the belief that success is measured by more than financial results. It is also measured by customer satisfaction and employee engagement, strong governance practices and support for communities the Bank serves. Being a responsible business, social engagement is integral to our success and that of the customers, clients, shareholders and communities we serve around the country. CSR is rooted in our values and informs how we conduct business, develop products and services and deliver on our goals and commitments.

We have carried out our social responsible initiatives around three main areas: customers, employees and social development. Our paramount concern focuses to

employees and consumers. We also aim to ensure meaningful social investment to development issues like education, poverty alleviation, health, sports, environment etc.

Customers

As a financial institution, we tend to provide communities with a broad range of financial services. This includes providing financial advice which helps our customers making best financial decisions. We have undertaken several initiatives in terms of product innovation and developing a healthy market of banking. The bank now has 148 branches which creates a strong network in every corner of the country. We believe that it is right of mass having the access of financial services. Financial inclusion is a major catalyst to development. We have already opted Mobile Financial Services as a core of our businesses. We have also implemented core banking systems (CBS) to fulfill customers diversified financial needs from a reliable technology platform.

Employees

Responsibilities to employees in UCB include taking care of the personnel's welfare and safety at work and developing their skills, competences and proficiencies at work. Our endeavour is to provide equal opportunities to employees from any race or religion. UCB also provides special opportunity for underprivileged people. We have an equal opportunity policy for women to be considered and appointed to managerial and executive positions.

Corporate Social Responsibility Initiatives

Social Development

UCB is concerned to all social causes and development. We have organized our activities for Social Developments in major areas like Education, Health, Disaster Management, Sports, Arts & culture, Socio-economic development, environment etc. Project and policies are initiated on long term basis accompanied with sustainability and advancement. In the year 2014, our total expenditure in CSR arena was around 4.87 Crore.



Education

Education is the fundamental towards building a sustainable and advanced nationhood. UCB has long been practicing CSR in education sector through scholarship for poor and brilliant students, donation to educational events, education for underprivileged children, donation to different educational institutions etc. Some of our CSR initiatives to Education sector in 2014 are: Donation to Proyash - a specialized school for disabled and autistic children patronized by Saver Cantonment, Financial assistance to construction work of Faridpur Mahmudia Madrasa & Orphanage, Donation to renovation & construction of M. Anwarul Azim Girls' High School, Donation to the Parent Teacher Association of The International School Dhaka, Contribution to the 17th Convocation of North South university, Donation to the annual publication of North South University English Club and many more.

Health

As continuous commitment to society, UCB has been contributing in health sector in Bangladesh by donating to different health care institutions, financial assistance to underprivileged & poor people, adoption and maintenance of healthy lifestyles, health & medical

conferences etc. Some of the medical institutions and initiatives where UCB provided assistance were: Chittagong Maa O Shishu Hospital, 13th Asian Spinal Cord Network Conference by Centre for the Rehabilitation of Paralyzed (CRP) etc. UCB also stood beside numerous poor and sick people for their medical treatment. Some of the names who received help for treatment were: Khondokar Naimur Rahman Rony, Suffering from Ankylosing Spondylitis; Financial assistance to mother of Mr. Mohammad Ashraf Hossain, suffering from Kidney complexity; Md. Jashimul Haque, suffering from blood cancer and many more.

Disaster Management

Responding to the natural calamities with proper assistance and aid is considered as a major initiative in terms of CSR. In a country like Bangladesh, it is extremely important to come up with due assistance to fight against adverse effect of disaster. Winter comes with a massive havoc of cold and extreme suffering for the helpless poor people of Bangladesh. Those people are in need of essential and immediate aid and clothing for saving their lives. Moreover, flood is a common phenomenon in our country. It sweeps away locality and makes people homeless.

In 2014, UCB distributed 80,000 blankets among the deprived and unfortunate people to provide them warmth during horrible winter months. Blankets were distributed in those areas where people are more prone to the wrath of cold winter. A sudden flood was occurred in the northern part of the country in the mid of 2014 where we assisted with aid and relief. We distributed dry food, pure water, saline etc to almost 1,800 flood affected people.



Corporate Social Responsibility Initiatives

Sports

Bangladesh has been showing remarkable improvements in sports arena in recent years. UCB is a huge supporter of sports and accordingly UCB aims to continue supporting the sports sector of Bangladesh on a regular basis.

Lt. Sheikh Jamal Dhanmondi Club Limited is a very prestigious club in the sports arena of Bangladesh. They participate almost in all sorts of sports with high level of success. UCB has been continuously supporting Late Sheikh Jamal Dhanmondi Club for last several years and 2014 was no exception.



Art & Culture

Art & Culture is an artistic phenomenon to show the intellectual essence of a country. Believing so, UCB always support young and budding talents and any kind of endeavours to explore the country's rich cultural heritage. 'Lakho konthe Jatiyo Songeet' was an initiative of Government to uphold the essence of national unity and patriotism. UCB supported this esteemed event by donating an amount of Taka 1 crore. We also supported Prothikrit Foundation.

Socio-Economic Development

UCB also contributed to different social causes besides focus on these sectors. Some of the associations where we provided financial assistance in connection were: Bangladesh Foundation of Tourism Development, Nari Uddakta Shamabesh, Bangladesh Scouts Dhaka Metropolitan, Bangladesh Human Rights Commission, Chittagong Samity,

Victory Day celebration of Jessore District Administration, Puja Celebration of Munshigonj Sarbojonin Puja Mondir and many more. Moreover, we have also disseminated cloths to poor people. We donated almost 37,000 pcs of Sharees & Lungis among poor people.

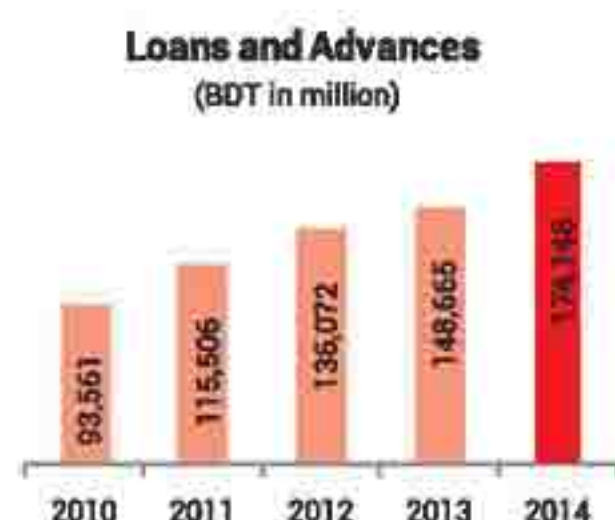
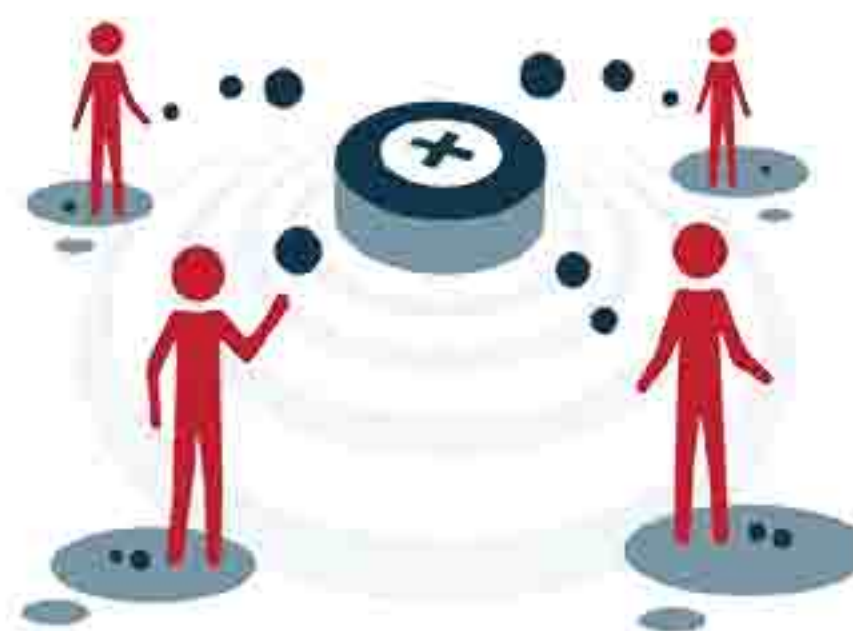


There are many other instances where we contributed like Law evening, AC donation, Urosh battali, Padma oil company welfare and many more.

In the upcoming 2015, we are planning to expand our CSR activities in more areas. We will explore and undertake a lot of new CSR projects in different areas keeping education, environment and health at the core. We will also try to incorporate our employees in more community and voluntary works. On the whole, UCB will contribute to sustainable development through persistent and active CSR initiatives.

Contribution to National Economy

UCB always recognizes that it has certain responsibilities to the development of the society and the country as a whole. We aspire to be known as a bank that builds enduring relationship with and delivers value for our clients, shareholders, employees and the community where we work. Besides direct contribution to the national exchequer by way of payment of corporate income tax, UCB contributes to the economy of the country by generating employment, financing support to almost all the arena; such as corporate, SMEs, RMG sector, Agri and of course to the individuals through various kind of innovative retail product. While financing to a sector we never compromise with the social impact of the business such as environment effect, moral effect etc. Such financing also help to generate employment indirectly. UCB also pays very attractive dividend to its shareholders.

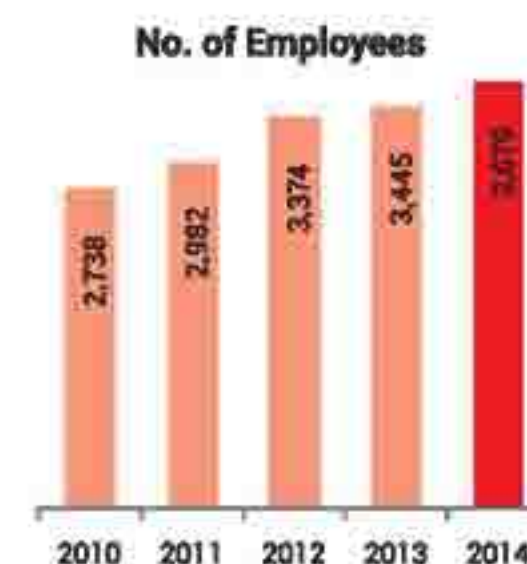


Financing support to industry, SMEs, individuals etc-

As a banking service provider UCB contributes to the economic prosperity by providing financial products and services to the industrial undertakings including SMEs, RMG, Agro and various organizations and individuals. Based on the financials as on 31 December 2014 the size of total credit exposure of UCB with 30,880 no. of clients is BDT 174,146 million (2013: 28,835 no. of clients, BDT 148,665 million).

Employment

We make an economic impact by creating employment and a well-trained workforce. UCB and its subsidiary employed as many as 3,679 employees as on 31 December 2014 (2013: 3,445). During the year 2014 United Commercial Bank paid total of BDT 3,600.41 million as salaries and allowances to its employees (2013: BDT 2,934.65 million) and significant amount also being spent for training and HR development each year.

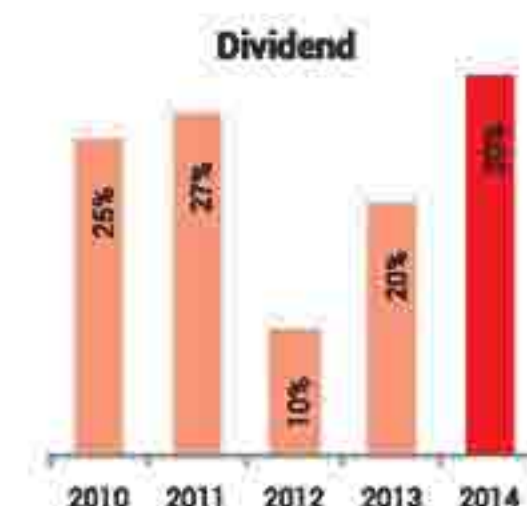


Tax payment

United Commercial Bank contributes to the economy by paying due corporate income tax and Value Added Tax (VAT) as per the prevailing laws and regulations. During the year 2014 UCB provided total of BDT 3,166.94 million for payment of corporate income tax (2013: BDT 2,821.91 million). We also pay VAT @15% on the fees and commission income of the Bank. On the other hand, we collect tax and VAT at source while paying various bills and ensure payment of such withholding tax and VAT to the government exchequer.

Payment of dividend

We recognize our fiduciary duty to our shareholders and seek to establish constructive relationships. We are focused on maximizing long-term and sustainable shareholders' value through strong financial performance and returns. Over the past many years, UCB paying a satisfactory return (dividend) to its shareholders. The Board of Directors of the bank proposed 20 percent stock dividend and 10 percent cash dividend to its shareholders for the year 2014 (in 2013 the bank has also paid 20 percent cash dividend). Increased trend in payment of dividend reflects UCB's commitment to its owner.



Market capitalization

UCB started its journey with a capital of BDT 35.50 million in the year 1983. At the end of the year 2014 UCB's total size of capital is BDT 8,366.12 million equivalents to market capitalization of BDT 24,513 million (2013: paid up capital BDT 8,366.12 million, market capitalization BDT 20,999 million).

Contribution to National Economy

Donation & sponsorship

We always agree in building prosperity by supporting a broad range of socio-economic causes through donation and sponsorship. We believe, in order to reach our potential, we need to earn the respect of our stakeholders. We have learned by last three decade that the best way to do that is to foster creativity, innovation and diversity throughout our ventures, of course aligning business practices with highest values. We dream to crafting a way of social business rather than commercial business objective only. During the year 2014 the bank expended around BDT 40 million for donation and sponsorship (2013: BDT 40.11 million).

Development without compromising the needs of future generation

We firmly believe that sustainable economic growth and a healthy environment are inter-linked. We take supportive role in terms of providing financial services by restricting and discouraging projects detrimental to the environment and health. That means our profit motive never get priority over the process/way of earning profit.

Green Banking

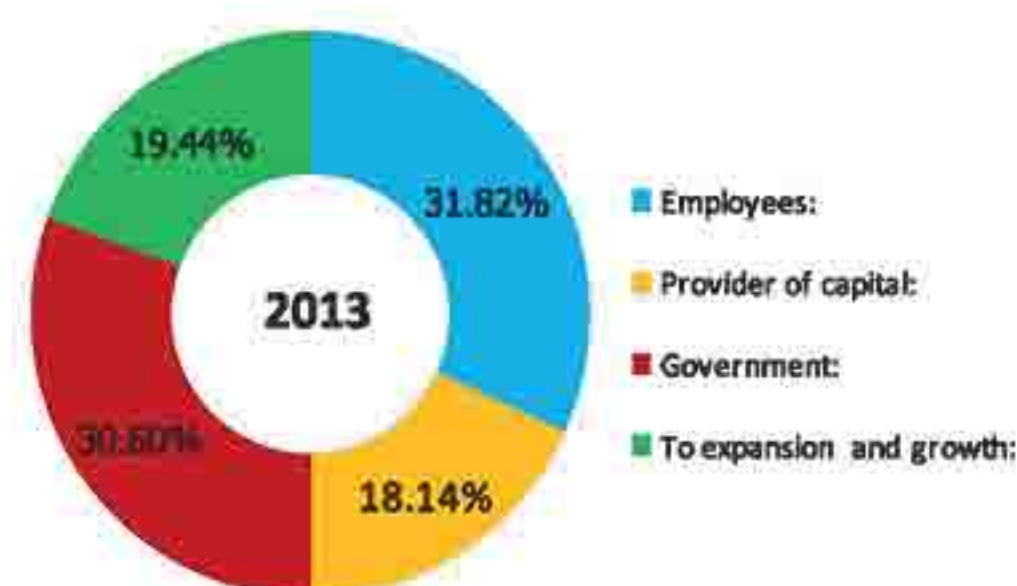
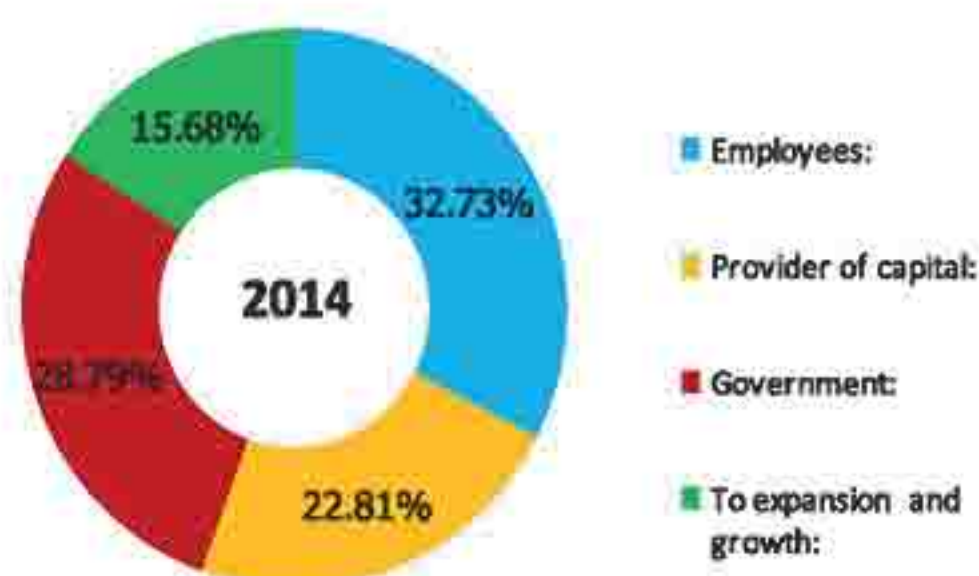
UCB's deployed its all out effort to make the slogan 'Green Banking' a success. Various initiatives have already been taken both in policy and practically at large. Keeping the environment green, discouraging projects causes greenhouse effects, eco-font in printing to reduce use of ink, use scrap paper as notepads and installing energy efficient electronic equipment are the glimpse of the bank's initiatives to facilitate Green Banking.

Value Added Statement

The value added statement provides a detailed account of total value addition and the distribution of the value created by the organization. UCBL contributes positively to socio economic development by empowering employees through the payment of salaries and allowances; by paying attractive and consistent dividend to the providers of capital; by assisting the regulatory capacities through paying taxes and of course keeping in mind company's continuous expansion and business growth.

(BDT in million)

	2014		2013	
	Amount	Percentage	Amount	Percentage
Value added				
Net interest income	7,930.59	72%	7,079.50	77%
Commission, exchange & brokerage	2,697.38	25%	2,074.94	22%
Investment income	3,868.66	35%	2,666.44	29%
Other income	712.76	6%	577.70	6%
Management expenses excluding salaries & allowances, depreciation	(2,323.84)	-21%	(1,936.53)	-21%
Provision for doubtful losses	(1,883.79)	-17%	(1,239.05)	-13%
Total value added by the company	11,001.76	100.00%	9,223.01	100.00%
Value added contributed to-				
Employees:				
As salaries and allowance	3,600.41	32.73%	2,934.65	31.82%
Provider of capital:				
Dividend to shareholders	2,509.83	22.81%	1,673.22	18.14%
Government:				
Corporate tax	3,166.95	28.79%	2,821.91	30.60%
To expansion and growth:				
Retained income	1,158.89	10.53%	1,392.19	15.09%
Depreciation	565.67	5.14%	401.04	4.35%
Total distribution by the company	11,001.76	100.00%	9,223.01	100.00%



Economic Value Added (EVA) Statement

Economic value added (EVA) is the financial performance measure that attempts to measure the true economic profit of an organization. It provides a measurement of a company's economic success (or failure) over a period of time. Such a metric is useful for investors who wish to determine how well a company has added value for its investors and it can be compared against company's peers for a quick analysis of how well the company is operating in its industry. Economic value added is calculated by taking a company's net profit after tax, adding with it, the amount of provision charged against profit to absorb the losses inherent in the investments. EVA is calculated as under:

$$\text{EVA} = (\text{NPAT} - \text{Cost of average equity})$$

NPAT

NPAT is the net profit after tax plus the provision for doubtful losses charged against profit.

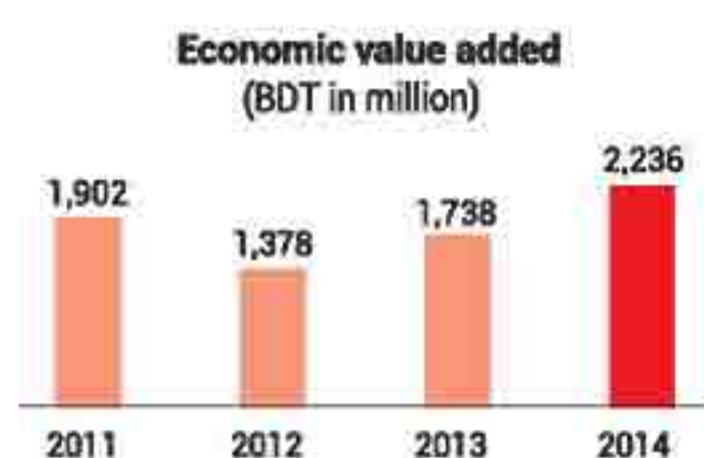
Equity

Shareholders' equity is the total amount of equity at the year end plus accumulated provision charged against profit for doubtful losses.

Cost of equity

It is the opportunity cost i.e. the expected risk free return on investments, plus a risk premium. Interest on Bangladesh Government Sanchaya Patra plus risk premium has been assumed to be the cost of equity.

For the year ended	2014	2013	2012	2011
Shareholders' equity at year end	22,492	20,505	18,171	15,966
Accumulated provision against loans & advances and investment	3,681	3,623	3,531	2,177
Average shareholders' equity	25,147	22,915	19,922	13,698
Cost of equity (%)	13.19%	11.20%	11.20%	13.46%
Economic value added				
Net profit after tax (before provision)	5,553	4,304	3,609	3,746
Less: Cost of equity	3,317	2,566	2,231	1,844
Total	2,236	1,738	1,378	1,902
Key ratios				
EVA/Operating revenue (%)	14.70%	14.01%	13.54%	20.46%
EVA/Average shareholders' equity (%)	8.89%	7.58%	6.92%	13.88%
Net profit after tax/Operating revenue (%)	24.12%	24.72%	15.58%	31.69%

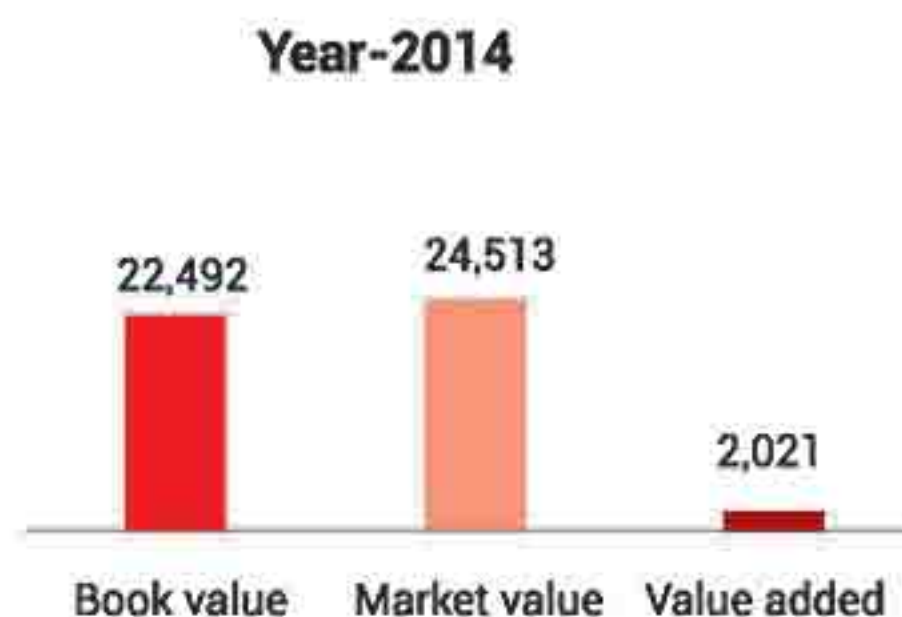


Market Value Added Statement

Unlike EVA, which measures internal performance, market value added (MVA) is a measure of external performance that indicates how the market has evaluated the company's performance in terms of market value of shares compared to book value of shares. MVA is the difference between the market value of equity of a company and the book value of equity invested in the company. A positive MVA indicates that the company could add value to shareholders wealth. The following statement indicates the MVA at the year ended on 31 December of 2014 and 2013 :

(BDT in million)

	2014	2013
Market value of shares outstanding	24,512.72	20,998.95
Book value of shares outstanding	22,491.54	20,504.96
Market value added	1,967.63	493.99



Report on Green Banking



The environment and climate change effect on human existence as well as the planet are now a global concern because the changes have direct impact on biodiversity, agriculture, forestry, dry land, water resources and human health. The key areas of environmental degradation cover air pollution, water pollution and scarcity, encroachment of rivers, improper disposal of industrial medical and house-hold waste, deforestation, loss of open space and loss of biodiversity. The state of environment of Bangladesh is rapidly deteriorating. Moreover, Bangladesh is one of the most climate change vulnerable countries.

The globe is encompassing immense environmental effects due to the activities of business, industries and financial houses. Moreover, the effects of climate change also create specific environmental issues for the enterprises and living beings at large. On the other hand, in-house consumption and use of paper, electricity, water, fuel, stationeries, equipments, technologies, etc. of the business and financial institutions pollutes the environment in different ways and capacities. As such, the society demands that the Banks and financial institutions should take responsibility for keeping the environment green and safeguarding the planet.

Green banking in general refers to the efforts of the Banking sector to keep the environment green and to minimize greenhouse effects through rationalizing their strategies, policy, decisions and activities pertaining to banking service, business and in-house operational activities. Green banking is seen as a component of the global initiative from bank end to save environment.

Initiating in-house Environment Management

Initiatives have been taken to apply eco-font in printing to

reduce use of ink and paper, use scrap paper as notepads and avoid disposable cups/glasses and to install energy efficient electronic equipments that will help the bank to reduce electricity consumption. Energy saving bulbs have replaced by normal bulbs in offices of the bank.

LCD/LED Screens: UCB has replaced almost all the old PCs with CRT monitors with PCs with LCD/LED monitors. This ensures 70% power usage cut by the personal computers ensuring a huge power saving altogether.

E-mail: The electronic mail system for UCB decreases use of paper and chemical ink for printing. Using the nationwide computer network the email correspondences also decrease communication time, increase accuracy, faster decision making etc. Last year 2014, UCB has deployed around 900 new PCs for new user and all the new users are communicating through official e-mail. Currently Total number of e-mail users are 3000.

Internet Portal(iUCB): The introduction of intranet portal increased the dimension of paperless communication. IT related user request, Circular's, Policies, Process, Letters and other documents are stored and distributed through the portal, named as iUCB reducing the need to for printed hardcopies. Also it provides workflow process minimizing operational time to maintain and manage different banking software.

User ID Request: UCB users are doing their request through e-mail and web portal(iUCB) for critical systems(FCUBS, CardPro, BACH, OIBTS, Domain ID, Email, Network access, etc). It saves paper, faster support, Accurate tracking and more control.

Report on Green Banking

Video Conferencing: Video conferencing has been introduced in Corporate Head Office, Chittagong, Rajshahi, Sylhet and Khulna Zone. The Video Conferencing System allows face to face communication between the locations. This saves pertinent travel time and fuel for a face to face meeting.

IP Telephony: All the branches and Head Office of UCB is interconnected with each other through nationwide IP Telephony network. This ensures that all the branches can communicate through IP Phone system with each other on business matter. This ensures UCB not to use any land phone career which reduces the dependency of public telephony and power system usage.

Employee IT Training and Awareness: UCB has regularly conducted Employee IT training and security awareness through voice (IP telephone), desktop sharing, Video tutorials, web based .It saves traveling time ,resources and cost.

Introducing Green Finance

United Commercial Bank has given preferences for financing in eco-friendly business activities and energy efficient industries. Investment in Green projects, such like renewable energy project, clean water supply, wastewater management plant, solid & hazardous waste disposal plant, bio gas plant, bio-fertilizer etc, are encouraged. In 2014, the Bank has invested Tk. 538.91 crore in Green finance activities. Out of which Tk. 4.14 crore was extended as Direct Green Finance to Farjana Textile and Printing Processing (Pvt.) Ltd (Tk. 1.00 crore) & Hashem Paper Mills Ltd received (Tk. 1.62 Crore) for installation of ETP for the projects & to JB Bricks (Tk. 1.52 crore) for installing environment-friendly brick kiln. Moreover, a considerable number of initiatives are in queue for boosting up the quantum of investment in Green Finance for the upcoming year.

Incorporation of Environment Risk in CRM

UCB has formulated an Environmental Risk Management Policy in December 2011 to understand and manage risks arising from environmental concerns. This will bring a focus on planning and implementing policies and procedures to mitigate environmental risks associated with financing decisions. With a view to incorporating environmental risk as part of existing credit risk

methodology to assess a prospective borrower, Bank's ERM Policy has been designed in line with Bangladesh Bank guidelines. Environmental change risk is to be considered as part of the existing credit risk methodology of the bank to assess a prospective borrower. In this connection, specific checklist has been formulated and introduced which will help reviewing possible sources of environmental risk.

Creation of Climate Risk Fund

UCB has taken initiatives to create a Climate Change Risk Fund for financing in different areas after assessing the risks involved. The fund will be used in case of emergency. Regular financing flows will also be ensured in these vulnerable areas and sectors such as flood, cyclone and drought prone areas. The above Climate Change Risk Fund will be a part of the Bank's CSR expenses. Bank will also provide financing to the economic activities of the flood, cyclone and drought prone areas at the regular interest rate without charging additional risk premium.

Introducing Green Marketing

Green marketing is the marketing of products that are presumed to be environmentally safe. Green marketing may incorporate a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. It refers to the process of selling products and/or services based on their environmental benefits. Such a product or service may be environment friendly in itself or produced and/or packaged in an environment friendly way. UCB has taken initiatives to use environmental causes for marketing their services to consumer and to create awareness among the mass people.

Employee Training, Consumer Awareness and Green Event

Training and campaign on employee awareness and environmental and social risk and the relevant issues are taken continually as part of the Bank's Human Recourse Development. The Public Relations Department under Corporate Affairs Division of the Bank is continually arrange campaign and programs to create awareness among consumers and clients.

Report on Going Concern

Every Company requires to assess its ability to continue as a going concern. The Board of Directors of United Commercial Bank Limited has made annual assessment about whether there exists any material uncertainty which may cast significant doubt upon the Company's ability to continue as going concern. The director's assessment of whether the company is a going concern entity involves making appropriate inquiries including review of budget and future outcome of inherent uncertainties in existence. The Directors are convinced from the following indications, which give reasonable assurance as to company's continuance as a going concern for the foreseeable future.

Financial indications

Positive key financial ratios:

During the year 2014 UCB's earning asset increased by 18.73 percent, deposits by 14.16 percent, shareholders equity by 9.69 percent and operating profit and net profit after tax also increased by 22.35 percent and 19.68 percent respectively. The Company has a very positive financial ratio as evident from financial highlights and graphical presentation of financial position given separately in this Annual Report. Such positive financial ratios indicate Bank's sound financial strength and good prospects. Moreover, considering the operating profit for the year 2014, UCB is one of the top performers in the banking industry.

Consistent payment of dividends:

The Bank has been paying consistent dividend to its shareholders over many years, which reflects company's long-term vision and firm commitment to its owners.

Credibility in payment of obligations:

The Company has strong credibility in terms of payment of its obligations to the lenders. The Company is very particular in fulfilling the terms of repayment agreement without any exception.

Performance growth:

UCB has excellent growth in its operating performance. Company's total asset has increased from BDT 226,333 million to BDT 266,101 million, indicating a growth of more than 17 percent over last year. Operating revenue has increased by 22.67 percent in 2014. All these indicators support Company's continuance in foreseeable periods.

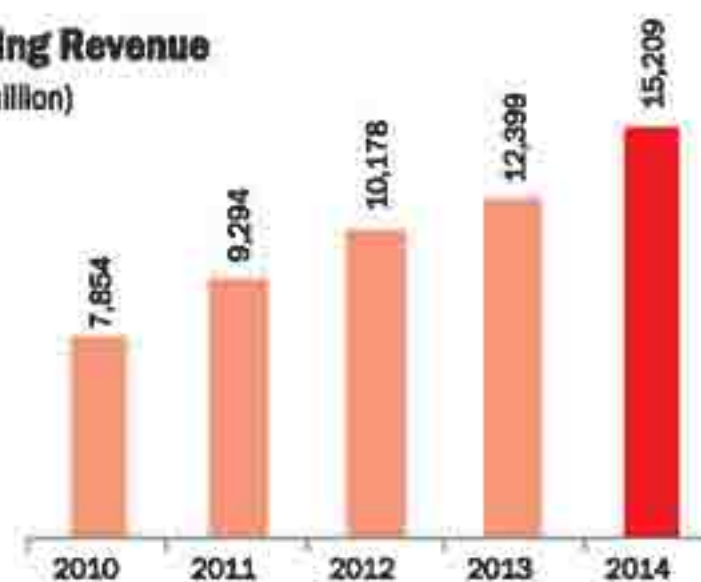


Cash flows analysis:

UCB's cash flow analysis represents its strength about its ability to repay its obligation, ability to adapt in changing circumstances and generate sufficient cash and cash equivalent which will lead the bank to the foreseeable future.

Operating cash flow before adjustment of increase/decrease in operating assets and liabilities remains almost same to the last years; BDT 5,588.16 million as against BDT 5,566.54 million of previous year. However net operating cash flow after adjustment of increase/decrease in operating assets and liabilities shows net outflow of BDT 1,512.75 million as against net outflow of BDT 2,422.44 million of previous year. Such outflow indicates to cautious expansion of loans & advances of the bank.

Operating Revenue
(BDT in million)



Shareholders' Equity
(BDT in million)

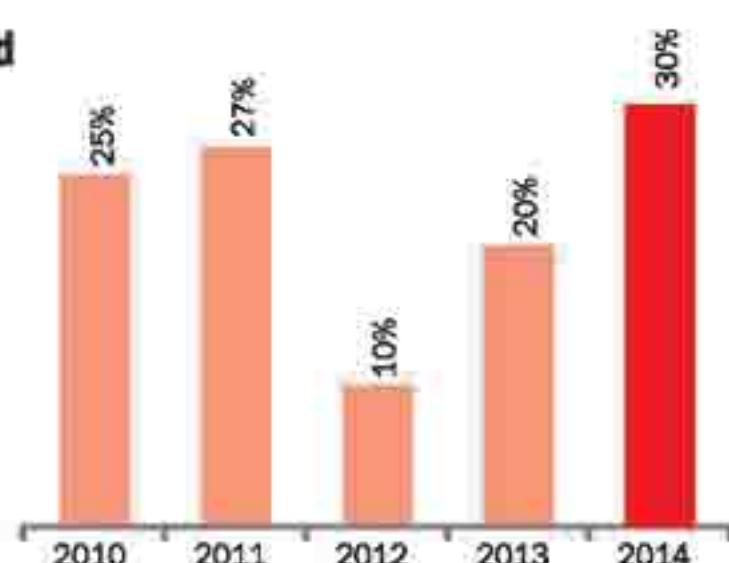


Report on Going Concern

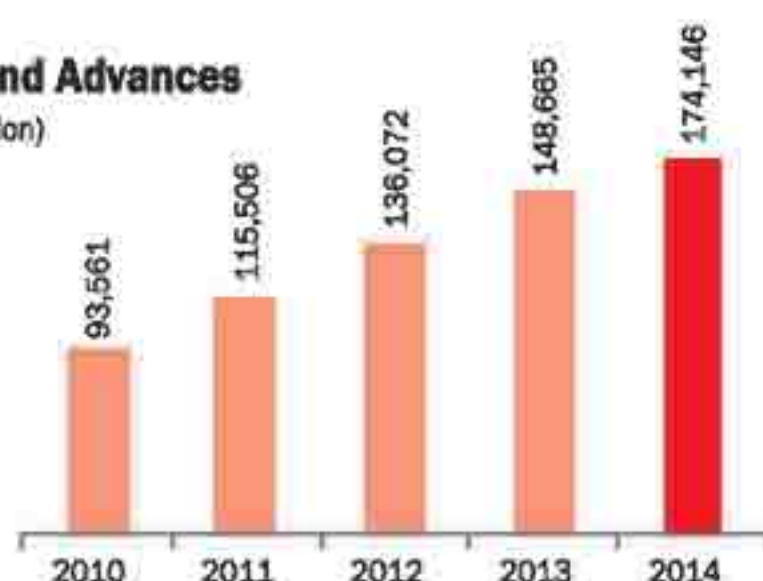
Expansion of business:

The Company has expanded its segment geographically by opening new branches in different places considering the economic significance. During last five years UCB opened 41 (forty one) new branches at different places in Bangladesh, 61 new ATM has also been installed during last five years tenure. Total no. Branches and ATM as on 31 December 2014 is 148 branches and 115 ATMs (2013: 139 Branches and 101 ATM).

Dividend



Loans and Advances (BDT in million)



UCB also gives due importance on diversification of various innovative and customer oriented products and services and which is being done in a continuous manner. In addition to that UCB has two subsidiary as on the date of reporting namely; UCB Capital Management Limited and UCB Investment Limited. UCB Capital Management Limited has already started its full pledged business operation as a brokerage company under the license of the Dhaka Stock Exchange Limited. On the other hand, UCB Investment Limited has been formed with the vision of carrying merchant banking activities in Bangladesh which will commence its business very soon. Above diversification also represent Company's intention for perpetuity.

Corporate environment and employees' satisfaction:

There exists a very good corporate environment in the Company. United Commercial Bank is an excellent work place with friendly environment. Communication among the employees is very excellent. The company endeavors to be honest and practices fair treatment to all employees

which ensures good corporate environment. The Company pays a very competitive compensation package and there exists a good number of employee benefits like provident fund, gratuity fund, employees welfare fund, incentive bonus, transport facility to the eligible employees. Pay scale are frequently revised to give effect of inflation as well as to align with the industry level. Those all factors are to be considered as instrumental for employee satisfaction.

Maintenance of sufficient capital:

As on 31 December 2014, the Company's total equity stands at BDT 22,491.54 million as against BDT 20,504.97 million of 31 December 2013. On the other hand, as on the date of the reporting the paid up capital of the bank is BDT 8,366.12 million as against Bangladesh Bank requirement of minimum paid up capital BDT 2,000 million.



Moreover, as per BASEL-II, a bank should maintain total capital at least @ 10 percent of RWA. UCB maintains above the required level consistently and the level of capital size of UCB is one of the highest in the industry. As on 31 December 2014 banks CAR is 10.56. Moreover, the Board already approved issuance of UCB 2nd Subordinated bond for an amount of Tk. 500 crore which will further boost up the capital position of the bank. All the above situation also indicates to its ability and intention to continue for the foreseeable future and long term vision.

Other Indications

Strong CAMELs rating:

CAMELs rating is used by Bangladesh Bank as a tool for evaluating the strength and performance of a bank. The composite rating adjudged by Bangladesh Bank signifies satisfactory performance of United Commercial Bank. In that report, there was no adverse material observation of Bangladesh Bank on the activities of the bank.

Report on Going Concern

Satisfactory credit rating:

UCB has been rated as AA (pronounced as Double A) the long term credit rating and ECRL-2 short term based on audited financials of FY2010-2013 and other available information up to the date of rating declaration. The outlook on the rating is Stable. The ratings are consistent with ECRL's methodology for this type of company. ECRL considered financial performance, capital base, asset quality, liquidity position, management experience and prospect of the industry while assigning the rating. An institution rated AA has a very strong capacity to meet its financial commitments, and is generally in a position to withstand adverse developments in the economy, and in business and other external conditions. These institutions typically possess a good track record and have no readily apparent weaknesses.

Particulars	Long Term	Short Term
Entity Rating	AA	ECRL-2
Date of Rating	May 07, 2014	
Based on Financial Statement	December 31, 2013	
Validity Date	May 06, 2015	

An institution rated ECRL-2 has a strong capacity to meet its financial commitments in a timely manner; however, it is somewhat susceptible to adverse developments in the economy, and in business and other external conditions.

Changes in Government policy:

Management anticipates no significant change in legislation or government policy, which may materially affect the business of the bank.

Based on the above indications, directors feel it appropriate to adopt going concern assumption and there is no material uncertainty exists in preparing the financial statements. Adequate disclosures have been made in the financial statements and different sections of the annual report to understand the appropriateness of going concern basis in preparing financial statements.

Financial Statements of United Commercial Bank Limited

This section contains:

- Auditor's Report to the Shareholders
- Consolidated Balance Sheet
- Consolidated Profit and Loss Account
- Consolidated Cash Flow Statement
- Consolidated Statement of Changes in Equity
- Balance Sheet
- Profit and Loss Account
- Cash Flow Statement
- Statement of Changes in Equity
- Liquidity Statement
- Notes to the Financial Statements

Independent Auditor's Report to the Shareholders of United Commercial Bank Limited

We have audited the accompanying consolidated financial statements of United Commercial Bank Limited (UCBL) and its subsidiaries (together referred to as the "Group") as well as the separate financial statements of United Commercial Bank Limited (the "Bank") which comprise the consolidated and separate Balance Sheets as at 31 December 2014, consolidated and separate profit and loss accounts, statements of changes in equity and cash flow statements for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements of the Group and also separate financial statements of the Bank that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRS) as explained in Note 2 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the local central bank (Bangladesh Bank) Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements of the Group and the separate financial statements of the Bank based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated

financial statements of the Group and the separate financial statements of the Bank are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and separate financial statements of the Bank. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and the separate financial statements of the Bank, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of consolidated financial statements of the Group and separate financial statements of the Bank that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements of the Group and the separate financial statements of the Bank.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and also separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2014, and of its consolidated and separate financial performance and cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS) as explained in Note 2.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, Securities and Exchange Rules 1987, the Bank Company Act 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the Financial Statements and Internal Control:
 - (a) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in Note 2 to the financial statements appeared to be materially adequate;
 - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities;
 - (iii) financial statements of all subsidiaries of the Bank have been audited by us and have been properly reflected in the consolidated financial statements;
 - (iv) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us;
 - (v) the consolidated balance sheet and consolidated

profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank together with the annexed notes dealt with by the report are in agreement with the books of account and returns;

- (vi) the expenditures incurred was for the purpose of the Bank's business;
- (vii) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (viii) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- (ix) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) we have reviewed over 80% of the risk weighted assets of the Bank and we have spent around 3,825 person hours during the audit; and
- (xii) Capital Adequacy Ratio (CAR) as required by the Bangladesh Bank has been maintained adequately during the year.

Hoda Vasi Chowdhury

Dhaka,
23 February 2015

Hoda Vasi Chowdhury & Co
Chartered Accountants

Consolidated Balance Sheet

As at 31 December 2014

	Notes	Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
PROPERTIES & ASSETS			
Cash	3(a)	18,387,185,759	15,275,160,387
Cash in hand (Including foreign currencies)		2,802,198,541	3,050,052,863
Balance with Bangladesh Bank & its agent bank(s) (Including foreign currencies)		15,584,987,218	12,225,107,524
Balance with other banks & financial institutions	4(a)	6,032,024,880	7,027,894,504
In Bangladesh		4,175,311,676	6,108,061,745
Outside Bangladesh		1,856,713,204	919,832,759
Money at Call on short notice	5	2,190,000,000	1,570,000,000
Investments	6(a)	44,804,418,466	36,091,444,545
Government		40,145,584,747	31,153,851,815
Others		4,658,833,719	4,937,592,730
Loans and Advances	7(a)	174,205,101,408	148,677,345,884
Loans, Cash Credits, Overdrafts etc		164,619,664,490	144,281,809,081
Bills purchased and discounted		9,585,436,918	4,395,536,803
Fixed assets including premises, furniture & fixture	8(a)	8,514,524,930	7,958,214,036
Other assets	9(a)	11,779,517,105	9,020,225,816
Non-banking assets		-	-
Total Assets		265,912,772,548	225,620,285,172
LIABILITIES AND CAPITAL			
Liabilities:			
Borrowings from other banks, financial institutions and agents	10(a)	10,510,476,387	3,617,132,258
Deposits and other accounts	11(a)	210,776,884,795	183,996,529,851
Current accounts & other accounts		33,629,028,433	21,140,318,348
Bills Payable		3,767,008,949	2,461,856,920
Savings Bank Deposits		23,184,508,951	19,064,894,390
Fixed Deposits		150,196,338,462	141,329,460,193
Other Liabilities	12(a)	22,098,726,400	17,501,840,871
Total Liabilities		243,386,087,582	205,115,502,980
Capital / Shareholders' Equity			
Paid up Capital	13	8,366,116,310	8,366,116,310
Share Premium	13.3	1,454,976,750	1,454,976,750
Statutory Reserve	14	6,886,689,170	5,519,554,610
General Reserve	15	26,577,961	26,577,961
Other Reserve	16	3,226,063,542	3,234,993,260
Retained Earnings	17(a)	2,566,261,126	1,902,562,804
Total Shareholders' Equity		22,526,684,859	20,504,781,695
Non controlling interest		107	497
Total Shareholders' Equity with non-controlling interest		22,526,684,966	20,504,782,192
Total Liabilities and Shareholders Equity		265,912,772,548	225,620,285,172

Off Balance Sheet Items


As at 31 December 2014

	Notes	Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
Contingent Liabilities :	18	142,781,574,518	66,988,170,710
Acceptances & Endorsements	18.1	33,442,237,985	24,124,242,245
Letters of Guarantee	18.2	73,983,465,842	16,723,680,323
Irrevocable Letters of Credit	18.3	28,475,470,344	25,895,030,394
Bills for Collection	18.4	6,880,400,347	245,217,748
Other Commitments:		1,772,893,944	105,886,826
Documentary credit and other short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		1,772,893,944	105,886,826
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total Off-Balance sheet items including contingent liabilities		144,554,468,462	67,094,057,536

The annexed notes 01 to 45 form an integral part of these financial statements.


 Managing Director


 Director


 Director


 Director

Signed as per annexed report of even date

Dhaka, 23 February 2015


 Chartered Accountants


Consolidated Profit and Loss Account

For the year ended 31 December 2014

	Notes	Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
Interest Income	19(a)	22,425,322,413	23,006,187,159
Interest paid on deposits and borrowings etc	20(a)	14,469,269,727	15,923,823,566
Net Interest Income		7,956,052,686	7,082,363,593
Investment income	21	3,868,656,368	2,666,440,052
Commission, exchange and brokerage	22(a)	2,731,679,018	2,085,271,305
Other Operating Income	23(a)	713,082,907	578,016,973
Total Operating Income (A)		15,269,470,979	12,412,091,923
OPERATING EXPENSES			
Salary and allowances	24(a)	3,592,081,028	2,923,403,193
Rent, taxes, insurance, electricity etc.	25(a)	984,905,417	677,445,739
Legal expenses	26(a)	38,306,862	67,308,927
Postage, stamps, telecommunications etc.	27(a)	114,708,028	105,846,538
Stationery, printing, advertisements etc.	28(a)	473,094,894	271,158,029
Chief Executive's salary and fees	29	11,320,000	11,320,000
Director's fees	30(a)	4,533,202	4,510,614
Auditors fees	31(a)	632,500	632,500
Depreciation and repair of banks assets	32(a)	566,193,707	401,150,543
Other expenses	33(a)	717,965,023	817,307,971
Total Operating Expenses (B)		6,503,740,661	5,280,084,054
Profit/(Loss) before provision (C) = (A-B)		8,765,730,318	7,132,007,869
Provision for Loans & Advances	34(a)	1,474,051,676	1,083,150,510
Provision for diminution in value of investments	35	-	-
Other provision	36	411,489,398	155,897,000
Total Provision (D)		1,885,541,074	1,239,047,510
Total Profit before Income taxes (C - D)		6,880,189,244	5,892,960,359
Provision for Taxation	37(a)	3,179,857,011	2,823,602,797
Current Tax		3,174,857,011	2,813,602,797
Deferred Tax		5,000,000	10,000,000
Net Profit after Taxation		3,700,332,233	3,069,357,562
Appropriations			
Statutory Reserve		1,367,134,559	1,177,464,446
Retained Surplus		2,333,197,674	1,891,893,116
		3,700,332,233	3,069,357,562
Earnings Per Share (EPS)	38(a)	4.42	3.67

The annexed notes 01 to 45 form an integral part of these financial statements.


Managing Director


Director


Director


Director

Signed as per annexed report of even date


Chartered Accountants

Dhaka, 23 February 2015

Consolidated Cash Flow Statement

For the year ended 31 December 2014.

	Notes	Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
A. Cash flows from operating activities			
Interest Receipts in cash		24,993,589,152	24,681,132,808
Interest Payments		(14,883,823,403)	(15,923,823,566)
Dividend Receipts		166,707,163	144,106,854
Fees & Commission Receipts in cash		1,710,624,325	1,038,250,339
Recoveries of loans Previously written off		278,764,196	155,643,652
Cash Payments to employees		(3,603,401,028)	(2,902,233,858)
Cash Payments to suppliers		(1,572,708,339)	(957,268,627)
Income taxes paid		(2,173,708,425)	(1,895,053,811)
Receipt from other operating activities	39(a)	1,577,030,929	2,316,781,836
Payment for other operating activities	40(a)	(866,142,521)	(1,085,316,681)
Operating profit before changes in operating assets and liabilities.		5,626,932,049	5,572,218,946
Increase/Decrease in operating assets and liabilities:			
Statutory Deposits		(7,823,347,666)	(9,421,429,821)
Purchase/Sales of trading Securities		(947,890,671)	258,920,047
Loans and advances to Customers		(26,642,509,459)	(13,602,963,185)
Other assets	41(a)	(160,651,464)	771,469,087
Deposit from banks		(57,650,474)	(55,810,750)
Deposit from customers		26,838,005,418	13,721,748,141
Other Liabilities		1,642,682,399	358,736,920
		(7,151,361,917)	(7,969,329,561)
Net Cash from operating activities (A)		(1,524,429,868)	(2,397,110,615)
B. Cash flows from investing activities			
Proceeds from Sale of Securities		58,264,416	(324,419,799)
Purchase/Sale of Property, Plant & equipment		(1,017,799,667)	(3,070,696,908)
Net Cash from investing activities (B)		(959,535,251)	(3,395,116,707)
C. Cash flows from financing activities			
Receipts from borrowings		6,893,344,129	2,417,111,258
Dividends paid		(1,673,223,262)	(836,611,631)
Cash received from Issuing of Right Shares		-	-
Net cash from financing activities (C)		5,220,120,867	1,580,499,627
Net Increase/(Decrease) in cash (A+B+C)		2,736,155,748	(4,211,727,695)
Cash and Cash equivalents at beginning of the year		23,873,054,891	28,084,782,586
Cash and cash equivalents at the end of the year		26,609,210,639	23,873,054,891
Consolidated Cash and cash Equivalents at end of the year			
Cash in hand (including foreign currencies)	3 (a)	2,802,198,541	3,050,052,863
Balance with Bangladesh bank and its agent bank	3 (a)	15,584,987,218	12,225,107,524
Balance with other banks & financial institution	4 (a)	6,032,024,880	7,027,894,504
Money at call on short notice	5	2,190,000,000	1,570,000,000
		26,609,210,639	23,873,054,891

The annexed notes 01 to 45 form an integral part of these financial statements.


Managing Director


Director


Director


Director

Consolidated Statement of Changes in Equity

For the year ended 31 December 2014

Particulars	Amount in BDT								
	Paid up Capital	Share Premium	Statutory Reserve	General Reserve	Assets Revaluation Reserve	Investment Revaluation Reserve	Non-Controlling Interest	Retained Earnings	Total
Balance as at 01 January 2014	8,366,116,310	1,454,976,750	5,519,554,610	26,577,961	2,534,101,559	700,891,701	497	1,902,562,804	20,504,782,192
Changes in accounting policy	-	-	-	-	-	-	-	-	-
Restated Balance	8,366,116,310	1,454,976,750	5,519,554,610	26,577,961	2,534,101,559	700,891,701	497	1,902,562,804	20,504,782,192
Surplus/deficit on revaluation of properties	-	-	-	-	-	-	-	-	-
Surplus/deficit on revaluation of investments	-	-	-	-	-	(8,929,718)	-	-	(8,929,718)
Merger adjustment	-	-	-	-	-	-	-	3,723,921	3,723,921
Net gains and losses not recognized in the Income Statement	-	-	-	-	-	-	-	-	-
Net Profit for the period	-	-	-	-	-	-	-	3,700,332,233	3,700,332,233
Appropriation made during the year	-	-	1,367,134,559	-	-	-	-	(1,367,134,559)	-
Issuance of Dividend	-	-	-	-	-	-	-	(1,673,223,262)	(1,673,223,262)
Transfer to Retained Earnings	-	-	-	-	-	-	-	-	-
Non Controlling Interest adjustment	-	-	-	-	-	-	(390)	(10)	(400)
Balance as at 31 December 2014	8,366,116,310	1,454,976,750	6,886,689,170	26,577,961	2,534,101,559	691,961,983	107	2,566,261,127	22,526,684,966

The annexed notes 01 to 45 form an integral part of these financial statements.



Managing Director



Director



Director

Balance Sheet

As at 31 December 2014

	Notes	Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
PROPERTIES & ASSETS			
Cash	3	18,387,160,759	15,275,160,387
Cash in hand (Including foreign currencies)		2,802,173,541	3,050,052,863
Balance with Bangladesh Bank & its agent bank(s) (Including foreign currencies)		15,584,987,218	12,225,107,524
Balance with other banks & financial institutions	4	6,024,882,962	6,993,506,041
In Bangladesh		4,168,169,758	6,073,673,282
Outside Bangladesh		1,856,713,204	919,832,759
Money at Call on short notice	5	2,190,000,000	1,570,000,000
Investments	6	44,288,603,083	35,587,247,402
Government		40,145,584,747	31,153,851,815
Others		4,143,018,336	4,433,395,587
Loans and Advances	7	174,146,104,337	148,664,861,064
Loans, Cash Credits, Overdrafts etc		164,560,667,419	144,269,324,261
Bills purchased and discounted		9,585,436,918	4,395,536,803
Fixed assets including premises, furniture & fixture	8	8,509,997,000	7,957,306,197
Other assets	9	12,553,988,936	10,285,051,109
Non-banking assets		-	-
Total Assets		266,100,737,077	226,333,132,200
LIABILITIES AND CAPITAL			
Liabilities:			
Borrowings from other banks, financial institutions and agents	10	10,510,476,387	3,617,132,258
Deposits and other accounts	11	211,072,060,174	184,896,854,257
Current accounts & other accounts		33,669,739,442	22,040,642,754
Bills Payable		3,767,008,949	2,461,856,920
Savings Bank Deposits		23,184,508,951	19,064,894,390
Fixed Deposits		150,450,802,832	141,329,460,193
Other Liabilities	12	22,026,658,992	17,314,178,959
Total Liabilities		243,609,195,553	205,828,165,474
Capital / Shareholders' Equity			
Paid up Capital	13	8,366,116,310	8,366,116,310
Share Premium	13.3	1,454,976,750	1,454,976,750
Statutory Reserve	14	6,886,689,170	5,519,554,610
General Reserve	15	26,577,961	26,577,961
Other Reserve	16	3,226,063,542	3,234,993,260
Retained Earnings	17	2,531,117,791	1,902,747,835
Total Shareholders' Equity		22,491,541,524	20,504,966,726
Total Liabilities and Shareholders Equity		266,100,737,077	226,333,132,200

Off Balance Sheet Items

As at 31 December 2014

	Notes	Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
Contingent Liabilities :	18	142,781,574,518	66,988,170,710
Acceptances & Endorsements	18.1	33,442,237,985	24,124,242,245
Letters of Guarantee	18.2	73,983,465,842	16,723,680,323
Irrevocable Letters of Credit	18.3	28,475,470,344	25,895,030,394
Bills for Collection	18.4	6,880,400,347	245,217,748
Other Commitments:		1,772,893,944	105,886,826
Documentary credit and other short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		1,772,893,944	105,886,826
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total Off-Balance sheet items including contingent liabilities		144,554,468,462	67,094,057,536

The annexed notes 01 to 45 form an integral part of these financial statements.


Managing Director


Director


Director


Director

Signed as per annexed report of even date

Dhaka, 23 February 2015


Chartered Accountants

Profit and Loss Account

For the year ended 31 December 2014.

	Notes	Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
Interest Income	19	22,360,832,183	22,999,356,931
Interest paid on deposits and borrowings etc	20	14,430,242,717	15,919,861,508
Net Interest Income		7,930,589,466	7,079,495,423
Investment Income	21	3,868,656,368	2,666,440,052
Commission, exchange and brokerage	22	2,697,383,182	2,074,941,276
Other Operating Income	23	712,761,010	577,702,460
Total Operating Income (A)		15,209,390,026	12,398,579,211
OPERATING EXPENSES			
Salary and allowances	24	3,589,093,985	2,923,328,251
Rent, taxes, insurance, electricity etc.	25	980,794,294	673,912,332
Legal expenses	26	38,005,376	65,590,902
Postage, stamps, telecommunications etc.	27	114,521,631	105,846,538
Stationery, printing, advertisements etc.	28	472,796,020	270,382,795
Chief Executive's salary and fees	29	11,320,000	11,320,000
Director's fees	30	4,333,202	4,510,614
Auditors fees	31	575,000	575,000
Depreciation and repair of banks assets	32	565,672,146	401,035,399
Other expenses	33	712,817,362	815,707,640
Total Operating Expenses (B)		6,489,929,016	5,272,209,471
Profit/(Loss) before provision (C) = (A-B)		8,719,461,010	7,126,369,740
Provision for Loans & Advances	34	1,472,298,816	1,083,150,510
Provision for diminution in value of investments	35	-	-
Other provision	36	411,489,398	155,897,000
Total Provision (D)		1,883,788,214	1,239,047,510
Total Profit before Income taxes (C - D)		6,835,672,796	5,887,322,230
Provision for Taxation	37	3,166,945,018	2,821,912,772
Current Tax		3,161,945,018	2,811,912,772
Deferred Tax		5,000,000	10,000,000
Net Profit after Taxation		3,668,727,778	3,065,409,458
Appropriations			
Statutory Reserve		1,367,134,559	1,177,464,446
Retained Surplus		2,301,593,219	1,887,945,012
		3,668,727,778	3,065,409,458
Earnings Per Share (EPS)	38	4.39	3.66

The annexed notes 01 to 45 form an integral part of these financial statements.


Managing Director

Director

Director

Director

Signed as per annexed report of even date

Dhaka, 23 February 2015


Chartered Accountants

Cash Flow Statement

For the year ended 31 December 2014

	Notes	Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
A. Cash flows from operating activities			
Interest Receipts in cash		24,929,098,922	24,674,302,580
Interest Payments		(14,844,796,393)	(15,919,861,508)
Dividend Receipts		166,707,163	144,106,854
Fees & Commission Receipts in cash		1,676,328,489	1,027,920,310
Recoveries of loans Previously written off		278,764,196	155,643,652
Cash Payments to employees		(3,600,413,985)	(2,902,158,916)
Cash Payments to suppliers		(1,568,111,945)	(952,959,986)
Income taxes paid		(2,165,906,730)	(1,895,053,811)
Receipt from other operating activities	39	1,576,709,032	2,316,467,323
Payment for other operating activities	40	(860,218,421)	(1,081,861,218)
Operating profit before changes in operating assets and liabilities.		5,588,160,328	5,566,545,280
Increase/Decrease in operating assets and liabilities:			
Statutory Deposits		(7,823,347,666)	(9,421,429,821)
Purchase/Sales of trading Securities		(947,890,671)	258,920,047
Loans and advances to Customers		(26,595,997,208)	(13,590,478,365)
Other assets	41	908,993,844	224,856,825
Deposit from banks		(57,650,474)	(55,810,750)
Deposit from customers		26,232,856,391	14,422,127,197
Other Liabilities	42	1,182,124,693	172,827,134
		(7,100,911,091)	(7,988,987,733)
Net Cash from operating activities (A)		(1,512,750,763)	(2,422,442,453)
B. Cash flows from investing activities			
Proceeds from Sale of Securities		69,882,657	(334,419,800)
Purchase/Sale of Property, Plant & equipment		(1,013,875,468)	(3,069,753,532)
Net Cash from investing activities (B)		(943,992,811)	(3,404,173,332)
C. Cash flows from financing activities			
Receipts from borrowings		6,893,344,129	2,417,111,258
Dividends Paid		(1,673,223,262)	(836,611,631)
Cash received from Issuance of Rights Shares		-	-
Net cash from financing activities (C)		5,220,120,867	1,580,499,627
Net Increase/(Decrease) in cash (A+B+C)		2,763,377,293	(4,246,116,158)
Cash and Cash equivalents at beginning of the year		23,838,666,428	28,084,782,586
Cash and cash equivalents at the end of the year		26,602,043,721	23,838,666,428
Cash and cash Equivalents at end of the year			
Cash in hand (including foreign currencies)	3.1	2,802,173,541	3,050,052,863
Balance with Bangladesh bank and its agent bank	3.2	15,584,987,218	12,225,107,524
Balance with other banks & financial institution	4	6,024,882,962	6,993,506,041
Money at call on short notice	5	2,190,000,000	1,570,000,000
		26,602,043,721	23,838,666,428

The annexed notes 01 to 45 form an integral part of these financial statements.


Managing Director


Director


Director


Director

Statement of Changes in Equity

For the year ended 31 December 2014

Amount in BDT

Particulars	Paid up Capital	Share Premium	Statutory Reserve	General Reserve	Assets Revaluation Reserve	Investment Revaluation Reserve	Retained Surplus	Total
Balance as at 01 January 2014	8,366,116,310	1,454,976,750	5,519,554,610	26,577,961	2,534,101,559	700,891,701	1,902,747,835	20,504,966,726
Changes in Accounting policy	-	-	-	-	-	-	-	-
Restated Balance	8,366,116,310	1,454,976,750	5,519,554,610	26,577,961	2,534,101,559	700,891,701	1,902,747,835	20,504,966,726
Surplus/deficit on revaluation of properties	-	-	-	-	-	-	-	-
Surplus/deficit on revaluation of investments	-	-	-	-	-	(8,929,718)	-	(8,929,718)
Currency translation adjustment	-	-	-	-	-	-	-	-
Net gains and losses not recognized in the Income Statement	-	-	-	-	-	-	-	-
Net Profit for the period	-	-	-	-	-	-	-	-
Appropriation made during the year	-	-	-	-	-	-	-	-
Issuance of Dividend	-	-	1,367,134,559	-	-	-	3,668,727,778	3,668,727,778
Transfer to Retained Earnings	-	-	-	-	-	-	(1,367,134,559)	-
Issue of share capital	-	-	-	-	-	-	(1,673,223,262)	(1,673,223,262)
Balance as at 31 December 2014	8,366,116,310	1,454,976,750	6,886,689,170	26,577,961	2,534,101,559	691,961,983	2,531,117,791	22,491,541,524

The annexed notes 01 to 45 form an integral part of these financial statements.



Managing Director



Director



Director



Director

Liquidity Statement
Asset Liability Maturity Analysis
 As at 31 December 2014

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Particulars	Amount in BDT				
	Up to 1 Month	Over 1 Month up to 3 Months	Over 3 Months up to 12 Months	Over 1 year up to 5 years	Total
Assets					
Cash in hand	6,148,927,759	-	-	12,238,233,000	18,387,160,759
Balance with other banks & financial institutions	2,539,882,962	2,485,000,000	1,000,000,000	-	6,024,882,962
Money at call on short notice	2,190,000,000	-	-	-	2,190,000,000
Investment	8,099,700,000	6,061,500,000	7,457,900,000	5,581,500,000	44,288,603,083
Loans and Advances	30,745,225,600	42,198,625,000	40,736,521,318	39,853,928,500	174,146,104,337
Fixed assets including premises, furniture & fixture	38,393,072	76,786,145	345,537,651	1,842,867,472	8,509,997,000
Other Assets	895,753,399	1,599,118,482	25,775,432	8,166,664,277	12,553,988,936
Non banking assets	-	-	-	-	-
Total Assets (A)	50,657,882,792	52,421,029,627	49,565,734,401	55,444,960,249	266,100,737,077
Liabilities					
Borrowing from Bangladesh bank, other banks, financial institutions and agents	1,414,615,000	2,045,623,000	5,050,238,387	1,200,000,000	10,510,476,387
Deposits	35,005,500,000	49,334,300,090	37,041,359,200	39,139,164,203	211,072,060,174
Other liabilities	1,098,970,502	1,091,857,879	3,073,795,379	11,443,285,563	22,026,658,992
Total Liabilities (B)	37,519,085,502	52,471,780,969	45,165,392,966	51,782,449,766	243,609,195,553
Net Liquidity Gap (A-B)	13,138,797,290	(50,751,342)	4,400,341,435	3,662,510,483	22,491,541,524

Notes to the Financial Statements

For the year ended 31 December 2014

1. The Bank & its activities

1.1 Status of the Bank

United Commercial Bank Limited ("UCBL" or the "Bank") was incorporated in Bangladesh as a public limited company with limited liability on 26 June 1983 under the Companies Act 1913 to carry on banking business in Bangladesh. It obtained permission from Bangladesh Bank on 13 November 1983 to commence its business. The Bank has 148 branches as on 31 December 2014. All the branches of the Bank run on Commercial Conventional basis. The Bank offers services for all commercial banking needs of the customers, which includes deposit banking, loans & advances, export import financing, inland and international remittance facility etc. The Bank is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly traded Company.

The principal place of business and the registered office of the bank is located at Plot # CWS (A) 1, Gulshan Avenue, Dhaka – 1212.

1.2 Off-shore Banking Unit

Off-shore Bank is a Bank located outside the country of residence of depositors, typically in the low tax jurisdiction (or tax haven) that provides financial and legal advantage. Offshore Banking Unit (the Unit) a separate business unit of United Commercial Bank Limited, governed under the Rules and guideline of Bangladesh Bank. The Bank obtained the Off-shore Banking Unit permission vide letter no. BRPD (P-3) 744 (117)/2010-2577 dated 9th June 2010. The Bank commenced the operation of its Off-shore Banking Unit from November 10, 2010. Presently the Bank has 1 (One) unit in Dhaka operating under the Rules and guideline of Bangladesh Bank.

Mobile Financial Services; UCash

With the view to bring the unbanked people to the banking facilities UCB started Mobile Banking Services under the title of UCash in 2013. The bank obtained the license from Bangladesh Bank for mobile banking business vide letter no. DCMPS/PSD/37(T)/2012-217 dated 19 April 2012.

1.3 Subsidiary Company

A subsidiary is an entity in which the bank has control as per as shareholding and voting right is concerned. Control exists when the bank has substantial shareholding (more than 50 percent) in the company or the power, directly or indirectly, to govern the financial and operating policies of an enterprise as on the date of the reporting. Separate (solo) Financial Statements and Consolidated Financial Statements is being prepared for subsidiary investment as per Bangladesh Accounting Standard (BAS) - 27; 'Separate Financial Statements' and BFRS-10; Consolidated Financial Statements. Interest of the minority is shown as

the minority interest which includes share capital of the minority portion as well as profit earned that goes to the non-controlling interest. However, intergroup transactions, balances and the resulting unrealized profits/(loss) is eliminated on consolidation.

1.3.1 UCB Capital Management Limited

During the year 2014 UCB Securities Limited, a subsidiary company of the bank and Anam Capital Limited, a subsidiary company of UCB Securities Limited has been merged with UCB Capital Management Limited as per approval from the court and as such UCB Capital Management Limited has become the subsidiary company of United Commercial Bank Limited. The activities of the company includes brokerage service, margin loan etc. As of now the company is carrying out its activities under the license of Dhaka Stock Exchange Ltd. only, the company has also a license of Chittagong Stock Exchange Limited which is not in operative yet.

UCBL holds 51,34,999 nos. of shares of UCB Capital Management Limited with face value of Tk. 100 each which equivalent to 99.99998% of total shares of the company.

1.3.2 UCB Investment Limited

UCB Investment Limited was incorporated in Bangladesh as a private limited company with limited liability as on 3 August of 2011 under Companies Act 1994. The principal objective of the company is to carry out full-fledged merchant banking activities in Bangladesh i.e. portfolio management, share transfer agent, fund management to issue in the capital and security market, underwrite, manage and distribute the issue of stock shares, bonds and other securities. The principal place of business and the registered office of the company is located at Sara Tower (9th Floor), 11/A Toyenbee Circular Road, Motijheel C/A, Dhaka - 1000.

UCBL holds 24,990,000 nos. of shares of UCB Investment Limited with face value of Tk. 10 each which equivalent to 99.96% of total shares of the company.

2. Summary of significant accounting policies and basis of preparation of the financial statements

2.1 Basis of preparation of the financial statements

The financial statements of the Bank are prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and the requirements of the Bank Company Act 1991, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994 and the Securities and Exchange Rules 1987. In case any requirement of the Bank Company Act 1991, and provisions and

Notes to the Financial Statements

circulars issued by Bangladesh Bank differ with those of BFRS, the requirements of the Bank Company Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Adequate disclosures have been given for any material departures from the requirements of BFRS. Details are as follows:

Investment in shares and securities

BFRS: As per requirements of BAS 39 investment in shares and securities generally falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value at the year-end is taken to profit and loss account or revaluation reserve respectively.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognised at cost.

Revaluation gains/losses on Government securities

BFRS: As per requirement of BAS 39 where securities will fall under the category of Held for Trading (HFT), any change in the fair value of held for trading assets is recognised through profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method and interest income is recognised through the profit and loss account.

Bangladesh Bank: HFT securities are revalued on the basis of mark to market on weekly basis and any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and any losses are recognized through profit and loss account and gains on amortisation are recognised in other reserve as a part of equity.

Provision on loans and advances/investments

BFRS: As per BAS 39 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets that are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per BRPD circular No.14 (23 September 2012), BRPD circular No. 19 (27 December

2012), BRPD circular No. 05 (29 May 2013) and BRPD circular No. 16(18 November 2014) a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by BAS 39.

Recognition of interest in suspense

BFRS: Loans and advances to customers are generally classified as 'loans and receivables' as per BAS 39 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognised in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified, interest on such loans are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

Other comprehensive income

BFRS: As per BAS 1 Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which is applicable for all the banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in BAS 39. As such full disclosure and presentation requirements of BFRS 7 and BAS 32 cannot be made in the financial statements.

Notes to the Financial Statements

Financial guarantees

BFRS: As per BAS 39, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD 14, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin. 1% provision is maintained on such off balance sheet items as per guidelines of Bangladesh Bank.

Cash and cash equivalent

BFRS: Cash and cash equivalent items should be reported as cash item as per BAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

Non-banking asset

BFRS: No indication of Non-banking asset is found in any BFRS.

Bangladesh Bank: As per BRPD 14, there must exist a face item named Non-banking asset.

Cash flow statement

BFRS: The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD 14, cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.

Balance with Bangladesh Bank: (Cash Reserve Requirement)

BFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per BAS 7.

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

Presentation of intangible asset

BFRS: An intangible asset must be identified and recognised, and the disclosure must be given as per BAS 38.

Bangladesh Bank: There is no regulation for intangible assets in BRPD 14.

Off-balance sheet items

BFRS: There is no concept of off-balance sheet items in any BFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD 14, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

Loans and advances/Investments net of provision

BFRS: Loans and advances/Investments should be presented net of provision.

Bangladesh Bank: As per BRPD 14, provision on loans and advances/investments are presented separately as liability and can not be netted off against loans and advances.

2.2 Basis of consolidation

The consolidated financial statements include the financial statements of United Commercial Bank Limited and its subsidiaries 'UCB Capital Management Limited (a new subsidiary arisen due to merger of UCB Securities Limited and Anam Capital Limited) and 'UCB Investment Ltd'. The Separate (solo) financial statements and consolidated financial statements have been prepared in accordance with Bangladesh Accounting Standard BAS -27: Separate Financial Statements and BFRS-10; Consolidated financial statements. The consolidated financial statements are prepared to a common financial year ended 31 December 2014.

2.3 Use of estimates and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Notes to the Financial Statements

2.4 Consistency

In accordance with BFRS framework for the presentation of financial statements together with BAS-1 and BAS-8, United Commercial Bank Limited discloses its information consistently from one period to the next. Where selecting and applying a new accounting policies, changes in accounting policies, correction of errors, the amount involved are accounted for and disclosed retrospectively in accordance with the requirement of BAS-8. However, for changes in the accounting estimates the related amount is recognized prospectively in the current period and in the next period or periods.

2.5 Foreign currency transactions

Foreign currency transactions are converted into equivalent Taka currency using the ruling exchange rates on the dates of respective transactions as per BAS 21. Assets and liabilities as at 31 December 2014 in foreign currency are translated into Taka currency at the prevailing mid rate and notional rates of the concerned foreign currencies of that day. Difference arising through transactions of foreign currencies buying and selling on different dates of the period has been adjusted by debiting / crediting to exchange gain or loss account.

2.6 Cash flow statement

Cash flow statement has been prepared in accordance with the Bangladesh Accounting Standard-7 "Cash flow statement" under direct method for the period classified by operating activities, investing and financing activities as recommended in the BRPD Circular No. 14 dated June 25, 2003 issued by Banking Regulation & Policy Department of Bangladesh Bank.

2.7 Statement of Changes in Equity

The Statement of Changes in Equity reflects information about the increase or decrease in net assets or wealth. The statement also shows item-wise movement along with the description of changes from the end of last year to the end of current year.

2.8 Statement of liquidity

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per following basis:

- Balance with other banks and financial institutions, money at call and on short notice etc. are on the basis of their maturity term.
- Investments are on the basis of their residual maturity.
- Loans and advances are on the basis of their repayment/maturity schedule.
- Fixed assets are on the basis of their useful lives.

- Other assets are on the basis of their realization/ amortization.
- Borrowings from other banks, financial institutions and agents are per their maturity/ repayment terms.
- Deposits and other accounts are on the basis of their maturity term and behavioral past trend.
- Other long term liabilities are on the basis of their maturity term.
- Provisions and other liabilities are on the basis of their settlement.

2.9 Assets and basis of their valuation

2.9.1 Cash and cash equivalents

Cash and cash equivalent include notes and coins on hand, unrestricted balance held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the Bank management for its short-term commitments.

2.9.2 Investments

All investment securities are initially recognized at cost, including acquisition charges associated with the investment. Premiums are amortized and discounts are accreted. Accounting treatment for government treasury securities (HFT and HTM) is made as per Bangladesh Bank Circular Ref. BRPD Circular no. 5 dated 26 May 2008 and subsequent clarification DOS circular letter no. 5 dated 28 January 2009.

2.9.3 Held To Maturity (HTM)

Investment which have "fixed or determinable payments" and are intended to be held to maturity are classified as "Held to Maturity". These investments are subsequently measured at amortized cost, less any provision for impairment in value. Any increase or decrease in the value of such investment is recognized in shareholders' equity and profit and loss account respectively.

2.9.4 Held For Trading (HFT)

Investment classified in this category are acquired principally for the purpose of selling or repurchasing in short trading or if designated as such by the management. After initial recognition, investments are revalued at Marked to Market (MTM) on weekly basis and any increase on such valuation is recognized as revaluation gain under the shareholders' equity and any loss is recognized in the profit and loss account.

Notes to the Financial Statements

Investment Class	Initial Recognition	Subsequent Recognition	Recording of Changes
Govt. T -bills/bonds (HFT)	Cost	Fair Value	Loss to profit and Loss Account,
Govt. T -bills/bonds (HTM)	Cost	Amortized Cost	Gain to Revaluation Reserve
Debenture/Bond	Face Value	N/A	N/A
Shares	Cost	Cost	Loss to Profit and Loss Account but no unrealized gain booking.
Prize Bond	Cost	Cost	N/A

2.9.5 Investment in listed/quoted securities

These securities are bought and held primarily for the purpose of selling them in future or hold for dividend income. These are reported at cost. Unrealized gains are not recognized in the profit and loss account. But provision for diminution in value of investment is recognized in the profit and loss account.

2.9.6 Investment in unquoted securities

Investment in unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities.

2.9.7 Investment in subsidiaries

Investment in subsidiaries is accounted for under the cost method of accounting in bank's financial statements in accordance with the Bangladesh Accounting Standards. Accordingly, investments in subsidiaries are stated in bank's balance sheet at cost, less impairment losses if any.

2.9.8 Loans, Advances and provisions

- Loans and advances are stated in the balance sheet on gross basis.
- Interest is calculated on a daily product basis but charged and accounted for quarterly on accrual basis. Interest on classified loans and advances is kept in suspense account as per Bangladesh Bank instructions and such interest is not accounted for as income until realized from borrowers.
- Commission and discounts on bills purchased and discounted are recognized at the time of realization.
- Provision for loans and advances is made on the basis of periodical review by the management as per the instructions contained in Bangladesh Bank BRPD Circular no.14 dated 23 September 2012, BRPD Circular No. 19 dated 27 December 2012 and BRPD Circular No.05 dated 29 May 2013. The provisions rates are given below:

Particulars	Rates
General Provision on:	
Unclassified general loans and advances	1%
Unclassified small and medium enterprise	0.25%
Unclassified loans to BHs/MBs/SDs against shares etc.	2%
Unclassified loans consumer financing –Housing finance	2%
Unclassified loans consumer financing –Loans for professionals	2%
Unclassified consumer financing other than housing financing and loan for professionals	5%
Unclassified short -term Agricultural and Micro -Credits	2.50 %
Special Mention Account	0.25% -5%
Off -balance sheet exposures	1%
Specific Provisions on:	
Substandard loans and advances other than short term agri credit and micro credit	20%
Doubtful loans and advances other than short term agri credit and micro credit	50%
Bad/Loss loans and advances	100%
Substandard short term agri credit and micro credit	5%
Doubtful short term agri credit and micro credit	5%

Notes to the Financial Statements

e) Loans and advances are written off to the extent that (i) there is no realistic prospect of recovery and (ii) against which legal cases are pending for more than 05 (five) years as per guidelines of Bangladesh Bank. However, the write off will not reduce the claim against the borrower. Detailed memorandum records for all such write off accounts are maintained carefully and followed up.

As per BRPD circular no. 14 September 2012 and BRPD Circular No.05 dated 29 May 2013 a general provision at 1% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained. However such general provision cannot satisfy the conditions of provision as per IAS 37. At the year end the company has recognized an accumulated general provision of Tk. 1751.24 million in the balance sheet under liabilities as per Bangladesh Bank's requirement.

2.9.10 Property, Plant and Equipment and depreciation

- An item of property, plant and equipment is recognized as an asset when:
 - * it is probable that future economic benefits associated with the asset will flow to the enterprise; and
 - * the cost of the asset to the bank can be measured reliably.
- Assets are stated at Written Down Value (WDV) basis which implies cost or revalued amount less accumulated depreciation.
- No depreciation has been charged on land. Depreciation on fixed assets acquired during the year to be charged from the month of acquisition (Full month depreciation is charged irrespective of the date of purchase during the month).
- Rate and method of charging depreciation/ amortization of fixed assets are mentioned below:

Name of the assets	Rate of depreciation	Method of charging depreciation / amortization
Land	NIL	Not applicable
Building	2.50%	Straight Line Method
Furniture & Fixtures	10%	Straight Line Method
Office Equipment	20%	Straight Line Method
Computer Equipments	20%	Straight Line Method
Computer Software	25%	Straight Line Method
Vehicle	20%	Straight Line Method

Harmonizing the method of Depreciation:

In order to harmonize the method of depreciation, Reducing Balance Method has been changed to Straight Line Method for two classes of assets ie. Furniture & Fixtures and Office Equipment and due effect for such changes has been recognized through profit and loss account.

2.9.11 Revaluation of Property, Plant and Equipment

An item of Property, Plant and Equipment is revalued when the fair value of a revalued asset differs materially from its carrying amount. Such revaluation is normally carried out by professionally qualified valuers. Last revaluation of Bank's land property and Building was carried as at 27 December 2012 by Padma Techno Consult & Survey Ltd. Accordingly, revaluation surplus is included in fixed assets and assets revaluation reserve is recognized under shareholders equity as per guidelines of BAS-16; Property, Plant and Equipment.

2.9.12 Disposal of Property, Plant and Equipment

On disposal of fixed assets, the cost and accumulated depreciation are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and net sale proceeds.

2.9.13 Subsequent expenditure

The bank recognizes any subsequent expenditure in the carrying amount of an item of property, plant and equipment as part of the cost only when it is probable that future economic benefits embodied with the item will flow to the bank due to the subsequent expenditure. However, expenditure incurred after the assets have been put into operation, such as, repairs and maintenance is recognized as revenue expenditure in the period in which it is incurred.

2.9.14 Intangible asset

An intangible asset is to be recognized only if it is probable that future economic benefits attributable to the assets will flow to the bank and the cost of the asset can be measured reliably. Recognition & measurement of Intangible Assets are guided by Bangladesh Accounting Standard (BAS)-38; 'Intangible Asset'. Due to following BRPD circular no. 14 dated 25 June 2003 Intangible assets are not disclosed in a separate line rather in is reported under Fixed assets. However, separate line item alongwith the rate of amortization is identifiable in the detail schedule of Fixed Asset.

Notes to the Financial Statements

2.9.15 Impairment of assets

The carrying amounts of bank's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. Any impairment loss is recognized in the profit and loss account if the carrying amount of an asset exceeds its recoverable amount. No such impairment loss has been arisen and recognized during the year ended 31 December 2014.

2.9.16 Other Assets

Other assets include mainly advance office rent, payment of advance income tax for which assessment of tax has not been closed yet and all other financial assets, fees and other unrealized income receivable, advance for operating and capital expenditure and stocks of stationery and stamps etc.

2.9.17 Receivables

Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity or person.

2.9.18 Non banking assets

There are no assets acquired in exchange for loan during the period of financial statements.

2.9.19 Capital / Shareholder's equity**(a) Authorized capital**

Authorized capital is the maximum amount of share capital that the bank is authorized by its Memorandum and Article of Association to issue to shareholders.

(b) Paid-up capital

Paid-up Capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders meetings. In the event of a winding-up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

2.9.20 Statutory reserve

Statutory reserve has been maintained @ 20% of profit before tax in accordance with provisions of section 24 of the Bank Company Act 1991 until such reserves equal to its paid up capital.

2.9.21 Other Reserve

Other reserve comprises Investment revaluation reserve and fixed assets revaluation reserve. When carrying amount of an item of property, plant and equipment is increased as a result of revaluation, the increased amount is credited directly to equity under the heading of assets revaluation reserve as per BAS 16: property, Plant and equipment.

2.9.22 General Reserve

The surplus amount after appropriation of yearly profit, surplus of Tax and bonus provision of different years kept in General reserved fund.

2.9.23 Deposits and other accounts

Deposits and other accounts include non interest bearing current deposit payable at call, interest bearing demand & short term deposits, savings deposit and fixed deposit. These items are brought to financial statements at the gross value of outstanding balance.

2.9.24 Retirement Benefit Schemes

The retirement benefits accrued for the employees of the Bank as on reporting date has been accounted for in accordance with the provision of Bangladesh Accounting Standard-19, "Employees Benefits". Various types retirement benefit schemes in the bank is enumerated as follows:

2.9.25 Provident fund

Provident fund benefits are given to the employees of the Bank in accordance with the registered provident fund rules. The Commissioner of Income Tax, Dhaka (North) has approved the provident fund as a recognized provident fund within the meaning of section 2 (52) read with the provision of part – B of the First Schedule of Income Tax Ordinance 1984. The recognition took effect from November 30, 1988. The Fund is operated by a Board of Trustees consisting 03 (three) members of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription to the fund. The bank also contributes equal amount of the employees' contribution. Interest earned from the investments is credited to the members' account on half yearly basis.

2.9.26 Gratuity

Gratuity benefits are given to the employees of the bank in accordance with the approved gratuity fund rules. National Board of Revenue has approved the gratuity fund as a recognized gratuity fund on December 27, 1995. The fund is operated by a Board of Trustees consisting 3 (Three) members of the bank. Employees are entitled to gratuity benefit after completion of minimum 5 (five) years of service in the bank. The gratuity is calculated on the basis of last basic pay. Obligation for Gratuity Fund is determined on the basis of actuary valuation.

2.9.27 Workers' Profit Participation Fund (WPPF)

Consistent with the industry practice and in accordance with The Bank Company Act, 1991, no provision has been made for WPPF.

2.9.28 Taxation

Income tax represented the sum of the current Tax and deferred tax payable for the year under reporting.

a) Current Tax

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Provision for current income tax has been made as per prescribed rate in the Income Tax Ordinance 1984 on the accounting profit made by the bank after considering some of the add-backs to income and disallowances of expenditure as per income tax laws with BAS-12 "Income Taxes". Tax Assets under the group head of other assets are recognized for payment of advance income tax, tax deducted at source and tax paid at the time of IT Return for the year/years for which assessment has not been yet finalized. On the other hand, the tax provision (as estimated as per BAS-12; Income Taxes, provision of latest Finance Act, related SROs/guidelines etc) are recognized as tax liability under the group head of other liability for the year/years for which assessment has not been yet finalized.

b) Deferred Tax

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income tax recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets & liabilities are measured using tax rate & tax laws enacted or substantially enacted at the balance sheet date. Tax impact on the account of changes in deferred tax assets and liabilities has also been recognized in the profit and loss account as per BAS-12 Income taxes.

2.9.29 Provisions and accrued expenses

In compliance with BAS- 37, provisions and accrued expenses are recognized in the financial statements when the bank has a legal or constructive obligation as a result of past event, it is certain that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.9.30 Contingent asset and contingent liability

A contingent asset is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events and on the other hand a contingent liability is a possible obligation that arises from past events and whose existence will also be confirmed only by the occurrence or non-occurrence of one or more uncertain future events. Contingent asset and liability is not recognized rather disclosed in the financial statements.

2.9.31 Off balance sheet items & provision

Off-balance sheet items have been disclosed under contingent liabilities and other commitments as per Bangladesh Bank guidelines. As per BRPD Circular # 14, dated September 23, 2012 Banks are required to maintain provision @ 1.00% against Off Balance Sheet exposure, (L/C, Guarantee and Bills for collection).

2.9.32 Provision for Nostro accounts

According to guideline of Foreign Exchange Policy Department of Bangladesh Bank, Circular No. FEOD (FEMO)/01/2005-677 dated 13 September, 2005. Provision has been made for debit entries which remained un-reconciled for more than 03 (three) months.

2.9.33 Revenue recognition

The revenue during the year are recognized as following which satisfy all conditions of revenue recognition as prescribed by BAS 18 "Revenue Recognition".

- a. Interest income is calculated on daily product on unclassified loan and advances but recognized on monthly basis.
- b. Interest is charged on classified loans and advances by crediting "Interest Suspense Account" instead of interest income.
- c. Dividend income is recognized at the time when it is realized.
- d. Income on investments is recognized on accrual basis.
- e. Commission and discount on bills purchased and discounted are recognized at the time of realization.

2.9.34 Interest paid on Deposits

a. Interest expenses are generally recognized on accrual basis taking into account of daily balance outstanding at the rate applicable for respective deposits and interest on savings and SND accounts is credited to depositors account on half yearly basis. No interest is applicable on balance lying in current deposit account. Interest on FDR accrued but not due to clients A/c was credited to "Other Liability A/c - Interest Payable".

b. Other expenses are also recognized and recorded on accrual basis.

2.9.35 Fees and commission income

Fees and commission income arises on services provided by the Bank are recognized on a cash receipt basis. Commission charged to customers on letters of credit and letters of guarantee is credited to income at the time of effecting the transactions.

Notes to the Financial Statements

2.9.36 Earnings per share (EPS)

The company calculates earnings per share (EPS) in accordance with BAS 33 "Earnings Per Share" which has been shown on the face of Profit and Loss Account. Earnings per share (EPS) has been calculated by dividing the net profit after tax by the total number of ordinary shares outstanding at the end of the year. Details are shown in note 38 to the financial statements.

Basic Earnings per Share

This represents earnings for the year attributable to ordinary shareholders. Net profit after tax has been considered as fully attributable to the ordinary shareholders.

Diluted Earnings per Share

No diluted earnings per share are required to be calculated for the period, as there was no element or scope for dilution during the period under review. However, EPS is restated for the comparative years if it requires as per BAS: 33.

2.9.37 Credit rating

Emerging Credit Rating Ltd (ECRL) has rated the Bank based on December 31, 2013 with "AA" (pronounced as Double A) in the long Term and ECRL-2 for the Short Term. The date of rating was May 07, 2014.

Year	Long term rating	Short term rating
2013	AA	ECRL-2

United Commercial Bank Limited has been rated as AA (Pronounced as Double A) long term and ECRL-2 short term by Emerging Credit Rating Limited (ECRL) based on audited financials of FY2010-2013 and other available information up to the date of rating declaration. The outlook on the rating is Stable. The rating reflects the strengths of the company which is backed by a strong team of management, growth in the non-interest income, deposits and investments, adequate capital coverage with high Tier-1 capital, improved asset quality and well controlled liquidity position.

2.9.38 Compliance report on Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) in Bangladesh. While preparing the financial statements, United Commercial Bank applied most of IAS and IFRS as adopted by ICAB. Details are given below:

Notes to the Financial Statements

Name of the BAS / BFRS	BAS/ BFRS	Status of compliance
Presentation of Financial Statements	BAS-1	Applied
Inventories	BAS-2	N/A
Statement of Cash Flow	BAS-7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	BAS-8	Applied
Events after the Reporting Period	BAS-10	Applied
Construction Contracts	BAS-11	N/A
Income Taxes	BAS-12	Applied
Property, Plant and Equipment	BAS-16	Applied
Leases	BAS-17	Applied
Revenue	BAS-18	Applied
Employee Benefits	BAS-19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	BAS-20	N/A
The Effects of Changes in Foreign Exchange Rates	BAS-21	Applied
Borrowing Costs	BAS-23	Applied
Related Party Disclosures	BAS-24	Applied
Accounting and Reporting by Retirement Benefit Plans	BAS-26	Applied
Separate Financial Statements	BAS-27	Applied
Investments in Associates & Joint Ventures	BAS-28	N/A, UCB does not have any such relationship
Interests in Joint Ventures	BAS-31	N/A
Financial Instruments: Presentation	BAS-32	Applied to the extent of compliance with BRPD Circular no. 14 dated June 2003 , DOS Circular no. 5 dated 26 May 2008 and DOS Circular no. 5 dated 28 January 2009. See note no. 2.9.2
Earnings per share	BAS-33	Applied
Interim Financial Reporting	BAS-34	Applied
Impairment of Assets	BAS-36	Applied
Provisions, Contingent Liabilities and Contingent Assets	BAS-37	Applied to the extent of compliance with BRPD Circular no. 5 dated 5 June 2006 and BRPD Circular no. 14 September 2012 See note 2.9.8
Intangible Assets	BAS-38	Applied
Financial Instruments: Recognition and Measurement	BAS-39	Applied to the extent of compliance with BRPD Circular no. 14 dated June 2003 , DOS Circular no. 5 dated 26 May 2008 and DOS Circular no. 5 dated 28 January 2009. See note no. 2.9.2
Investment Property	BAS-40	Applied
Agriculture	BAS-41	N/A
Share Based Payment	BFRS-2	N/A
Business Combinations	BFRS-3	Applied
Insurance Contracts	BFRS-4	N/A
Non-current Assets Held for Sale and Discontinued Operations	BFRS-5	N/A
Exploration for and Evaluation of Mineral Resources	BFRS-6	N/A
Financial Instruments: Disclosures	BFRS-7	Applied to the extent of compliance with core risk management guideline of Bangladesh Bank.
Operating Segments	BFRS-8	Applied
Consolidated Financial Statements	BFRS-10	Applied
Joint arrangements	BFRS- 11	N/A
Disclosure of interest in other entities	BFRS- 12	N/A
Fair value measurement	BFRS- 13	Applied

Notes to the Financial Statements

2.9.39 Risk Management

In banking organization, risk is the possibility that outcome of an action or event could bring up adverse impact. Such outcome could either result in a direct loss of earnings/capital or may result in imposition of constraints on banks' ability to meet their business objectives. Risk is the outcome of losses due to sudden downturn in economy or falling interest rates. Banks have to rely on their capital as a buffer to absorb such losses. The types and degree of risks of an organization may be exposed depend upon a number of factors such as its size, complexity business activities, volume etc. Initially Bangladesh Bank has issued guidelines on six core risk areas and accordingly scheduled banks operating in Bangladesh has implemented the guidelines for better risk management practice. Implementation of core risk management guidelines by United Commercial Bank Limited and its status are discussed below.

2.9.39.1 Credit risk Management

Credit risk arises while the borrowers or counterparty to a financial transaction fails to discharge an obligation as per agreed covenants, resulting in financial loss to the Bank. Credit exposures may arise from both the banking and trading books as well as Off-Balance sheet exposures. Credit risk is managed in the UCBL through a framework that spell out policies and procedures covering the measurement and management of credit risk. There is a clear segregation of duties between transaction originators in the businesses and approvers in the Risk function. All credit exposure limits are approved within a defined credit approval authority framework. Credit policies and standards are considered and approved by the Board of Directors.

Credit Risk measurement

Risk measurement plays a central role, along with judgment and experience, in informing risk taking and portfolio management decisions. It is a primary area for sustained investment and senior management attention. The standard Credit Risk Grading (CRG) system is used in both Corporate and SME Banking. The grading is used to assess the client along with a range of quantitative and qualitative factors. Our credit grades against Corporate & Medium clients are supported by external credit grades, and ratings assigned by external ratings agencies.

Credit approval

Major credit exposures to individual borrowers, groups of connected counterparties and portfolios of retail exposures are reviewed by the risk review units and recommend the loan to the approval authority. All credit approval authorities are delegated by the Board of Directors to executives based on their capability, experience & business acumen. Credit origination and approval roles are segregated in all cases.

Credit Monitoring

We regularly monitor credit exposures, portfolio performance, and external trends through relationship and credit administration team at Branch and Head Office. Internal risk management reports containing information on key environmental, political and economic trends across major portfolios; portfolio delinquency and loan impairment performance; as well as credit grade migration are presented to risk committee. The PAMC meets regularly to assess the impact of external events and trends on the credit risk portfolio and to define and implement our response in terms of appropriate changes to portfolio shape, underwriting standards, risk policy and procedures. Accounts or portfolios are placed on Early Alert (EA) when they display signs of weakness or financial deterioration, for example, where there is a decline in the customer's position within the industry, a breach of covenants, non-performance of an obligation, or there are issues relating to ownership or management. Such accounts and portfolios are subjected to a dedicated process overseen by the Special Asset Management Division. Account plans are re-evaluated and remedial actions are agreed and monitored. Remedial actions include, but are not limited to, exposure reduction, security enhancement, exiting the account or immediate movement of the account into the control of Recovery unit. In Retail/Consumer Banking, portfolio delinquency trends are monitored continuously at a detailed level. Individual customer behavior is also tracked and informed in lending decisions. Accounts which are past due are subject to a collections process, monitored in collaboration with the Relationship manager by the Risk function. Charged-off accounts of the Bank are managed by specialist recovery teams of Special Asset Management Division.

Credit Concentration risk

Credit concentration risk is managed within concentration caps set for counterparty or groups of connected counterparty, for industry sector; and for product. Additional targets are set and monitored for concentrations by credit committee. Credit concentrations are monitored by the responsible risk committees in each of the businesses and concentration limits that are material to the Bank are reviewed and approved at least annually by the Board of Directors.

Credit risk mitigation

Potential credit losses from any given account, customer or portfolio are mitigated using a range of tools such as collateral, netting agreements, insurance, and other guarantees. The reliance that can be placed on these mitigates is carefully assessed in light of issues such as legal certainty and enforceability, market valuation correlation and counterparty risk of the guarantor. Risk mitigation policies determine the eligibility of collateral types. Collateral types which are eligible for risk mitigation include: cash; residential, commercial and industrial property; fixed assets such as motor vehicles, plant and

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machinery; marketable securities; commodities; bank guarantees; and letters of credit. Collateral is valued in accordance with our risk mitigation policy, which prescribes the frequency of valuation for different collateral types, based on the level of price volatility of each type of collateral. Collateral held against impaired loans is maintained at fair value.

2.9.39.2 Foreign Exchange Risk Management

Foreign exchange risk is the risk that an investment's value changing due to changes in currency exchange rates. The risk that an investor will have to close out a long or short position in a foreign currency at a loss due to an adverse movement in exchange rates. The risk is most acute for businesses that deal in more than one currency. However, other businesses are indirectly exposed to foreign exchange risk if, for example, their business relies on imported products and services.

Foreign exchange risk should be managed where fluctuations in exchange rates impact the business profitability.

In a business where the core operations are other than financial services, the risk should be managed in such a way that the focus of the business is on providing the core goods or services without exposing the business to financial risks.

Sources of foreign exchange risk :

Foreign exchange risk for a business may arise from a number of sources, including:

- where the business is related to imports or exports
- where other costs, such as capital expenditure, are denominated in foreign currency
- where export bill is received in foreign currency
- where other income, such as royalties, interest, dividends etc, is received in foreign currency
- where the loans are denominated (and therefore payable) in foreign currency
- where the business has offshore assets such as operations or subsidiaries that are valued in a foreign currency, or foreign currency deposits

Methods of measuring foreign exchange risk:

There are many ways to measure foreign exchange risk, ranging from simple to complex measures. Following are some of the examples of the simpler measures which can be applied and understood by most businesses :

- * MIS of foreign currency exposures
- * Table of projected foreign currency cash-flows
- * Sensitivity analysis
- * Value at risk

Like other banks and financial institutions, United Commercial Bank Ltd. is also exposed to Foreign Exchange Risk that sprouts externally due to convergence

and divergence of many factors in the international market. The foreign exchange business of the bank, fully backed by the underlying transactions, is well-managed as per Bank's internal risk management policies and guidelines and the guidelines of Bangladesh Bank (Central Bank of Bangladesh). The Asset Liability Management Committee (ALCO) of the bank, headed by the Managing Director & CEO, reviews the risk management position of the bank on regular intervals and provides insights and guidelines to the Treasury Division to manage the foreign exchange risk of the Bank with minimum financial impact.

2.9.39.3 Asset Liability Management Risk

The Bank has established an Asset Liability Management Committee (ALCO) contains 14 (fourteen) members headed by Managing Director. The committee meets at least once in every month. The main responsibilities of ALCO are to look after the financial market activities, manage liquidity risk, interest rate risk and Fx or currency risk understand the market position and competition etc.

Liquidity risk is the risk that the Bank will be unable to meet its financial commitment to a customer or market in any location, in any currency at any point of time without incurring unacceptable cost or losses. To manage liquidity risk, UCB maintains diversified and stable funding base comprising of core retail, corporate and institutional deposits. Managing and controlling liquidity risk of the bank is one of the major tasks of Asset Liability Management Committee (ALCO). Asset Liability Management (ALM) desk of Treasury division is primarily responsible for managing liquidity risk. To measure liquidity risk UCB applied flow and stock approach. In flow approach we prepares structural liquidity profile, dynamic liquidity profile on the basis of product wise maturity behavior analysis, projected cash flow analysis on monthly basis. On the other hand in stock approach we follow some ratios these are Loan Deposit ratio, Medium Term Funding Ratio, Maximum Cumulative Outflow (MCO), CRR, SLR, Snap Liquidity Ratio, Borrowing Ratio, Volatility liability dependency Ratio, Liquidity Coverage Ratio etc.

Contingency funding Plan (CFP) In order to develop comprehensive liquidity risk management framework, we have Contingency Funding Plan (CFP), which is a set of policies and procedures that serves as a blueprint for the bank to meet its funding needs in a timely manner and at a reasonable cost. For day-to-day liquidity risk management, CFP ensures that the bank is best prepared to respond to an unexpected problem.

Interest rate Interest rate risk is the risk where changes in market interest rates affect a bank's financial position. Changes in interest rates impact a bank's earnings (i.e. reported profits)

Notes to the Financial Statements

through changes in its Net Interest Income (NII) and also Market Value of Equity (MVE) or Net Worth through changes in the economic value of its rate sensitive assets, liabilities. The interest rate risk, when viewed from these two perspectives, is known as 'earnings perspective' and 'economic value perspective', respectively. To manage interest rate risk ALCO regularly monitor various parameters and techniques to measure interest rate risk, its impact on NII and course of action. Such analysis includes Traditional Gap report and Duration Gap Analysis.

Foreign Exchange risk is that risk where Bank may suffer losses as a result of adverse exchange rate movements during a period in which it has an open position in an individual foreign currency. Currency wise Exposure a common approach to measuring and monitoring exchange rate risk is to limit the size of open positions (whether positive or negative) in each currency as of the close of each business day. UCB prepare a report on daily basis to evaluate the extent of currency risk arising from its positions in a variety of currencies. UCB also measure daily VaR to evaluate the extent of currency risk under Variance Covariance approach at 97.50 confidence level.

Treasury front office independently conducts the transactions and the treasury back office is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at Mark-to-Market rate as determined by Bangladesh Bank at the month-end. All Nostro accounts are reconciled on a monthly basis and outstanding entry beyond 30 days is reviewed by the management for its settlement. The position maintained by the bank at the end of day was within the stipulated limit prescribed by the Bangladesh Bank.

The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance requirements.

2.9.39.4 Internal Control and Compliance Risk:

Internal auditing is a professional, independent and objective appraisal function that uses a disciplined, evidence-based approach to assess and improve the effectiveness of risk management, control and governance processes. This is an independent, autonomous high level control function charged with the responsibility of appraising all phases of the Bank businesses and operations. The Head of Internal Control and Compliance Division reports to the Managing Director/CEO directly for administrative purposes and has a dotted line to the Chair of the Audit Committee of the Board of Directors. The Head of ICCD has unhindered access to the Audit Committee & Senior Management and meets periodically.

The objective of ICCD is to examine and evaluate all activities of the Bank according to appropriate best business practice recommendations as outlined in the International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors and

references to good corporate governance. Internal Audit performs analyses of the effectiveness of the reviewed activities, evaluates the quality of the risk management and control systems & processes and provides recommendations for potential improvements.

There are 4(four) units working in ICCD named as (i) Audit & Inspection Unit, (ii) Compliance Unit, (iii) Monitoring Unit & (iv) System Audit Unit. Main task of 'Audit & Inspection Unit' is to conduct Risk Based (Process) Audit, Surprise Inspection, Special Investigation etc. to assess the probable risks and find out violation of policy/ procedure/ guidelines etc. Main task of 'Compliance Unit' is to ensure compliance of irregularities/lapses mentioned in the audit report within stipulated time frame. Main task of 'Monitoring Unit' is to analyze data/information collected from various branches and assess the risk of individual branch. Lastly main task of 'System Audit' is to conduct IT audit in branches and divisions for pointing out weakness in IT security system. ICCD plans to arrange an extensive training program for all employees in collaboration with Learning & Development Centre (LDC) and CBS Team of the bank.

ICCD has prepared a 'Process Manual' in the year 2014 and draft 'Internal Audit Charter' which is under review for finalization. A detailed checklist is also under process to conduct Risk Based (Process) Audit on branches & divisions in light of implementation of Core Banking System (CBS). Considering upcoming CBS in the bank, ICCD also took initiative to strengthen its 'System Audit Unit' by recruiting some highly expert & certified IT auditors from other banks/organizations. Consider the changed environment; a befitting organogram of ICCD has already been approved by the competent authority. Management has also got serious view to ensure proper manpower for ICCD to meet up the upcoming challenges in near future.

Banks and financial services organizations are now more concerned than ever about risk and compliance management. Many, if not most, new risks over the last two decades can be attributed to globalization, explosion of new businesses, growth in technology and gains in efficiency. These changes have not only brought tremendous economic growth but also a growing multitude of risk causing a fundamental change in the approach to risk management. These changing trends in risk management mean that executive decision makers and risk managers within banks have to grapple with some basic issues. Business complexity, along with increased regulatory and market scrutiny, is driving banks to adopt a structured approach to governance, risk, and compliance. The goal is to effectively define, manage, and monitor the external and internal business environments. Technology will play key and enabling role in delivering sustainability, consistency, efficiency, and transparency across this federated Governance, Risk & Compliance process and organization.

2.9.39.5 Money Laundering Risk:

As AML Risk is one of the 6 (Six) Core Risks in Banking business. In order to mitigate the risk, AML & CFT guidelines of the Bank has been revised in 2014 in terms of Anti Money Laundering Prevention Act, 2012 and Anti Terrorist (Revised) Act, 2013 duly approved by the Board in its 368th meeting held on 28.08.2014. Besides, 498 no's Executives/Officers have been brought under Training on AML/CFT issues with a view to increase their knowledge and awareness. System Check Inspection of the Branches has been started to develop the compliance status on AML & CFT issues of the Branches. Connectivity with goAML software has been installed covering the CTR reportable transactions. 9 (Nine) Suspicious Transaction Reports (STRs) has been reported to BFIU, Bangladesh Bank in 2014. Effective steps has been taken for introducing of UN, OFAC, EU and HMT Sanction Screening Software for the monitoring purpose of the listed Individuals/Entities engaged with Terrorist Activities during opening of new accounts/reviewing of existing accounts.

Designation of Anti Money Laundering Compliance Officer (AMLCO): Bank appointed an Additional Managing Director as Chief Anti Money Laundering Compliance Officer (CAMLCO) & Executive Vice president as Deputy CAMLCO who are empowered as the "Authority" of the Bank to implement and enforce the policies of AML & CFT issues and they report directly to the Chief Executive Officer (CEO) along with the Board of Directors. Besides, all the Head of Branches are designated as Branch Anti Money Laundering Compliance Officer (BAMLCO) except 07 (Seven) busy Branches where Operation Managers are designated as Branch Anti Money Laundering Compliance Officer (BAMLCO) to carry out the guidelines of AML/CFT issues.

2.9.39.6 Information Communication Technology Risk

UCB recognizes the vital role ICT plays in the Bank's missions and related business activities as well as the importance of it in the financial sector for protecting information in all forms. As more information is used and shared in a digital format by employees, stake holders, customers and regulators both within and outside the Bank, an increased effort must be made to protect the information and the technology resources that support it.

UCB has taken numbers of initiatives to reduce risks and fraud prevention in Information Technology division. Details are as below :

1.Implementation of CORE Banking Software

The new CORE Banking Software (CBS) of UCB, namely Flexcube UBS of Oracle Financial Systems Software (OFSS), went live from 22nd June 2014. Currently 48

branches including back office were migrated from the PCBank's distributed system to Flexcube Universal Banking system (UBS) and started running from beginning of business on 22nd June 2014 where significant business portfolio are covered. Other 100 Branches will also be migrated to the CBS system gradually and all the branches will be under the CBS system by June 2015.

With the implementation of the CBS system following improvements in terms of risk management, control and compliance are already experienced:

i.Improvement in Physical & Logical Security Risk: For PCBank Distributed Banking System, all the branches had their own server rooms. All the branches required maintaining separate physical and logical security for the server rooms and their components. Monitoring of quality of the security as difficult to maintain from head office. With the implementation of CBS all the physical and logical security has been concentrated at same location and hence maintaining the logical and physical security as per policy of the bank and by standard practice is now much easier.

ii.Improvement in Data Manipulation & Data Loss Risk: For distributed PCBank System, all the branch servers are maintained by the Branch People according to the guideline and policy set centrally by Information Technology Division, Head Office. But due to not maintaining the guideline and policy at an optimum level, there is some-time possibility that the data may become corrupt. Even if the data is not backed up properly, then there is a possibility of Data Loss also. With the implementation of CBS, as the entire Database now reside centrally at the UCB Data Centre as well as the Disaster Recovery Site; the chance of Data corruption and loss has become almost negligible.

iii.Improvement of Transaction Role Risk: For PCBank's distributed system all the roles of users are maintained at all the servers in a distributed manner. This causes lack of transparency in the roles and sometimes make monitoring difficult. With the implementation of CBS system role of each users now centrally defined and only few user templates may be provided to all users which allows more control and transparency for the central monitoring team.

iv.Improvement in Fraud & Forgery Risk: With the implementation of CBS system along with the Maker-Checker concept, now each and every transaction will be not possible to be made by one single person. All the transactions can be tracked through transaction logs for analyzing any fraudulent activities. No activity will be now made without of proper business process and steps.

Notes to the Financial Statements

v. Improvement in monitoring: Senior Management, Auditors and Risk Management team will be able to monitor compliance issues centrally through system generated MIS reports and dashboards.

vi. Future scopes of Implementation of added Security Features: Two factor authentication, SMS and Email Alert, Internet, Mobile and SMS banking will provide a 360 degree monitoring of transactions and account activity which will ensure more security.

2.State of the Art Data Centre and Disaster Recovery Site:

UCB has procured and implemented state of the art Hardware, Software and systems in its Data Centre and Disaster Recovery Site keeping in mind future scalability, efficiency, fault tolerance and high availability. The environmental security features of the Data Centre and Disaster Recovery Site have been provided highest priority. The network system of the Bank has been reconfigured with latest technologies for highest availability, efficiency and security.

3.ICT Policies, Process Implementation:

The ICT Policy of the Bank has been recently revised and restructured to comply with the recent technology and risk management trends. The Business Continuity Plan, Disaster Recovery Plan and Information Security Management Policy have been republished after the revision.

ICT Risks Management Policy: UCB has developed ICT Risks Management Policy and approved by board, where we covered all areas of IT risks according to Bangladesh Bank risks grading guideline.

4.Debit Switching Software & Credit Card Management Software:

UCB has recently migrated to its on Debit Switch from the outsourced debit switch. This change has reduced risk of card data related fraud and forgery as well as increased control of the bank over entire operational and business process. Bank has recently introduced SMS notification for Credit and Debit transactions, which reduces the fraudulent transaction risks.

5.Two Factor Authentication

Bank is in the process of implementing two Factor Authentication(2FA) for its e-commerce based card not present transactions which will be completed by February 2015 and will ensure that card not present transactions is possible using UCB Cards ensuring security of card data.

6.Progress of PCI-DSS Certification

Bank has already signed an agreement with a globally reputed Qualified Security Assessor (QSA) firm to perform Bank's PCI-DSS assessment. The major objective of PCI-DSS is to prevent the card based fraud and forgery. UCB card services will be more risk free by the implementation of PCI-DSS which is an ongoing process.

1st Phase : Security gap analysis has been completed by vendor(ControlCase).Now UCB is working in mitigation phase.

7.Improvement in Communication Risk

To control malicious and suspicious traffic, new Firewall implemented in Core & Perimeter zone. For controlling malicious and unwanted traffic in application level, Intrusion Prevention System (IPS) is implemented. VPN is successfully implemented in UCB environment to ensure secure and encrypted remote access from public network. Protecting from any types of cyber attacks UCB has implemented web based firewall(CyberRom).

8.Improvement in ICT Awareness Risk

In the venture to train and aware all the employees of the bank on Security and technology Operation, Bank has set up three Training Centers (in Dhaka, Chittagong and Sylhet) equipped with modern technology. Information Technology division has regularly conducted ICT awareness training for all employees.

From all the above-mentioned points it may be summarized that the total ICT Risk of United Commercial Bank has decreased due to various initiative of the Bank. Thus the Bank is now in a more secured ICT environment.

2.9.39.7 Internal Audit

The Bank has established an independent internal audit function for conducting risk based internal audit on various business and operation areas of the Bank on continuous basis.

2.9.40 Events after balance sheet date

Where necessary, all the material events after the balance sheet date have been considered and appropriate adjustment/ disclosures have been made in the financial statements. The only material event after the balance sheet date is; the Board of Directors recommended stock dividend @ 20% and cash dividend @ 10% for the year 2014 in its meeting no. 376 held on 22 February 2015.

2.9.41 General

Functional and presentation currency

The financial statements are presented in Bangladeshi Taka, which is the Bank's functional currency. Financial information's have been rounded to the nearest Taka.

Comparative information

Comparative information in respect of the previous year has been presented from the financial statements audited by current year auditors for the year ended 31 December 2014. Figures of previous year have been rearranged whenever necessary to confirm the current year/period presentation.

Reporting period

These financial statements cover the period from 1 January 2014 to 31 December 2014.

Approval of financial statements

The financial statements have been approved by the Board of Directors of the bank in its meeting held on February 22, 2015.

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
3	Cash	18,387,160,759	15,275,160,387
3.1	Cash in hand		
	Local currency	2,552,996,024	2,871,348,136
	Cash in ATM	189,593,257	159,852,858
	Foreign currency	59,584,260	18,851,869
		2,802,173,541	3,050,052,863
3.2	Balance with Bangladesh Bank and its agent Bank(s)		
	Local currency	14,934,565,492	11,393,355,326
	Foreign currency	650,421,726	831,752,198
		15,584,987,218	12,225,107,524
	Total Cash in hand including balance with Bangladesh Bank & its agent Bank's	18,387,160,759	15,275,160,387
3.2.1	Balance with Bangladesh Bank		
	Local currency	13,987,679,799	10,711,521,168
	Foreign currency	650,421,726	831,752,198
		14,638,101,525	11,543,273,366
	* The above balance represents amount as per Bank Book. The differences due to reconciling items with Bangladesh Bank are not material and most of the items are subsequently adjusted.		
3.2.2	Balance with Sonali Bank (as agent of Bangladesh Bank)		
	Local currency	946,885,693	681,834,158
	Foreign currency	-	-
		946,885,693	681,834,158
3.3	Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)		
	Cash reserve requirement (CRR) and statutory liquidity ratio (SLR) have been calculated and maintained in accordance with section 33 of Bank Company Act, 1991(amendment upto 2013) and of instructions contained in DOS circular No. 01 dated 19 January 2014 and MPD circular No. 01 dated 23 June 2014 issued by Bangladesh Bank.		
	The cash reserve requirement of the Bank calculated @ 6.50% of total time and demand liabilities and maintained with Bangladesh Bank in current account and 19.50% statutory liquidity ratio (including CRR) on the same liabilities has also been maintained with Bangladesh Bank in the form of treasury bills, bonds and debentures including foreign currency balances with Bangladesh Bank in year end position of CRR & SLR maintained by UCB clearly reflects that, both the reserve are excess over the requirement. Details are as follows :		
3.3.1	Cash Reserve Requirement (CRR) (6.50% of average Demand & Time Liabilities)		
	Required reserve	12,286,265,433	10,129,057,296
	Actual reserve held (note - 3.2.1)	13,987,679,799	10,711,521,168
	Surplus/(Deficit)	1,701,414,366	582,463,872
3.3.2	Statutory Liquidity Ratio (SLR) (13% of average Demand & Time Liabilities)		
	Required reserve	24,572,530,866	21,946,290,808
	Actual reserve held	44,550,065,707	36,890,876,300
	Surplus/Deficit	19,977,534,841	14,944,585,492
3.3.3	Total Required Reserve (CRR & SLR)	36,858,796,299	32,075,348,104
	Actual Reserve Held (note-3.3.4)	58,537,745,506	47,602,397,468
	Total Surplus/(Shortfall)	21,678,949,207	15,527,049,364
3.3.4	Held for Statutory Liquidity Ratio		
	Cash in hand (note- 3.1)	2,802,173,541	3,050,052,863
	Balance with B.Bank & its agent Bank (note-3.2)	15,584,987,218	12,225,107,524
	Govt. Securities (Treasury Bills) (note:6.1)	11,055,066,360	9,994,823,322
	Govt. Treasury Bond (HTM) (note : 6.1)	20,842,936,887	16,227,028,483
	Govt. Treasury Bond (HFT) (note : 6.1)	3,390,403,701	2,593,190,760
	Bangladesh Bank Bills (note : 6-b)	-	1,163,385,266
	Reverse Repo with other Bank (note : 6.1)	4,851,126,199	2,333,100,950
	Stock of Prize Bond (note : 6-a)	6,051,600	5,708,300
	Debenture (HBFC) (Note : 6-b)	5,000,000	10,000,000
		58,537,745,506	47,602,397,468
3(a)	Consolidated Cash		
	United Commercial Bank Ltd.	18,387,160,759	15,275,160,387
	UCB Capital Management Ltd.	25,000	-
	UCB Investment Ltd.	-	-
		18,387,185,759	15,275,160,387

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
4	Balance with other banks and financial institutions		
	In Bangladesh (note - 4.1)	4,168,169,758	6,073,673,282
	Outside Bangladesh (Annexure-A)	1,856,713,204	919,832,759
		6,024,882,962	6,993,506,041
4.1	In Bangladesh		
A.	Current account		
	Janata Bank Ltd.	52,455,496	223,668,893
	Agrani Bank Ltd.	172,307,279	128,534,464
	Rupali Bank Ltd.	17,542,578	4,961,318
	Sonali Bank Ltd.	-	6,086,088
	Standard Chartered Bank	879,553	10,056,599
	Dutch Bangla Bank Ltd.	-	6,411,871
		243,184,906	379,719,233
B.	STD account		
	Janata Bank Ltd.	122,233	18,282,546
	Rupali Bank Ltd.	-	4,959,220
	Sonali Bank B.B Avenue	115,619	112,283
		237,852	23,354,049
C.	Fixed Deposits		
	Industrial and Infrastructure Development Finance Company Ltd.	150,000,000	325,000,000
	Peoples Leasing and Financial Services Ltd.	300,000,000	250,000,000
	National Finance Ltd.	535,000,000	435,000,000
	Standard Bank Ltd.	500,000,000	1,500,000,000
	Union Capital Ltd.	200,000,000	200,000,000
	AB Bank Ltd.	1,300,000,000	777,600,000
	Mercantile Bank Ltd.	500,000,000	-
	Premier Leasing & Finance Ltd.	50,000,000	-
	Trust Bank Ltd.	389,747,000	-
	Jamuna Bank Ltd.	-	500,000,000
	Lanka Bangla Finance Ltd.	-	500,000,000
	Uttara Finance & Investment Ltd.	-	200,000,000
	South East Bank Ltd.	-	50,000,000
	BRAC Bank Ltd.	-	777,500,000
	Commercial Bank of Ceylon	-	155,500,000
		3,924,747,000	5,670,600,000
	Total (A+B+C)	4,168,169,758	6,073,673,282
4.2	Maturity grouping of balance with other banks & financial institutions		
	On demand	243,184,906	1,299,551,992
	Upto three months	4,781,698,056	4,218,954,049
	More than three months but less than six months	1,000,000,000	1,450,000,000
	More than six months but less than one year	-	25,000,000
		6,024,882,962	6,993,506,041
4(a)	Consolidated Balance with other banks & financial institutions		
	In Bangladesh		
	United Commercial Bank Ltd. (note-4.1)	4,168,169,758	6,073,673,282
	UCB Capital management Ltd.	47,851,952	-
	UCB Securities Ltd.	-	684,745,744
	UCB Investment Ltd.	254,465,345	249,967,125
		4,470,487,055	7,008,386,151
	Less: Inter Company balance eliminated	295,175,379	900,324,406
		4,175,311,676	6,108,061,745
	Outside Bangladesh		
	United Commercial Bank Ltd.	1,856,713,204	919,832,759
	UCB Securities Ltd.	-	-
	UCB Investment Ltd.	-	-
		1,856,713,204	919,832,759
		6,032,024,880	7,027,894,504

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
5. Money at call on short notice			
International Leasing & Financial Services Ltd.		150,000,000	90,000,000
Prime Finance & Investment Ltd.		140,000,000	40,000,000
Delta Brac Housing Finance Corporation Ltd.		190,000,000	150,000,000
MIDAS Financing Ltd.		160,000,000	100,000,000
Premier Leasing & Finance Ltd.		180,000,000	170,000,000
Lanka Bangla Finance Ltd.		230,000,000	100,000,000
The City Bank Ltd.		300,000,000	-
Bank Asia		200,000,000	-
Fareast Finance & Investment Ltd.		150,000,000	-
IIDFC		200,000,000	-
Mutual Trust Bank Ltd.		150,000,000	-
Union Capital Ltd.		140,000,000	-
Southeast Bank Ltd.		-	500,000,000
IDLC Finance Ltd.		-	250,000,000
Phoenix Finance & Investments Ltd.		-	70,000,000
Bank Al Falah		-	100,000,000
		2,190,000,000	1,570,000,000
6. Investments			
Government Securities (note-6.a)		40,145,584,747	31,153,851,815
Other Investments (note-6.b)		4,143,018,336	4,433,395,587
		44,288,603,083	35,587,247,402
a) Government Securities			
Treasury Bills			
28 days Treasury bills		-	-
91 days Treasury bills		2,652,254,258	4,562,227,335
182 days Treasury bills		7,344,531,931	1,021,936,956
364 days Treasury bills		1,058,280,171	4,410,659,031
2 years Treasury bills		-	-
5 years Treasury bills		-	-
		11,055,066,360	9,994,823,322
Total Treasury Bills		11,055,066,360	9,994,823,322
Government Bonds			
Prize Bonds		6,051,600	5,708,300
Reverse Repo with other Bank		4,851,126,199	2,333,100,950
Government Bonds		24,233,340,588	18,820,219,243
Total Government Bonds		29,090,518,387	21,159,028,493
Total Government Securities		40,145,584,747	31,153,851,815
b) Other investments			
Shares in listed companies (note- 6.3)		3,143,628,968	2,175,738,699
Shares in un-listed companies (note- 6.3)		974,389,770	1,044,272,427
Debentures		5,000,000	10,000,000
Bangladesh Bank Bills		-	1,163,385,266
ACI 20% Convertible Zero Coupon Bond		19,999,598	39,999,195
Total other investments		4,143,018,336	4,433,395,587
Total Investments (a+b)		44,288,603,083	35,587,247,402
6.1 Government Securities are Classified as per Bangladesh Bank Circular			
Held to Maturity (HTM)		20,842,936,887	16,227,028,483
Held for Trading (HFT)		3,390,403,701	2,593,190,760
Treasury Bills		11,055,066,360	9,994,823,322
Reverse repo with other Bank		4,851,126,199	2,333,100,950
Other Securities (Prize Bond)		6,051,600	5,708,300
		40,145,584,747	31,153,851,815

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
6.2	Maturity grouping of investments		
	On demand	4,851,126,199	2,337,600,000
	Up to three months	9,310,073,801	8,617,940,944
	More than three months but less than one year	7,457,900,000	7,098,574,387
	More than one year but less than five years	5,581,500,000	9,238,200,000
	Over five years	17,088,003,083	8,294,932,071
		44,288,603,083	35,587,247,402

6.3 Other Investments

Name of the Company	Market Price On 31.12.2014	Cost Price On 31.12.2014	Cost Price On 31.12.2013
A) Shares in listed companies			
Powergrid	20,997,900	43,459,051	43,459,051
Summit Power Ltd.	91,276,215	100,402,505	70,639,387
Summit Alliance Port Ltd.	71,109,299	109,613,743	109,613,743
Lafarge Surma Cement Limited.	236,467,500	65,857,956	75,364,110
Beximco Pharmaceuticals Limited.	69,878,711	97,636,026	97,636,026
Square Pharmaceuticals Ltd.	62,658,591	41,074,581	19,466,952
Confidence Cement Ltd.	47,952,260	63,661,540	44,970,291
S.Alam Colled Rolled Steels Ltd.	24,163,800	43,866,867	43,866,867
Beximco Limited.	44,972,382	166,594,283	166,594,283
Bangladesh Steel Re rolling Mills Limited	68,345,487	100,082,442	100,082,442
Square Textile Limited	102,384,282	104,486,512	29,319,774
Fuwang Ceramics industries Limited	129,049	252,721	2,625,818
Navana CNG Limited	11,780,502	25,482,070	25,482,070
Aftab Automobiles Limited	14,582,400	22,643,462	22,643,462
Meghna Life Insurance Company Limited	16,513,662	36,104,351	36,104,351
Renata Limited	14,220,768	7,276,528	7,276,528
Style Craft Limited	430,500	169,626	169,626
IDLC Finance Limited	73,027,915	60,272,094	17,635,664
RAK Ceramics Limited	45,318,503	94,165,071	94,165,071
United Air	74,760	133,154	1,464,691
Bangladesh Plantation Limited	48,000	46,069	46,069
East Land Insurance Company Limited	22,871,034	51,537,125	51,537,125
Grameen Phone Limited	543,248,090	132,117,638	150,301,400
National Housing Fin. & Investment Limited	146,526,237	44,648,560	44,648,560
MJL Bangladesh Limited	40,825,903	37,180,756	37,180,756
All Tex Industries limited	333,660	198,425	2,182,671
Dhaka Electric Supply Company.	19,321	18,111	5,064,900
Orion Infusion	7,650,000	9,682,011	9,682,011
Phoenix Insurance	21,828,690	34,299,638	48,120,975
Unique Hotel	37,892,500	80,000,000	80,000,000
BEDL	111,413,016	95,364,948	82,555,180
BRAC Bank	258,097,320	185,612,807	-
Active Fine Chemical	39,610,400	40,398,635	-
Matin Spinning	151,401,460	158,404,215	-
Titas Gas Ltd.	73,124,750	83,235,439	-
Heidelberg Cement BD	19,401,690	19,668,589	-
Shinepukur Ceramics	10,581,912	31,229,133	-
Jamuna Oil Ltd.	73,699,846	80,654,207	-
Khulna Power Co. Ltd	1,889,550	1,836,517	-
Paramount Tex. Ltd.	17,997,788	35,551,562	-
Summit Purbanchol Power Co.	68,153,919	84,289,813	-
Envoy Textiles Ltd.	96,708,101	93,542,752	-
AFC Agro Biotech	47,187,000	54,569,321	-
BD Building System	16,322,180	17,738,915	-
Linde Bangladesh Ltd.	5,269,011	5,140,545	-
Southeast Bank Ltd.	8,962,800	9,957,125	-

Notes to the Financial Statements

Name of the Company	Market Price On 31.12.2014	Cost Price On 31.12.2014	Cost Price On 31.12.2013
The City Bank Ltd.	-	-	67,418,923
Uttara Finance & Inv.Ltd.	-	-	1,536,094
SP Ceramics	-	-	31,229,133
Meghna Petroleum Limited	-	-	51,235,764
Phoenix Finance & Investment Limited	-	-	4,279,936
Aramit Cement Company Limited	-	-	26,504,281
Padma Oil Company Limited	-	-	25,151,907
Keya Cosmetics Limited	-	-	45,637,574
Asia Pacific General Insurance Company Limited	-	-	6,755,754
Monno Ceramics	-	-	1,379,747
Eastern Housing Limited	-	-	14,805,123
Asia Insurance	-	-	6,480,794
Dhaka Insurance	-	-	4,223,141
Global Insurance	-	-	3,499,838
8th ICB Mutual Fund	1,013,320	154,000	154,000
EBL 1st Mutual Fund	11,376,885	34,256,310	34,256,310
ICB AMCL 2nd NRB Mutual Fund	7,800,000	21,895,048	21,895,048
DBH 1st Mutual Fund	18,623,100	54,878,042	52,490,326
ICB AMCL 2nd Mutual Fund	5,982,300	19,104,499	19,104,499
IFIC 1st Mutual Fund	23,503,631	35,692,178	14,753,584
PHP 1st Mutual Fund	16,722,003	24,039,695	10,920,609
MBL 1st Mutual Fund	22,500,000	49,073,187	50,000,000
EBL NRB Mutual Fund	86,886,614	149,710,000	149,710,000
Trust 1st Mutual Fund	3,919,887	8,695,444	8,588,831
First Janata Bank MF	7,201,975	8,686,889	-
ABB Ist MF	18,566,636	20,908,284	-
Aims Ist MF	44,368,593	42,967,554	-
Green Delta MF	3,588,000	4,899,880	-
ICB AMCL 3rd NRB Mutual Fund	255,850	345,790	-
Popular Life 1st MF	28,443,975	33,463,845	-
IFIL Islamic MF 1	1,963,650	2,375,792	-
LR Global BD MF 1	72,500	107,515	-
EXIM Bank Ist MF	3,864	3,908	-
NLI Ist MF	34,877,592	38,285,409	-
Reliance One MF	19,335,600	23,928,260	-
Ist BSRS Mutual Fund	-	-	3,827,629
Sub total	3,194,354,639	3,143,628,968	2,175,738,699
ACI 20% Zero coupon bond	28,492,614	19,999,598	39,999,195
Sub Total (a)	3,222,847,253	3,163,628,566	2,215,737,894
B) Shares in un-listed companies			
Employment Bank	10,000,000	10,000,000	10,000,000
Central Depository (BD) Ltd	6,277,770	6,277,770	6,277,770
STS Holdings Ltd	100,000,000	100,000,000	100,000,000
Prime Financial First Unit Fund	15,000,000	15,000,000	15,000,000
Summit Purbanchol Power Co.	76,835,600	76,835,600	122,936,600
Summit Uttaranchol Power Co.	32,465,300	32,465,300	51,944,100
Energies Power Corporation	320,000,000	320,000,000	320,000,000
Fiber Shine	10,000,000	10,000,000	10,000,000
SWIFT	3,811,500	3,811,500	3,811,500
ACME Laboratories Ltd.	399,999,600	399,999,600	399,999,600
Anam Capital	-	-	352,857
UCB Capital Management Ltd.	-	-	3,950,000
Sub total (b)	974,389,770	974,389,770	1,044,272,427
Total (a + b)	4,197,237,023	4,138,018,336	3,260,010,322

Notes to the Financial Statements

		Amount in BDT		
		31 Dec. 2014	31 Dec. 2013	
6.4 Cost and market value of investment as on 31 December 2014				
	Cost Price (Taka)	Market Value/ Amortized Cost	Market Value/ Amortized Cost	
Government securities:				
Treasury Bills (Govt. Securities)	10,836,122,323	11,055,066,360	9,994,823,322	
Reverse repo with other bank	4,851,126,199	4,851,126,199	2,333,100,950	
Govt. Treasury Bond (HTM)	19,378,937,444	20,842,936,887	16,227,028,483	
Govt. Treasury Bond (HFT)	3,307,228,015	3,390,403,701	2,593,190,760	
Stock of Prize Bond	6,051,600	6,051,600	5,708,300	
	38,379,465,581	40,145,584,747	31,153,851,815	
Investment in Shares,Bond & Debenture:			-	
	Market Value/ Amortized Cost	Cost Price	Cost Price	
Quoted Shares	3,194,354,639	3,143,628,968	2,414,659,149	
Un-Quoted Shares	974,389,770	974,389,770	709,852,627	
Total investment in shares	4,168,744,409	4,118,018,738	3,124,511,776	
ACI 20% convertible zero coupon bond	28,492,614	19,999,598	59,998,793	
Investment In debenture	5,000,000	5,000,000	15,000,000	
Bangladesh Bank Bills	-	-	1,231,047,080	
	4,202,237,023	4,143,018,336	4,430,557,649	
6.5 (a) Disclosure regarding outstanding Reverse Repo on 31 December 2014.				
Sl. No	Counter party Name	Agreement Date	Reversal Date	Amount (1st leg cash consideration)
01.	National Bank Ltd.	30.12.2014	01.01.2015	1,393,211,199
02.	Bank Asia Ltd.	30.12.2014	01.01.2015	989,741,000
03.	South East Bank Ltd.	30.12.2014	01.01.2015	974,561,000
04.	NCC Bank Ltd.	30.12.2014	01.01.2015	1,493,613,000
Total				4,851,126,199
6.5 (b) Disclosure regarding overall transaction of Repo and Reverse Repo				
	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	
Securities sold under repo:				
1) With Bangladesh Bank	-	-	-	
2) With Bank & FIS	-	-	-	
Securities Purchased under reverse repo:				
1) from Bangladesh Bank	-	-	-	
2) from Other Bank & Financial ins.	196,542,476	4,851,126,199	1,270,910,884	
5(a) Consolidated Investments				
Governments Securities				
United Commercial Bank Ltd		40,145,584,747	31,153,851,815	
UCB Capital Management Ltd.		-	-	
UCB Securities Ltd.		-	-	
UCB Investment Ltd.		-	-	
		40,145,584,747	31,153,851,815	

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
Other Investments			
United Commercial Bank Ltd		4,143,018,336	4,433,395,587
UCB Capital Management Ltd.		516,065,383	-
UCB Securities Ltd.		-	504,447,143
UCB Investment Ltd.		-	-
		4,659,083,719	4,937,842,730
Less: Inter Company balance eliminated		250,000	250,000
		4,658,833,719	4,937,592,730
		44,804,418,466	36,091,444,545
* Investment includes Tk. 391,150,000 for DSE membership and Tk. 124,610,823 for CSE membership. As per the Demutualization Act, 2013 memberships of both stock exchanges have been converted into certain number of shares as well as "Trading Right Entitlement Certificate (TREC)". No transactions of shares as well as "TREC" have been started and hence cost price is considered as fair value.			
7	Loans and Advances	174,146,104,337	148,664,861,064
7.1	Maturity grouping of Loans & Advances (including bills purchased and discounted)		
	On demand	1,729,103,600	1,389,600,000
	Not more than three months	71,214,747,000	67,801,612,998
	More than three months but less than one year	40,736,521,318	39,165,190,402
	More than one year but less than five years	39,853,928,500	31,588,305,500
	More than five years	20,611,803,919	8,720,152,164
		174,146,104,337	148,664,861,064
7.2	Loans & Advances		
	i) Loans, Cash credit & overdraft etc		
a)	Within Bangladesh		
	Loan	90,749,251,137	69,912,157,614
	Cash credits	33,507,530,456	29,576,222,862
	Overdrafts	40,303,885,826	44,780,943,785
		164,560,667,419	144,269,324,261
b)	Outside Bangladesh	-	-
		164,560,667,419	144,269,324,261
ii)	Bills Purchased & Discounted (note : 7.13)		
	a) Payable Inside Bangladesh		
	Inland Bills Purchased	2,595,231,368	2,128,943,617
b)	Payable outside Bangladesh		
	Foreign bills purchased & discounted	6,990,205,550	2,266,593,186
		9,585,436,918	4,395,536,803
		174,146,104,337	148,664,861,064
7.3	Net Loans & Advances		
	Gross Performing Loans & Advances (note- 7.2)	174,146,104,337	148,664,861,064
	Less : Non Performing Loans & Advances (note- 7.10 b)	8,050,042,412	5,985,172,650
	Interest suspense (note- 12.18)	1,559,796,970	1,105,184,544
	Provision for Loans & Advances (note- 7.11)	3,680,817,671	3,323,212,901
		13,290,657,053	10,413,570,095
		160,855,447,284	138,251,290,969

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
7.4	Loans & Advances according to significant concentration		
a)	Advances to the companies or firms in which the Directors of the Bank are interested	-	-
b)	Advances to Chief Executive and other senior executives	529,893,972	475,869,564
c)	Advances to customers group		
i)	Commercial Lending	44,895,352,310	40,396,413,568
ii)	Import Finance	14,127,105,500	9,453,135,864
iii)	Export Finance	8,416,086,210	5,074,648,312
iv)	House Building Loan	8,997,410,500	9,248,754,210
v)	Transport Loan	2,617,003,200	3,457,211,347
vi)	Retail Loan	8,878,809,320	9,932,801,269
vii)	Staff Loan	831,507,923	1,011,916,524
viii)	Industrial Loan	66,920,405,145	57,300,016,836
ix)	Agricultural Loan	1,848,402,100	2,164,874,563
x)	Others	16,084,128,157	10,149,219,007
Total Loans & Advances		174,146,104,337	148,664,861,064
7.5	Industry wise Loans and Advances		
	RMG & Accessories	16,888,205,300	8,852,339,523
	Textile Industries	6,233,005,000	5,163,001,258
	Agriculture	1,848,402,100	2,164,887,621
	Food Products & Processing	4,202,165,356	4,372,996,214
	Jute Industries	1,149,112,321	1,124,074,852
	Leather & Leather Products	101,241,235	84,825,413
	Paper & Paper Products Industries	3,307,060,598	2,993,165,896
	Wood & Wooden Products	1,284,602,874	546,287,954
	Chemical & Chemical Products	2,062,612,354	1,426,700,325
	Cement Industries	2,509,607,245	550,369,854
	Glass & Glassware Product Industries	39,203,500	79,532,045
	Brick Field, Auto Bricks, Tiles	720,706,521	607,312,921
	Engineering, Basic Metal & Products	5,541,716,342	4,076,399,500
	Ship Re-cycling	216,992,358	273,312,545
	Ship Manufacturing	1,145,203,653	1,010,485,632
	Educational Institute, Hotel, Restaurent	2,061,352,320	1,706,432,323
	Telecommunication	1,801,596,365	1,086,305,200
	Transport & Communication	2,616,978,980	3,457,221,745
	Diagnostic/Medical/Clinic	990,035,640	1,608,613,523
	Housing Industry	8,997,405,400	9,248,714,845
	Construction (Other than Housing)	11,696,569,523	8,385,602,100
	Tea Manufacturing	-	-
	Electronics Media	302,802,472	260,207,300
	Power & Energy	3,095,978,420	3,007,288,905
	Commercial Trade Financing	38,571,742,300	34,648,208,635
	Others	56,761,806,160	51,930,574,935
		174,146,104,337	148,664,861,064
7.6	Geographical Location wise Loans & Advances		
	Urban branches		
	Dhaka	110,451,434,781	93,921,363,619
	Chittagong	37,814,854,410	31,626,156,809
	Sylhet	1,665,389,172	1,810,793,967
	Rajshahi	4,850,431,558	4,677,403,295

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
Rangpur		933,409,162	844,951,650
Khulna		5,985,589,264	5,210,807,434
Barisal		344,426,728	301,478,385
		162,045,535,075	138,392,955,159
Rural branches			
Dhaka		9,778,086,701	8,204,968,719
Chittagong		1,764,329,998	1,524,780,109
Sylhet		332,452,176	335,672,829
Rajshahi		-	-
Rangpur		-	-
Khulna		225,700,387	206,484,248
Barisal		-	-
		12,100,569,262	10,271,905,905
		174,146,104,337	148,664,861,064
7.7 Sector - wise Loans and Advances			
Government & autonomous		-	-
Co-operative sector		-	-
Other public sector		-	-
Private sector		174,146,104,337	148,664,861,064
		174,146,104,337	148,664,861,064
7.8 Details of large Loans and Advances			
Number of clients with outstanding amount and classified loans exceeding 10% of total capital of the Bank.			
Total Capital of the Bank		2,569.12	2,275.88
Outstanding Advances (note : 7.8.1)		7,135.52	4,659.54
Number of customers		29	21
Classified amount		341.59	Nil
Measures taken for recovery		Suit Filed	Not applicable
7.8.1 Detail of information on Advances more than 10% of Bank's total Capital as on 31 December 2014			
			(Figure in crore)
Name of the Borrower	Funded	Outstanding as on 31 Dec. 2014	31 Dec. 2013
		Non-Funded	Total Taka
		Total	
Palmal Group	129.49	153.06	282.55
Max Group	342.68	269.29	611.97
Bulk Group	9.79	17.80	27.59
Toma Group	107.10	221.07	328.17
Bashundhara Group	96.19	168.69	264.88
Four H.Group	171.44	418.67	590.11
Kabir Group	130.62	84.39	215.01
Liz Froup	37.51	128.62	166.13
Micro Fiber Group	14.08	302.24	316.32
Ruby Food Products Ltd.	101.93	139.50	241.43
Metro Group	7.90	190.24	198.14
Max Power Ltd.	42.62	238.87	281.49
BSRM	115.85	64.07	179.92
Mondol Group	211.65	251.71	463.36
Rangs Group	221.98	1.41	223.39
Abul Khair Group	284.35	331.86	616.21
Mahmud Group	81.81	49.98	131.79
Thermax	110.51	128.14	238.65
Antim	101.21	59.02	160.23
Habib Group	118.22	147.68	265.90

Notes to the Financial Statements

			Amount in BDT	
			31 Dec. 2014	31 Dec. 2013
Malek Group	125.65	41.04	166.69	-
Summit Group	28.54	89.61	118.15	-
Infratech Construction Ltd.	118.98	69.85	188.83	-
Capital Banani	262.60	-	262.60	-
Sha Sha Group	0.67	16.11	16.78	-
NASSA Group	28.35	4.91	33.26	-
BNS Group	341.56	0.03	341.59	-
Evince Group	122.43	81.95	204.38	-
Spectra Group	-	-	-	210.27
Grameen Phone Ltd.	-	-	-	6.25
Total	3,465.71	3,669.81	7,135.52	4,659.54

7.9 Disclosure of Particulars of Advances

i)	Loans considered good in respect of which the banking company is fully & partly secured.	151,591,944,927	133,274,086,220
ii)	Loans considered good against which the banking company holds no security than the debtors personal guarantee.	20,395,916,706	12,705,985,208
iii)	Loans considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtor.	2,158,242,704	2,684,789,636
iv)	Loans adversely classified, provision not maintained there against.	-	-
		174,146,104,337	148,664,861,064
v)	Loans due by directors or officers of the banking company or any of them either separately or jointly with any other person	-	-
vi)	Loans due by companies or firms in which the directors of the banking company have interests as directors, partners, or managing agents or in case of private companies, as members	-	-
vii)	Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other person	421,976,250	448,935,206
viii)	Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the Directors of the Bank are interested as directors, partners or managing agents or in the case of private companies as members		
ix)	Due from banking companies		
x)	Amount of classified loans on which interest has not been charged:	7,445,834,601	5,042,714,755
a)	Decrease/ Increase in provision	357,604,770	144,581,639
b)	Amount realised against loan previously written off	278,764,196	155,643,652
c)	Amount of provision kept against loan classified as Bad / Loss on the balance sheet date	1,868,419,670	1,725,376,000
d)	Interest credited to the interest suspense account.	1,426,449,974	1,139,616,222
xi)	Cumulative amount of the written off loan	9,871,573,090	8,436,508,673
xii)	Amount written off during the year	1,435,064,417	1,183,822,395
xiii)	Amount of written off loan for which law suit filed	9,815,311,283	8,380,246,866

Notes to the Financial Statements

			Amount in BDT	
			31 Dec. 2014	31 Dec. 2013
7.10 Classification of Loans & Advances				
a) Unclassified				
Standard (SMA)			6,169,013,926	3,076,412,165
Standard (Small & Medium Ent.)			65,192,772,680	64,157,090,622
Standard (Consumer Finance- Credit Card)			1,092,308,292	1,160,644,211
Standard (Consumer Finance-House Finance)			12,806,897,964	8,127,353,433
Standard (Consumer Finance - Loan Professional)			55,444,007	169,351,986
Standard (Consumer Finance-Others)			1,507,342,535	1,888,477,119
Standard (Agri Loan)			532,534,124	992,581,987
Standard (Staff Loan)			1,361,401,895	1,120,849,105
Standard (Others.)			77,378,346,502	61,986,927,786
			166,096,061,925	142,679,688,414
b) Classified				
Sub - Standard			286,937,808	550,401,192
Doubtful			317,270,003	392,056,703
Bad & Loss			7,445,834,601	5,042,714,755
			8,050,042,412	5,985,172,650
Total			174,146,104,337	148,664,861,064
7.11 Particulars of required provision for Loans & Advances				
Particulars	Base for Provision	Rate of Provision	Provision required	
General Provision (a)				
Special Mention Account	6,169,013,926	0.25% - 5%	51,067,000	34,023,716
Small & Medium Enterprise	65,192,772,680	0.25%	162,981,932	160,392,727
Consumer Fin.- Credit Card	1,092,308,292	5%	54,615,415	58,032,211
Consumer Fin-House Finance	12,806,897,964	2%	256,137,959	162,547,069
Consumer Fin - Loan Prof.	55,444,007	2%	1,108,880	3,387,040
Consumer Fin-Others	1,507,342,535	5%	75,367,127	94,423,856
Short Term Agri & Micro Credit	532,534,124	2.50%	13,313,353	49,629,099
Loan to BHs/MBs/SDs against share	1,709,781,697	2%	34,195,634	24,388,453
Unclassified Advances	75,668,564,805	1%	756,685,648	607,675,051
	164,734,660,030		1,405,472,948	1,194,499,221
Specific Provision (b)				
Sub - Standard	86,163,422	20%	17,152,000	61,763,000
Doubtful	87,939,238	50%	43,969,619	73,787,000
Bad & Loss	1,868,399,670	100%	1,868,399,670	1,532,973,000
	2,042,502,330		1,929,521,289	1,668,523,000
Required provision for Loans & Advances (a+b)			3,334,994,237	2,863,022,221
Total provision held for Loans & Advances			3,680,817,671	3,323,212,901
Excess/(Short) Provision			345,823,434	460,190,680
7.12 Suit filed by different branches against defaulted borrowers during the year				
(Branch wise details)				
Principal branch			3,774,969	2,727,838
Gulshan branch			950,139,672	3,773,125
Uttara Branch			4,607,059	410,000
Shantinagar branch			150,819	2,809,775
Noapara bazar branch (Jessore)			1,232,208	33,732,343
Bashundhara branch			331,212,303	1,677,972
Beanibazar Sylhet			2,411,363	5,598,155
Comilla branch			1,866,795	334,558

Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
Corporate branch	1,285,538	2,288,783
Foreign Exchange branch	478,029	366,342
Khan Jahan Ali Road branch	547,118	233,241
Mirpur branch	2,379,442	936,052
Mohammadpur branch	745,181	205,411
Narayangonj branch	335,550	1,648,066
Khatungong branch	304,671,688	237,824,930
New Eskaton branch	4,924,112	4,993,743
Nawabpur branch	50,322,739	-
Banani branch	571,307,548	-
Bogra Branch	512,827,953	-
Chuadanga branch	8,390,385	-
Faridpur branch	11,068,648	-
Goalabazar branch	4,281,530	-
Kadamtali branch	109,400,000	-
Lakshmipur branch	2,460,300	-
Mirpur Road branch	574,315,592	-
Natore branch	30,443,020	-
Nobigonj branch	173,894	-
Northbrook Hall Road branch	856,926	-
Rangpur branch	3,937,058	-
Sonargaon Janapath branch	597,492,427	-
Tejgaon branch	322,462,302	-
Agrabad branch	-	129,865,127
Islampur branch	-	79,314,113
Anderkilla branch	-	835,441
Bangshal branch	-	620,090
Chakaria branch	-	357,516
Dampara branch	-	9,600,323
Jubilee Road branch	-	450,463,329
Kawranbazar branch	-	6,892,164
Mohakhali branch	-	938,562
Moulvibazar branch sylhet	-	297,476
Rajshahi branch	-	250,196
Sirajgonj branch	-	170,588,657
Sylhet branch	-	246,407
Elephant road branch	-	224,982,482
O.R Nizam Road branch	-	24,093,783
Nayabazar branch	-	657,633
Card division	-	567,796,605
	4,410,502,168	1,967,360,238
7.13 Bills purchased and discounted		
a) Payable in Bangladesh	2,595,231,368	2,128,943,617
b) Payable outside Bangladesh	6,990,205,550	2,266,593,186
	9,585,436,918	4,395,536,803
7.13.1 Maturity grouping of bills purchased and discounted		
Payable within one month	2,602,918,600	1,918,415,622
Over one month but less than three months	2,804,405,000	1,620,487,046
Over three months but less than six months	4,178,113,318	789,545,014
Six months or more	-	67,089,121
	9,585,436,918	4,395,536,803

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
7(a) Consolidated Loans and Advances			
Loans, Cash Credits, Overdrafts etc			
United Commercial Bank Ltd.	164,560,667,419	144,269,324,261	
UCB Capital Management Ltd.	560,545,119	-	
UCB Securities Ltd.	-	193,351,938	
UCB Investment Ltd.	-	-	
	165,121,212,538	144,462,676,199	
Less: Inter Company balance eliminated	501,548,048	180,867,118	
	164,619,664,490	144,281,809,081	
Bills Purchased and discounted			
United Commercial Bank Ltd.	9,585,436,918	4,395,536,803	
UCB Capital Management Ltd.	-	-	
UCB Investment Ltd.	-	-	
	9,585,436,918	4,395,536,803	
Less: Inter Company balance eliminated	-	-	
	9,585,436,918	4,395,536,803	
	174,205,101,408	148,677,345,884	
8. Fixed assets including premises, furniture & fixture.			
Land	4,395,054,283	4,395,054,283	
Building	1,683,875,932	1,628,131,192	
Furniture and fixtures	1,077,482,957	899,176,274	
Office equipments	758,695,714	678,127,699	
Computer & equipments	677,573,507	544,962,352	
Vehicles	392,121,398	354,759,450	
Capital Expenditure Work in Progress	979,646,399	643,413,360	
	9,964,450,190	9,143,624,610	
Intangible assets			
Computer software	298,368,131	142,904,106	
	10,262,818,321	9,286,528,716	
Less: Accumulated depreciation & amortization	1,752,821,321	1,329,222,519	
Written down value at the end of the year	8,509,997,000	7,957,306,197	
Fixed Assets Schedule:			
A schedule of Fixed assets is given in Annexure - B			
8(a) Consolidated Fixed Assets including premises, furniture & fixture			
United Commercial Bank Ltd.	8,509,997,000	7,957,306,197	
UCB Capital Management Ltd.	4,527,930	-	
UCB Securities Ltd.	-	907,839	
UCB Investment Ltd.	-	-	
	8,514,524,930	7,958,214,036	
Less: Inter Company balance eliminated	-	-	
	8,514,524,930	7,958,214,036	
9. Other assets			
Printing stationery, stamps & security paper	44,995,092	31,123,926	
Advance payment	1,092,391,264	1,184,005,123	
Stock of credit card	7,707,766	6,798,733	

Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
Security deposit	54,650	4,850,614
Advance deposit	7,788,674	3,385,770
Suspense accounts (note - 9.1)	163,288,633	86,807,666
Advance Income Tax (note - 9.2)	8,145,107,048	5,979,200,318
Branch adjustment A/C (note - 9.3)	563,063,142	717,226,137
Work-In-Progress	3,042,606	151,139,021
Interest receivable	1,599,118,482	587,093,541
Accrued income	9,259,275	28,515
Coupon Interest adjustment account	-	4,397,162
Exchange equilization Fund	-	4,109,385
Investment in share of subsidiary companies.	767,442,757	749,749,500
Receivable from Subsidiary Company	28,635,400	537,296,383
Placement of F.C with correspondent bank	18,697,261	12,396,872
Others (note - 9.4)	103,396,886	225,442,443
	12,553,988,936	10,285,051,109
9.1 Suspense accounts		
Sundry debtors	2,343,245	43,465,751
Advance against TA/DA	20,000	156,000
Advance against expenses	28,962,989	-
Advance against others	9,118,375	-
Claims on Sanchaypatra	13,735,403	15,047,032
Interest on sanchay patra	9,512,190	2,837,744
Excise duty	22,810,188	7,948,696
Legal charges	644,770	5,000
Protested bill	57,030,096	5,934,536
Sundry receivable ATM	14,856,534	6,417,136
Credit card	4,071,243	4,995,771
Cash in Excess/(Short) ATM	183,600	-
	163,288,633	86,807,666
9.2 Advance income tax		
Opening balance	5,979,200,318	7,448,141,776
Addition during the year	2,165,906,730	1,895,053,811
Adjustment of advance tax up to the year 2009 after completion of final assessment	-	(3,363,995,269)
Balance at the end of the year	8,145,107,048	5,979,200,318
9.2.1 Advance income tax		
A) Assessment year wise break up is as follows:		
Tax refundable Up to the year 2009	119,691,400	119,691,400
2011-2012	1,123,792,098	1,123,792,098
2012-2013	2,128,062,332	2,128,062,332
2013-2014	1,801,862,346	1,801,862,346
2014-2015	1,855,792,142	805,792,142
2015-2016	1,115,906,730	-
	8,145,107,048	5,979,200,318
9.3 Branch adjustment account		
This is made up as follows :		
Due from branches	81,046,546,458	78,605,341,944
Due to branches	80,483,483,316	77,888,115,807
	563,063,142	717,226,137

Branch Adjustment account represents outstanding Inter-branch and Head Office transaction (Net) originated but yet to be responded at balance sheet date. However, the unrespondent entries of 31.12.2014 as of February 05, 2015 are given below:

Notes to the Financial Statements

			Amount in BDT	
			31 Dec. 2014	31 Dec. 2013
Particulars	Debit Entries		Credit Entries	
	No of Entries	Amount in BDT	No of Entries	Amount in BDT
Over three months upto six months	-	-	-	-
Over six months upto nine months	-	-	-	-
Over nine months upto one year	-	-	-	-
Over one year	-	-	-	-
Total	-	-	-	-
9.4 Others				
Cash remittance			75,150,000	3,200,000
BEFT settlement			1,279,200	-
D.D paid without advice			-	1,853,431
Clearing adjustment account			-	47,368,884
Share sale proceed receivable			26,806,214	167,327,114
Premium on deposit insurance			161,363	55,186
Receivable against credit card			-	240,000
Cash in short ATM			-	1,497,535
Receivable from Others			100	500
MFS fraction digit			9	-
MFS Ucash (Virtual)			-	3,899,793
			103,396,886	225,442,443
9.5 Non-income generating other assets				
Printing stationery, stamps & security paper			44,995,092	31,123,926
Advance rent			1,092,391,264	1,184,005,123
Stock of credit card			7,707,766	6,798,733
Security deposit			54,650	4,850,614
Advance deposit			7,788,674	3,385,770
Advance Income Tax			8,145,107,048	5,979,200,318
Suspense account			163,288,633	86,807,666
Branch Adjustment account			563,063,142	717,226,137
			10,024,396,268	8,013,398,287
9(a) Consolidated Other assets				
United Commercial Bank Ltd.			12,553,988,936	10,285,051,109
UCB Capital Management Ltd.			16,913,539	-
UCB Securities Ltd.			-	22,220,590
UCB Investment Ltd.			499,930	-
			12,571,402,405	10,307,271,699
Less: Inter Company balance eliminated			791,885,300	1,287,045,883
Investment in shares of subsidiary companies			763,249,900	749,749,500
Receivables from Subsidiary Company			28,635,400	537,296,383
			11,779,517,105	9,020,225,816
10 Borrowings from other banks, financial institutions & agent.				
In Bangladesh (note - 10.1)			9,082,252,603	3,481,577,567
Out Side Bangladesh (note - 10.2)			1,428,223,784	135,554,691
			10,510,476,387	3,617,132,258

Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
10.1 In Bangladesh		
UCBL Subordinated Bond	2,000,000,000	2,000,000,000
Bangladesh Bank IPFF Fund	1,317,859,894	1,092,827,567
EDF Borrowings from Bangladesh Bank	5,374,645,709	-
Commercial Bank of Ceylon	389,747,000	-
Dutch Bangla Bank Ltd.	-	388,750,000
	9,082,252,603	3,481,577,567
10.2 Out Side Bangladesh		
Bank Muscat International	155,898,800	-
Bank Sohar Muscat	389,747,000	-
Noor Islami Bank-Dubai	187,144,505	-
Union Bank Ltd-UAE	174,427,372	-
ICICI-UAE	521,006,107	-
United Bank Ltd.	-	135,554,691
	1,428,223,784	135,554,691
Secured	-	-
Unsecured	10,510,476,387	3,617,132,258
	10,510,476,387	3,617,132,258
10.3 Maturity Grouping of Borrowings from other banks, financial institutions & agent.		
Payable on demand	-	-
Payable within one month	1,414,615,000	524,304,691
Over one month but within six months	7,095,861,387	-
Over six month but within one year	-	-
Over one year but within five years	1,200,000,000	350,508,196
Over five years but within ten years	800,000,000	2,742,319,371
	10,510,476,387	3,617,132,258
10(a) Consolidated Borrowings from other banks, financial institutions & agent.		
United Commercial Bank Ltd.	10,510,476,387	3,617,132,258
UCB Capital Management Ltd.	501,548,048	-
UCB Securities Ltd.	-	180,867,118
UCB Investment Ltd.	-	-
	11,012,024,435	3,797,999,376
Less: Inter Company balance eliminated	501,548,048	180,867,118
	10,510,476,387	3,617,132,258
11 Deposits and other accounts		
Inter Bank deposits	11,409,776	69,060,250
Other deposits	211,060,650,398	184,827,794,007
	211,072,060,174	184,896,854,257
a. Current accounts & other accounts		
Current deposits	20,848,207,193	11,122,350,593
CD Wallet Account	77,130,035	57,933,884
CD EBEK Somity Deposit	12,210,527	-
Sundry deposits (note - 11.1)	12,359,218,752	10,246,224,633
Foreign currency deposits (note - 11.2)	181,965,973	117,794,280
Overdraft	5,558,887	19,252,873
Secured overdraft	90,012,156	153,887,689
C.C (Hypo)	93,495,854	317,642,706

Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
C.C Pledge	-	451
C.C Others	1,940,065	2,673,629
IPO subscription-NRB (Dollar)	-	2,551,980
IPO subscription-NRB (Pound)	-	266,707
IPO subscription-NRB (Euro)	-	63,329
	33,669,739,442	22,040,642,754
b. Bills Payable		
Pay order	3,754,218,756	2,388,647,743
Demand draft payable	12,786,693	56,220,218
T.T payable	3,500	8,500
Foreign remittance account	-	14,633,374
Others	-	2,347,085
	3,767,008,949	2,461,856,920
c. Savings Bank deposits		
Savings Bank deposits	19,052,051,469	17,576,287,782
EBEK Somity Deposit	1,042,984,193	222,820,172
SB Wallet Account	23,947,302	2,521,227
UCB youngstars savings deposit	145,722,015	56,099,019
UCB royale savings deposit	632,497,548	736,437,419
UCB Womens savings Account	695,170,425	290,398,196
UCB NRB Savings	60,765,825	22,397,802
UCB Imperial Savings	1,204,297,501	127,124,029
Salary account corps.	138,458,610	24,765,464
UCB student accounts	10,554,635	6,043,280
Staff Savings deposit	178,059,428	-
	23,184,508,951	19,064,894,390
d. Fixed deposits		
Fixed deposits	102,512,060,357	105,157,252,700
Short term deposits	21,527,086,984	17,880,411,279
Staff security deposits	4,484,446	3,964,446
Deposit pension scheme	2,841,644	21,946,346
Monthly savings schemes	255,681,606	733,932,612
UCB youngstar DPS	54,497,651	22,288,583
UCB money multiplier	5,840,856,462	5,217,070,654
UCB monthly time return	100,000	42,837,000
UCB quarterly time return	-	16,855,125
UCB multi millionaire	2,030,782,236	1,546,136,720
UCB monthly savings plus	6,349,676,920	4,200,307,046
UCB earning Plus (monthly interest)	4,939,207,145	2,967,357,362
UCB earning plus (quarterly interest)	71,203,350	59,341,340
UCB money maximizer (Double)	5,911,627,245	3,268,966,219
UCB Womens DPS	932,826,419	188,063,342
UCB NRB DPS Plus	5,908,934	1,060,799
UCB RMG DPS Plus	11,961,433	1,668,620
	150,450,802,832	141,329,460,193
Total Deposits and other accounts (a+b+c+d)	211,072,060,174	184,896,854,257

Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
11.1 Sundry deposits		
Sundry creditors	467,891,353	480,933,185
Security deposits	6,403,013	44,409,161
Outward bill for collection	38	652
Collection clearing adjustment account	36,574,917	57,569,474
Foreign correspondence charge	11,124,698	198,991,482
Exporters retention quota	732,448,118	281,588,179
Cash assistance to exporters	-	371,268
Debit & Credit card	1,830,501	423,710
Others	18,351,010	31,926,329
Margin		
Letter of guarantees	843,531,515	667,913,530
Letter of credit	9,664,083,480	7,274,162,806
Usance letter of credit	274,099,178	540,427,968
Inland bills purchased	-	48,777,461
Dues to government agencies		
Tax at source	157,601,687	364,413,756
Value added Tax (VAT)	50,761,461	98,261,758
Excise duty	94,517,783	156,053,914
	12,359,218,752	10,246,224,633
11.2 Foreign currency deposits		
Non-Resident foreign currency account	7,889,263	83,231,867
Non-Resident foreign currency deposit	1,628,038	244,959
Resident foreign currency deposit	172,448,672	34,317,454
	181,965,973	117,794,280
11.3 Maturity analysis of deposits & other accounts		
Inter- Bank Deposits		
Payable on demand	8,716,423	21,730,598
Payable within one month	2,693,353	47,329,652
Over one month but within six months	-	-
Over six month but within one year	-	-
Over one year but within five years	-	-
Over five years but within ten years	-	-
	11,409,776	69,060,250
Other Deposits		
Payable on demand	1,130,801,577	3,658,369,402
Payable within one month	33,863,288,647	30,455,068,088
Over one month but within six months	68,744,569,800	69,605,100,000
Over six month but within one year	17,631,089,490	17,712,516,047
Over one year but within five years	39,139,164,203	36,189,422,995
Over five years but within ten years	50,551,736,681	27,207,317,475
	211,060,650,398	184,827,794,007
	211,072,060,174	184,896,854,257

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
11.4 Sector-wise deposits			
Government		436,794,000	421,868,000
Semi-Government		2,750,763,000	2,845,496,000
Other Financial Institution		3,583,614,000	2,457,657,000
Foreign currency (note-11.2)		181,965,973	117,794,280
Private		204,118,923,201	179,054,038,977
		211,072,060,174	184,896,854,257
11(a) Consolidated Deposits and other accounts			
Current accounts & other accounts			
United Commercial Bank Ltd.		33,669,739,442	22,040,642,754
UCB Capital Management Ltd.		-	-
UCB Investment Ltd.		-	-
		33,669,739,442	22,040,642,754
Less: Inter company balance eliminated		40,711,009	900,324,406
		33,629,028,433	21,140,318,348
Bills Payable			
United Commercial Bank Ltd.		3,767,008,949	2,461,856,920
UCB Capital Management Ltd.		-	-
UCB Investment Ltd.		-	-
		3,767,008,949	2,461,856,920
Savings Bank deposits			
United Commercial Bank Ltd.		23,184,508,951	19,064,894,390
UCB Capital Management Ltd.		-	-
UCB Investment Ltd.		-	-
		23,184,508,951	19,064,894,390
Fixed deposits			
United Commercial Bank Ltd.		150,450,802,832	141,329,460,193
UCB Capital Management Ltd.		-	-
UCB Investment Ltd.		-	-
		150,450,802,832	141,329,460,193
Less: Inter company balance eliminated		254,464,370	-
		150,196,338,462	141,329,460,193
		210,776,884,795	183,996,529,851
12 Other Liabilities			
Provision for classified loans & advances	(note - 12.1)	1,929,581,670	2,122,873,057
Provision for diminution in value of investment	(note - 12.2)	292,839,246	292,839,246
Provision for classified fixed assets	(note - 12.3)	3,972,000	3,972,000
Provision for classified other assets	(note - 12.4)	54,369,000	27,440,602
Provision for unclassified loans & advance	(note - 12.5)	947,978,042	607,705,780
Provision for special mention account	(note - 12.6)	76,796,000	34,044,000
Provision for small & medium enterprise (SME)	(note - 12.7)	243,243,000	166,011,000
Provision for consumer finance (Credit Card)	(note - 12.8)	76,615,000	58,052,000
Provision for consumer finance (House Finance)	(note - 12.9)	256,157,959	162,567,069
Provision for consumer finance (L.p)	(note - 12.10)	1,129,000	3,461,000
Provision for consumer finance (Others)	(note - 12.11)	101,767,000	94,442,000

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
Provision for short term agri micro finance	(note - 12.12)	13,334,000	49,649,000
Provision for off-balance sheet exposure	(note - 12.13)	1,055,511,000	670,950,000
Provision for current tax	(note - 12.14)	11,298,825,636	8,136,880,618
Provision for deferred tax	(note - 12.15)	196,445,374	191,445,374
Provision for UCB foundation	(note - 12.16)	39,534,987	39,534,987
Provision for BHs/MBs/SDs/against share	(note - 12.17)	34,216,000	24,408,000
Interest suspense account	(note - 12.18)	1,559,796,970	1,105,184,544
Advance income		136,599,958	-
Dividend payable		41,400	41,400
Adjusting account credit		-	400
Sundry liabilities		883,107,442	82,805,443
Inter bank fund transfer		35,228,337	94,587,709
Interest payable		2,605,856,288	3,020,409,964
Accrued expenses		183,713,683	324,873,766
		22,026,658,992	17,314,178,959
12.1 Provision for classified loans & advances			
Opening balance		2,122,873,057	1,850,544,001
Adjustment due to written off		(1,114,753,935)	(997,266,705)
Provision made during the year		882,815,548	977,163,518
Transferred from surplus of other provision heads		38,647,000	292,432,243
		1,929,581,670	2,122,873,057
12.2 Provision for diminution in value of investment			
Opening balance		292,839,246	351,893,489
Provision made during the year		-	-
Transferred the surplus to other provision heads		-	(59,054,243)
		292,839,246	292,839,246
12.3 Provision for classified fixed assets			
Opening balance		3,972,000	3,972,000
Provision made during the year		-	-
		3,972,000	3,972,000
12.4 Provision for classified other assets			
Opening balance		27,440,602	20,940,602
Provision made during the year		26,928,398	6,500,000
Adjustment during the year		-	-
		54,369,000	27,440,602
12.5 Provision for unclassified loans & advance			
Opening balance		607,705,780	581,069,262
Provision made during the year		340,212,378	26,992,923
Adjustment during the year		59,884	(356,405)
		947,978,042	607,705,780
12.6 Provision for special mention account			
Opening balance		34,044,000	202,848,000
Provision made during the year		42,752,000	-
Transferred the surplus to other provision heads		-	(168,804,000)
		76,796,000	34,044,000

Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
12.7 Provision for small & medium enterprise(SME)		
Opening balance	166,011,000	138,607,000
Provision made during the year	77,232,000	27,404,000
Transferred to other provision	-	-
	243,243,000	166,011,000
12.8 Provision for consumer finance (Credit Card)		
Opening balance	58,052,000	69,153,000
Provision made during the year	18,563,000	-
Transferred the surplus to other provision heads	-	(11,101,000)
	76,615,000	58,052,000
12.9 Provision for consumer finance (House Finance)		
Opening balance	162,567,069	110,977,000
Provision made during the year	93,590,890	51,590,069
	256,157,959	162,567,069
12.10 Provision for consumer finance (Loan Professionals)		
Opening balance	3,461,000	3,461,000
Transferred to other provision	(2,332,000)	-
	1,129,000	3,461,000
12.11 Provision for consumer finance (Others)		
Opening balance	94,442,000	136,006,000
Provision made during the year	7,325,000	-
Transferred the surplus to other provision heads	-	(41,564,000)
	101,767,000	94,442,000
12.12 Provision for short term agri micro finance		
Opening balance	49,649,000	51,455,000
Provision made during the year	-	-
Transferred the surplus to other provision heads	(36,315,000)	(1,806,000)
	13,334,000	49,649,000
12.13 Provision for off-balance sheet exposure		
Opening balance	670,950,000	521,553,000
Provision made during the year	384,561,000	149,397,000
Transferred to other provision	-	-
	1,055,511,000	670,950,000
12.14 Provision for current tax		
Opening balance	8,136,880,618	8,688,963,115
Less adjustment made up to the year 2009 due to completion of assessment	-	(3,114,519,595)
Addition during the year	3,161,945,018	2,562,437,098
	11,298,825,636	8,136,880,618
* The Bank evaluated year-wise income tax position of all pending tax assessments subsequent to 2009 and satisfy that the above provision are adequate to cover shortfall, if any.		
12.15 Provision for deferred tax		
Opening balance	191,445,374	181,445,374
Addition during the year	5,000,000	10,000,000
	196,445,374	191,445,374

Notes to the Financial Statements

			Amount in BDT	
			31 Dec. 2014	31 Dec. 2013
12.16 Provision for UCB foundation				
Opening balance			39,534,987	39,534,987
Addition during the year			-	-
			39,534,987	39,534,987
12.17 Provision for BHs/MBs/SDs/against share				
Opening balance			24,408,000	34,511,000
Addition during the year			9,808,000	-
Transferred the surplus to other provision heads			-	(10,103,000)
			34,216,000	24,408,000
12.18 Interest suspense account				
Opening balance			1,105,184,544	908,098,634
Add: Amount transferred to interest suspense account during the year			1,426,449,974	1,139,616,222
Less: Amount recovered from interest suspense account			(603,617,172)	(733,402,166)
Less: Interest waiver/remission allowed			(47,909,893)	(54,512,435)
Less: Amount recovered to write of loans & advances			(320,310,483)	(154,615,711)
			1,559,796,970	1,105,184,544
12(a) Consolidated Other Liabilities				
United Commercial Bank Ltd.			22,026,658,992	17,314,178,959
UCB Capital Management Ltd.			98,248,519	-
UCB Securities Ltd.			-	724,283,230
UCB Investment Ltd.			2,454,289	675,065
			22,127,361,800	18,039,137,254
Less: Inter company balance eliminated			28,635,400	537,296,383
			22,098,726,400	17,501,840,871
13 Share Capital				
Opening balance			8,366,116,310	8,366,116,310
			8,366,116,310	8,366,116,310
13.1 Authorized Capital				
1,500,000,000 ordinary shares of Tk 10.00 each			15,000,000,000	15,000,000,000
13.2 Issued subscribed and paid up Capital				
83,66,11,631 ordinary shares @ Taka 10.00 each			8,366,116,310	8,366,116,310
			8,366,116,310	8,366,116,310
Shareholding position:				
			2014	2013
Particulars	No. of Shares	Amount in BDT	No. of Shares	Amount in BDT
Sponsors/promoters	351,530,587	3,515,305,870	304,575,249	3,045,752,490
Institution(Financial & Others)	162,160,607	1,621,606,070	41,325,479	413,254,790
General Public	316,134,854	3,161,348,540	483,925,330	4,839,253,300
Govt. of Peoples Republic of BD	6,785,583	67,855,830	6,785,573	67,855,730
Total	836,611,631	8,366,116,310	836,611,631	8,366,116,310

Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013

13.3 Share Premium

29,09,95,350 ordinary shares of Taka 5 each per share

1,454,976,750

1,454,976,750

Rights share (1:1; 1 share for each share held) has been issued in the year 2011 @ Tk. 15 each including share premium of Tk. 5 each.

13.4 Classification of Shareholders by holding as at 31 December 2014

Shareholding Range	Number of Shareholders	Number of Shares	Value of Shares in BDT	Total Holdings %
Upto 500 Shares	57,886	8,033,151	80,331,510	0.96%
501 to 5000 Shares	38,000	60,746,030	607,460,300	7.26%
5001 to 10,000 Shares	3,841	26,966,317	269,663,170	3.22%
10,001 to 20,000 Shares	1,710	23,750,512	237,505,120	2.84%
20,001 to 30,000 Shares	537	13,293,566	132,935,660	1.59%
30,001 to 40,000 Shares	211	7,350,335	73,503,350	0.88%
40,001 to 50,000 Shares	138	6,355,598	63,555,980	0.76%
50,001 to 100,000 Shares	235	16,677,345	166,773,450	1.99%
100,001 to 10,00,000 Shares	239	66,734,762	667,347,620	7.98%
10,00,001 & above	95	606,704,015	6,067,040,150	72.52%
Total	102,892	836,611,631	8,366,116,310	100.00%

13.5 History of Paid Up Capital

Year	Number of Shares Issued	Amount in BDT	Cumulative Paid up Capital
1983	355,000	35,500,000	35,500,000
1984	85,000	8,500,000	44,000,000
1986	360,000	36,000,000	80,000,000
1988	400,000	40,000,000	120,000,000
1991	171,428	17,142,800	137,142,800
1994	397,963	39,796,300	176,939,100
1995	176,939	17,693,900	194,633,000
1996	291,949	29,194,900	223,827,900
1997	63,296	6,329,600	230,157,500
2007	690,473	69,047,300	299,204,800
2010	26,107,487	2,610,748,700	2,909,953,500
2011	436,493,025	4,364,930,250	7,274,883,750
2012	109,123,256	1,091,232,560	8,366,116,310
2013	-	-	8,366,116,310
2014	-	-	8,366,116,310

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
13.6 Capital Adequacy Ratio			
The calculation of CAR has been done as per BRPD circular no. 10 dated 10 March 2010 and the BASEL-II guideline December 2010 vide BRPD circular no.35 dated 29 December 2010. Required Capital of the bank at the close of business on 31 December 2014 was Taka 24,325,040,287 as against available Core capital of Taka 19,265,477,982 and Supplementary capital of Taka 6,425,700,641 making a total capital of Taka 25,691,178,623 thereby an excess of capital of Taka 1,366,138,336 at that date.			
Details are shown below :			
Tier-I (Core Capital) :			
Paid-up Capital (note: 13.2)		8,366,116,310	8,366,116,310
Share Premium (note: 13.3)		1,454,976,750	1,454,976,750
Statutory Reserve (note: 14)		6,886,689,170	5,519,554,610
General Reserve (note : 15)		26,577,961	26,577,961
Retained Earnings (note : 17)		2,531,117,791	1,902,747,835
		19,265,477,982	17,269,973,466
Tier-II (Supplementary Capital)			
General Provision against Unclassified Loan		1,751,236,001	1,200,339,849
General Provision on Off Balance Sheet Exposure		1,055,511,000	670,950,000
Assets Revaluation Reserve (note-a)		1,267,050,780	1,267,050,779
Revaluation Reserve of Govt. Securities (note-b)		345,980,992	350,445,851
Revaluation Reserve for equity instrument		5,921,869	-
Subordinated Bond		2,000,000,000	2,000,000,000
		6,425,700,641	5,488,786,479
Less: Investment in subsidiaries which are not consolidated		-	-
		6,425,700,641	5,488,786,479
Tier-III (Eligible for Market Risk only) :			
		-	-
Total Capital		25,691,178,623	22,758,759,945
Risk Weighted Assets (note-13.8)		243,250,402,865	197,380,548,417
Required Capital (10% on risk Weighted Assets)		24,325,040,287	19,738,054,842
Capital Surplus/(Shortfall)		1,366,138,336	3,020,705,103

Note :

a) This represents 50% of the value increased due to revaluation of bank's land and Building property. A sum of Tk. 2,534,101,559 is increased due to revaluation but as per guide line of BRPD Circular # 10 dated 24 November 2002, 50% of the increased value i.e. Tk. 1,267,050,780 has been included as a component of Tier-II capital. The revaluation work was done by Padma Techno Consult & Survey Ltd. (Report Date 27.12.2012).

b) This represents 50% of the value increased due to revaluation of Banks HTM & HFT Securities. As per Bangladesh Bank's instruction (BRPD Circulars # 03, dated 12 March 2008) upto 50% of revaluation reserves on HTM & HFT securities amounting to Tk.345,980,992 (i.e. 50% of Tk.691,961,983 note-16.2) has been considered as Supplementary Capital.

13.7 Total Risk weighted assets	Required	Held	Required	Held
On Core Capital	5.00%	7.92%	5.00%	8.75%
On Supplementary Capital		2.64%		2.78%
Total		10.56%		11.53%

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
13.8	Computation of Risk weighted assets		
	On- Balance Sheet	161,568,972,994	145,404,168,654
	Off-Balance sheet	55,059,288,146	31,238,195,036
	Credit Risk (A)	216,628,261,141	176,642,363,690
	Market Risk (B)	7,226,668,908	4,449,763,115
	Operational risk (C)	19,395,472,817	16,288,421,612
	Total: Risk Weighted assets (A+B+C)	243,250,402,865	197,380,548,417
14	Statutory Reserve		
	As per section 24(1) of the Bank company Act 1991 (amendment up to 2013) an amount equivalent to 20% of the profit before taxes for the year has been transferred to the statutory reserve fund as under:		
	Opening Balance	5,519,554,610	4,342,090,164
	Add : Transferred during the year	1,367,134,559	1,177,464,446
		6,886,689,170	5,519,554,610
15	General Reserve		
	Opening Balance	26,577,961	26,577,961
	Add: Transferred during for the year	-	-
		26,577,961	26,577,961
16	Other Reserve		
	Asset Revaluation Reserve (notes: 16.1)	2,534,101,559	2,534,101,559
	Revaluation Reserve on HTM Securities (notes: 16.2.1)	392,401,064	528,429,871
	Revaluation Reserve on HFT Securities (notes: 16.2.2)	299,560,919	172,461,830
		3,226,063,542	3,234,993,260
16.1	Asset Revaluation Reserve		
	In terms of Bangladesh Accounting Standard (BAS) 16, 'Property, Plant & Equipment' and instruction contained in BRPD Circular No. 10 dated 25 November 2002 issued by Bangladesh Bank, all the immovable properties of the Bank were revalued as at 27.12.2012 by Padma Techno Consult & Survey Ltd. an independent professionally qualified valuation firm of the country based on market survey. Accordingly, revaluation surplus of Tk. 2,534,101,559/- for land & building has been included as asset revaluation reserve at reporting date as follows:		
	Opening Balance	2,534,101,559	2,534,101,559
	Reserve made for the year	-	-
		2,534,101,559	2,534,101,559
16.2	Revaluation Reserve		
	HTM Securities (notes 16.2.1)	392,401,064	528,429,871
	HFT Securities (notes 16.2.2)	299,560,919	172,461,830
		691,961,983	700,891,701

As per the DOS Circular Letter # 05 dated 26 May 2008, HFT securities are revalued on weekly basis and HTM securities are amortized on yearly basis.

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
16.2.1 Revaluation Reserve on HTM Securities			
Opening Balance	528,429,871	481,495,630	
Net Revaluation gain/ adjustment during the year	(136,028,807)	46,934,241	
	392,401,064	528,429,871	
16.2.2 Revaluation Reserve on HFT Securities			
Opening Balance	172,461,830	114,243,306	
Net Revaluation gain/ adjustment during the year	127,099,089	58,218,524	
	299,560,919	172,461,830	
17 Retained Earnings			
Opening Balance	1,902,747,835	851,414,454	
Add: Transferred during for the year	2,301,593,219	1,887,945,012	
Less: Issuance of Dividend	(1,673,223,262)	(836,611,631)	
	2,531,117,791	1,902,747,835	
17(a) Consolidated Retained Earnings			
United Commercial Bank Ltd.	2,531,117,791	1,902,747,835	
UCB Capital Management Ltd.	32,632,356	-	
UCB Securities Ltd.	-	522,906	
UCB Investment Ltd.	2,510,986	(707,940)	
	2,566,261,133	1,902,562,801	
Less: Non controlling Interest	7	(3)	
Total balance of retained earnings attributable to the ordinary Share holders.	2,566,261,126	1,902,562,804	
Paid up Capital	763,500,000	750,000,000	
Retained earnings	35,143,342	(185,034)	
	798,643,342	749,814,966	
Non controlling interest	107	497	
18 Contingent liabilities & commitment			
Acceptances & endorsement (note- 18.1)	33,442,237,985	24,124,242,245	
Letters of guarantee (note- 18.2)	73,983,465,842	16,723,680,323	
Irrecoverable letters of credit (note- 18.3)	28,475,470,344	25,895,030,394	
Bills for collection (note-18.4)	6,880,400,347	245,217,748	
Other Commitments	1,772,893,944	105,886,826	
	144,554,468,462	67,094,057,536	
18.1 Acceptances & endorsements			
Bankers liabilities for accepted against usance LC	24,907,695,775	11,338,560,984	
Bankers liabilities for accepted against BB usance	8,534,542,210	12,785,681,261	
	33,442,237,985	24,124,242,245	
18.2 Letters of guarantee			
Bankers liabilities for letters of guarantee (Inland)	48,564,557,027	15,345,213,712	
Bankers liabilities for letters of guarantee (Foreign)	25,418,908,815	1,378,466,611	
	73,983,465,842	16,723,680,323	

Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
18.3 Irrecoverable letters of credit		
Letters of credit (Inland)	537,370,651	314,291,000
Letters of credit (Foreign)	14,260,954,670	7,726,393,534
Letters of credit (Deferred)	3,070,226,000	8,767,553,000
Back to back L/C	9,923,315,485	8,473,315,000
Letters of credit EDF	683,175,206	613,477,860
Letters of credit EPZ	428,332	-
	28,475,470,344	25,895,030,394
18.4 Bills for collection		
Bills for collection	2,668,284,106	30,209,859
Foreign Bills for collection	4,156,982,259	135,151,493
BEFT collection account	55,133,982	79,856,396
	6,880,400,347	245,217,748
19 Interest Income		
Interest on loans and advances (note - 19.1)	21,885,203,517	22,413,769,816
Interest on balances with other banks & Fin Ins.(note - 19.2)	452,555,694	537,841,942
Interest on balance with foreign Bank (note - 19.3)	22,539,362	45,752,001
Penal interest (note - 19.4)	533,610	1,993,172
	22,360,832,183	22,999,356,931
19.1 Interest on loans and advances		
Time loan	921,831,685	1,335,806,797
Personal credit scheme	12,255,028	14,512,530
Transport loan	144,844,603	189,999,102
Term loan	4,822,558,517	3,694,775,977
Staff car loan	58,517	-
House building loan (HBL)-commercial	1,074,322,417	588,861,991
House building loan (HBL)-residential	131,060,261	751,185,161
House building loan (STAFF)	34,530,364	26,330,119
Payments against documents(Cash)	101,328,028	100,836,062
Payments against documents(EDF)	10,632,305	65,141,537
Loan against imported merchandize (LIM)	13,880,606	23,870,019
Lone against Trust Receipt(LTR)	1,323,559,266	1,179,588,991
Own acceptance purchase	12,564,746	68,608,841
Packing credit	56,377,733	34,809,485
Foreign bills purchased (FBP)	344,743,864	158,439,219
Local bills purchased & discounted (LBPD)	381,005,770	308,640,832
Loan under cash assistance	2,511,617	-
Loan to leasing company	410,306,413	185,705,680
Loan against EDF LC	162,787,781	-
Overdrafts	5,093,724,080	6,860,277,323
Cash credits	4,822,281,002	4,668,481,320
Loan against credit card (Local)	297,757,177	321,852,712
Loan against credit card (International)	51,881,786	72,488,419
Forced loan	129,866,502	10,503
Home loan	1,028,930,076	1,095,900,534
Auto loan	92,148,970	172,582,943
Doctors loan	12,101,246	10,420,362
Marriage loan	762,511	1,252,716
Any purpose loan	43,179,686	86,818,718
Education loan	26,156,130	48,251,858

Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
Hospitalization loan	6,226	41,007
Advance against salary	87,843,061	81,806,658
Travel loan	37,012	114,794
Home mortgage loan	182,497,381	224,441,779
House hold durable loan	48,742,143	39,492,796
Ucb-Disha	51,625	169,380
Ucb-Odammaya	451,285	413,648
Ucb-Nistha	1,017,308	1,301,097
Ucb-Bikash	1,429,617	440,563
Ucb-Mohoti	145,080	97,530
Other loans	3,034,092	813
	21,885,203,517	22,413,769,816
19.2 Interest on balances with other bank and financial institution		
Money at call on short notice	134,226,389	334,319,097
Balance with Other bank	318,329,305	203,522,845
	452,555,694	537,841,942
19.3 Interest on balance with foreign bank		
F.C held in abroad	22,539,362	37,456,802
Regular fund in abroad	-	8,295,199
	22,539,362	45,752,001
19.4 Penal interest		
Penal interest on FDR	-	394,400
Penal interest on M.S.S	-	466,750
Penal interest on D.P.S	139,759	1,058,328
Penal interest on S.E.F	393,851	73,694
	533,610	1,993,172
19(a) Consolidated Interest Income		
United Commercial Bank Ltd.	22,360,832,183	22,999,356,931
UCB Capital Management Ltd.	59,490,930	-
UCB securities Ltd.	-	6,830,228
UCB Investment Ltd.	4,999,300	-
	22,425,322,413	23,006,187,159
20 Interests Paid on deposits and borrowings etc.		
Interest paid on deposits (note - 20.1)	13,920,305,217	15,658,355,102
Interest paid on borrowings (note - 20.2)	509,937,500	261,506,406
	14,430,242,717	15,919,861,508
20.1 Interest paid on deposits		
Savings bank deposits	613,580,703	572,792,983
Fixed deposits	9,414,556,294	12,501,930,734
Short term deposits	1,151,826,264	999,058,868
Staff security deposits	200,000	252,000
Deposit pension scheme	3,377,761	4,494,631
Monthly savings scheme	61,855,493	186,102,449
Interest Paid on foreign currency AD	43,811	18,874

Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
UCB money multiplier	644,000,263	547,697,732
UCB monthly time return	4,466,474	7,839,543
UCB quarterly time return	1,327,391	2,413,035
UCB multi millionaire one million	94,272,720	75,990,873
UCB multi millionaire five million	40,957,940	30,019,446
UCB multi millionaire ten million	45,866,334	35,323,228
UCB monthly savings plus	521,580,483	336,615,667
UCB earning plus monthly	549,868,458	132,109,192
UCB earning plus quarterly	5,686,116	2,792,288
Insurance deposits scheme	8,783	241,127
UCB money maximizer(Double)	541,741,016	182,703,495
UCB youngsters savings deposits	4,245,649	1,792,642
UCB royale savings deposits	51,711,886	22,431,703
UCB youngsters DPS	4,015,142	1,787,695
UCB Womens Savings Account	26,335,734	3,091,774
UCB Womens DPS	73,218,401	6,944,888
NRB Savings	2,817,974	292,012
NRB DPS Plus	431,601	32,328
RMG DPS Plus	890,108	45,413
UCB Imperial Savings	38,996,591	785,307
Student accounts	306,725	138,529
Interest expenses on salary account	1,897,756	682,735
Interest on Customer SB Wallet	812,089	4,933
Interest EBEK Samity Deposit	19,409,257	1,928,978
	13,920,305,217	15,658,355,102
20.2 Interest paid on borrowings		
Borrowing from Bangladesh Bank	50,887,546	1,217,567
Borrowing from other Bank & financial institution	86,337,605	28,120,437
Interest Paid on Bond	632,921	13,939,569
Interest Paid on Subordinated Bond	274,416,667	191,165,068
F.C Borrowing	13,910,120	3,177,373
Interest Exp. on repo borrowings	7,849,712	23,886,392
Interest on money at call on short notice	39,493,639	-
Interest on EDF borrowings from Bangladesh Bank	36,409,290	-
	509,937,500	261,506,406
20(a) Consolidated Interests Paid on deposits and borrowings etc.		
United Commercial Bank Ltd.	14,430,242,717	15,919,861,508
UCB Capital Management Ltd.	39,027,010	-
UCB securities Ltd.	-	3,962,058
UCB Investment Ltd.	-	-
	14,469,269,727	15,923,823,566
21 Investment income		
Interest income from investments (note - 21.1)	3,580,291,680	2,604,398,431
Non interest income from investments (note - 21.2)	288,364,688	62,041,621
	3,868,656,368	2,666,440,052

Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
21.1 Interest income from investments		
Government treasury bond	2,391,736,090	1,570,243,577
Discount on Bill/Bond Purchase	1,115,637,873	929,452,782
Bangladesh Bank Bill	9,760,525	39,129,816
Zero coupon bond	6,716,402	6,716,402
Debenture	508,872	577,877
Interest on reverse repo	55,931,918	58,277,977
	3,580,291,680	2,604,398,431
21.2 Non interest income from investments		
Dividend on shares	166,707,163	144,106,854
Gain/(Loss) on sale of share (note - 21.2.1)	184,283,903	(43,071,686)
Prize money on prize bond	480,000	34,000
Gain/(Loss) on revaluation on govt. securities (note - 21.2.2)	(63,106,378)	(39,027,547)
	288,364,688	62,041,621
	3,868,656,368	2,666,440,052
21.2.1 Gain/(Loss) on sale of shares		
Gain on sale of shares	240,037,562	43,163,951
Less : Loss on sale of shares	(55,753,659)	(86,235,637)
	184,283,903	(43,071,686)
21.2.2 Gain/(Loss) on revaluation on govt. securities		
Gain on revaluation on govt. securities	44,012,586	-
Less : Loss on revaluation on govt. securities	(107,118,964)	(39,027,547)
	(63,106,378)	(39,027,547)
22 Commission, Fees, Exchange & Brokerage		
Commission (note - 22.1)	1,183,743,552	928,033,510
Fees (note - 22.2)	492,584,937	286,515,389
Exchange earning (note - 22.3)	1,021,054,693	860,392,377
	2,697,383,182	2,074,941,276
22.1 Commission		
Remittance Inland	12,482,141	20,137,636
Remittance Foreign	3,075,709	3,316,822
Letters of guarantee (Inland & Foreign)	285,170,119	234,973,570
Letters of credit (Cash) sight local	255,304,035	231,680,664
Letters of credit (Deferred)	95,355,301	50,652,888
Letters of credit (back to back)	225,090,893	141,602,496
Discount on Bill Purchase	-	1,823,478
FX Deal discount income	11,870,887	-
Commission on sale of shares	195,663	379,230
Handling charges	16,461,996	37,183,001
Commission on BSP / PSP	3,683,172	1,253,797
Commission on accepted imported bill	164,296,324	123,930,378
Exchange comm. & rebate	97,576,513	69,808,968
Bills purchased inland	3,450,907	10,391,647

Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
Commission on Prize bond	95,342	31,252
Commission on IBC & others	126,176	281,881
Commission on BRTA Collection	-	346,467
Clearance	1,320,115	521
Merchant commission (Card)	723,260	199,423
MFS Commission	7,464,999	39,391
	1,183,743,552	928,033,510
22.2 Fees		
Bills for collection	9,020,903	-
Incidental charges recoveries	131,868,469	144,094,087
Online Transaction fees	54,741,145	53,176,602
BACH/BEFTN charges	4,607,955	5,351,501
Cash incentive charges	324,000	-
Standing instruction charges	1,350	-
FC Endorsement charges	166,003	-
Appraisal fees	6,784,238	2,302,775
LC,BC,& BG (Others) Fees & Charges	105,190,881	9,177,200
SEF Early settlement Fees	907,879	627,261
Arrangement Fees	11,006,892	30,147,483
Agency fees	1,000,000	-
Participation Fees	2,379,375	43,125
Commitment Fees	836,712	489,460
ATM Transaction Fees	-	8,161,811
Misc fees	4,863,665	956,565
Credit Card -Local		
Annual fees on credit card	32,334,300	(23,970,678)
Reimbursement fees	14,549,137	12,332,856
Cash advance fees	10,760,980	(46,771,620)
Card reissue fees	9,889,133	6,509,728
Pin reissue fees	62,655	38,419
Late payment fees	16,724,702	32,232,530
Excess over limit fees	13,180,728	15,162,936
Statement retrieval fees	6,000	4,050
Optional Re Issue Fees	-	9,737
SMS registration fees	-	(66,702)
Cheque book issue fee	561,546	1,014,035
Cheque processing fee	24,668,508	13,618,073
Pin change fees	137,034	151,192
Misc fees	76,400	-
Credit Card -International		
Reimbursement fees	10,373,586	8,099,319
Cash advance fees	1,163,713	(5,469,895)
Pin reissue fees	6,512	74,650
Late payment fees	4,240,210	13,577,165
Excess over limit fees	1,144,038	1,109,934
Mark Up	12,943,460	(369,627)
Optional reissue fees	6,058,861	4,700,167
Chaeque return fees	467	-
Statement retrieval fees	3,500	1,250
	492,584,937	286,515,389

Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
22.3 Exchange		
Exchange earning (general)	806,198,119	861,352,469
Exchange (dealing room)	-	-
Revaluation gain on foreign currency	214,861,677	-
	1,021,059,796	861,352,469
Less : Exchange loss (general)	(5,103)	(959,520)
Less : Exchange loss (dealing room)	-	(572)
	1,021,054,693	860,392,377
22(a) Consolidated Commission,Fees, Exchange & Brokerage		
United Commercial Bank Ltd.	2,697,383,182	2,074,941,276
UCB Capital Management Ltd.	34,295,836	-
UCB securities Ltd.	-	10,330,029
UCB Investment Ltd.	-	-
	2,731,679,018	2,085,271,305
23 Other Operating Income		
Locker	5,017,075	3,948,605
Godown rent	141,900	271,835
Gain on sale of assets (Note-23.1)	7,213,403	-
Miscellaneous earning	286,618,135	290,853,653
Premises rent	895,950	977,400
Insurance charges recoveries	160,969	134,714
Postage recoveries	1,574,724	3,459,581
Telecommunication charges recoveries	1,571,736	1,082,777
Legal charges recoveries	5,062	110,332
Swift charges	101,381,729	91,744,622
Reimbursement Charges	-	5,095,999
Recoveries from Operational Loss	7,096,567	409,000
Recoveries from previously written off loan	278,764,196	155,643,652
Other income from lease finance	261,300	-
Service charge for home motrgage loan	625,540	1,905,690
Service charge from sme ucb-Disha	-	11,000
Other income on credit card - local :		
Security mask	4,703,420	7,334,406
PCF from ALICO	8,167,575	10,536,695
Miscellaneous	717,879	1,332,615
Other Income on Credit Card - International :		
Currency conversion gain	6,858,065	1,412,002
Security mask	985,785	1,396,632
Miscellaneous	-	41,250
	712,761,010	577,702,460

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
23.1 Gain on sale of assets			
Gain on sale of fixed assets		9,119,752	-
Less : Loss on sale of fixed assets		(1,906,349)	-
		7,213,403	-
23(a) Consolidated Other Operating Income			
United Commercial Bank Ltd.		712,761,010	577,702,460
UCB Capital Management Ltd.		321,897	-
UCB securities Ltd.		-	314,513
UCB Investment Ltd.		-	-
		713,082,907	578,016,973
24 Salaries and allowances			
Basic salary		1,371,816,876	1,250,205,244
Salary of casual labour		500,968,690	382,435,876
Festival bonus		245,544,129	207,341,588
Incentive bonus		256,841,179	248,192,009
House rent allowances		410,382,829	378,359,875
Provident fund		125,411,951	107,683,602
Gratuity		258,000,000	144,000,000
Welfare fund		34,374,939	32,217,083
Other allowances (note - 24.1)		385,753,392	172,892,974
		3,589,093,985	2,923,328,251
24.1 Other allowances			
Conveyance allowance		72,761,253	62,718,980
Entertainment allowance		16,134,880	12,444,179
Cash risk allowance		10,603,026	9,664,152
Risk allowance		118,600	77,926
Charge allowance		5,944,774	6,542,706
Medical allowance		3,103,538	-
Fixation allowance		20,592,080	-
Others		256,495,241	81,445,031
		385,753,392	172,892,974
24(a) Consolidated Salary and allowances			
United Commercial Bank Ltd.		3,589,093,985	2,923,328,251
UCB Capital Management Ltd.		2,987,043	-
UCB securities Ltd.		-	74,942
UCB Investment Ltd.		-	-
		3,592,081,028	2,923,403,193
25 Rent,taxes,insurance,electricity etc.			
Rent – office		514,399,134	389,541,247
Rent – ATM Booth		23,317,909	26,920,096
Rent – godowns		4,283,647	3,740,294
Rent garage		729,360	692,335
Rent, rates & taxes		143,841,474	20,237,294
Rent rates & taxes (VAT)		1,508,146	3,213,930
Rent machine		-	143,000

Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
Lease rental-car	21,572,300	16,718,446
Other rental charges	22,339,457	13,051,186
Insurance charge	117,272,617	97,588,698
Group insurance premium	6,653,656	2,138,316
Electricity - office	93,224,755	72,713,361
Electricity - residence	17,212,099	13,974,100
Water – office	5,974,626	5,542,898
Water - residence	3,547,777	3,112,938
Gas – office	1,001,045	914,607
Gas- residence	3,916,292	3,669,586
	980,794,294	673,912,332
25(a) Consolidated Rent,taxes,insurance,electricity etc.		
United Commercial Bank Ltd.	980,794,294	673,912,332
UCB Capital Management Ltd.	4,111,123	-
UCB securities Ltd.	-	3,533,407
UCB Investment Ltd.	-	-
	984,905,417	677,445,739
26.00 Legal expenses		
Professional fees	32,983,220	43,701,279
Other legal charges	4,908,856	21,510,194
Stamp, power of attorney & notary public	113,300	379,429
	38,005,376	65,590,902
26(a) Consolidated Legal expenses		
United Commercial Bank Ltd.	38,005,376	65,590,902
UCB Capital Management Ltd.	301,486	-
UCB securities Ltd.	-	1,718,025
UCB Investment Ltd.	-	-
	38,306,862	67,308,927
27 Postage,stamps,telecommunications etc.		
Postage	12,936,335	12,939,192
Telecommunication charges	28,043,041	25,800,335
Reuter	5,500,000	6,000,000
Swift	13,963,343	11,000,000
Internet	3,710,069	8,282,911
Online connectivity charge	50,368,843	41,824,100
	114,521,631	105,846,538
27(a) Consolidated Postage,stamps,telecommunications etc.		
United Commercial Bank Ltd.	114,521,631	105,846,538
UCB Capital Management Ltd.	186,397	-
UCB Investment Ltd.	-	-
	114,708,028	105,846,538

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
28 Stationery, printing & advertisements etc.			
Security Stationery	12,860,727	12,705,954	
Petty Stationery	15,459,026	18,287,435	
Office Stationery	115,391,176	82,552,576	
	143,710,929	113,545,965	
Advertisement			
News paper	25,958,379	24,540,641	
Magazine	2,554,090	3,577,120	
Sponsorship	13,173,250	-	
Point of sales Material (POSM)	9,004,500	-	
Business Development	33,701,213	28,315,700	
Branding expenses	101,814,187	62,557,076	
Misc. advertisement	32,497,437	1,672,834	
Hoarding & neon sign	7,136,198	114,609	
Television	100,500,106	33,298,850	
Radio	2,745,731	2,760,000	
	329,085,091	156,836,830	
	472,796,020	270,382,795	
28(a) Consolidated Stationery,printing & advertisement etc.			
United Commercial Bank Ltd.	472,796,020	270,382,795	
UCB Capital Management Ltd.	298,874	-	
UCB securities Ltd.	-	775,234	
UCB Investment Ltd.	-	-	
	473,094,894	271,158,029	
29 Chief Executive's salary and fees			
Basic salary	7,200,000	7,200,000	
Festival Bonus	1,200,000	1,200,000	
Bonus	1,000,000	1,000,000	
House rent allowance	1,200,000	1,200,000	
Provident fund	720,000	720,000	
	11,320,000	11,320,000	
30 Directors fees			
Meeting fees	2,294,250	2,058,500	
Other meeting fee (travelling expenses)	2,038,952	2,452,114	
	4,333,202	4,510,614	
Note : Board Meeting attendance fees, traveling and living expenses are being allowed to the Directors as per clause no.100,101& 102 of Ariccles of Association of the Bank and subsequent Board approval.			
30(a) Consolidated Directors fees			
United Commercial Bank Ltd.	4,333,202	4,510,614	
UCB Capital Management Ltd.	200,000	-	
UCB Securities Ltd.	-	-	
UCB Investment Ltd.	-	-	
	4,533,202	4,510,614	

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
31	Auditors fees	575,000	575,000
31(a)	Consolidated Auditors fees		
	United Commercial Bank Ltd.	575,000	575,000
	UCB Capital Management Ltd.	34,500	
	UCB Securities Ltd.	-	34,500
	UCB Investment Ltd.	23,000	23,000
		632,500	632,500
32	Depreciation and repair of bank's assets	565,672,146	401,035,399
32.1	Depreciation		
	Furniture/fixtures	109,009,208	66,031,741
	Vehicles	52,164,390	56,634,259
	Office equipments	130,612,424	87,921,459
	Computer equipments	92,074,895	72,768,620
	Computer software	37,597,691	19,439,945
	Immovable property (Building)	39,726,057	32,433,327
		461,184,665	335,229,351
32.2	Repair renovation & maintenance		
	Furniture /fixtures	4,044,389	2,790,836
	Vehicles	13,034,080	14,273,965
	Office equipments	14,266,738	9,489,660
	Computer equipments	4,005,749	1,518,437
	Renovation & maintenance	56,955,316	19,558,962
	Premises	1,400,065	900,637
	Machine & equipment's & swift	9,259,053	8,614,078
	Computer software	-	7,142,030
	Repair building	1,166,091	1,517,443
		104,487,481	65,806,048
32(a)	Consolidated Depreciation and repair of bank's assets		
	United Commercial Bank Ltd.	565,672,146	401,035,399
	UCB Capital Management Ltd.	521,561	-
	UCB Securities Ltd.	-	115,144
	UCB Investment Ltd.	-	-
		566,193,707	401,150,543
33	Other expenses		
	Entertainment	45,924,321	35,094,176
	Petrol, oil & lubricant	114,755,643	106,652,524
	Subscription	16,157,825	11,848,900
	Donation	39,976,822	40,109,904
	Traveling	69,969,027	57,079,678
	Cartage and freight	9,058,887	7,191,981
	Hon. general	783,950	333,000
	Hon. B. diploma	234,824	190,000
	Liveries & uniforms	1,834,240	2,003,678
	Operational Loss	-	249,252,425
	Cash carrying charges	5,985,124	4,934,466

Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
Medical expenses	103,873,765	89,866,020
Car expenses	81,643,532	64,073,340
Loss on sale of assets (note - 33.1)	-	4,833,661
Write off of assets	834,913	852,072
BATCH/BEFTN Charges	5,708,933	6,354,797
Commission on BRTA Collection	-	832,839
Remittance charges	151,522	194,302
Foreign bank charges	7,173,963	4,605,126
CDBL charges	530,631	9,411,436
Statutory meeting expenses	15,515,451	12,269,518
Commission paid to banks	4,482,722	2,508,342
Distribution Commission MFS	50,211,823	500,750
Wallet Opening charges	38,095,410	689,100
Consultancy fees for construction	-	64,076
Consultancy fee for technical assistance	-	8,738,715
Visa card	48,749,783	51,848,706
Conference expenses	10,740,867	8,302,185
Training /seminar	13,359,737	9,888,298
Evening/holiday banking	-	1,828,385
ATM Booth maintenance charge	-	662,482
ATM Transaction Fees	-	529,093
Miscellaneous expenses (note - 33.2)	27,063,647	22,163,665
	712,817,362	815,707,640
33.1 Loss on sale of assets		
Gain on sale of fixed assets	-	973,850
Less : Loss on sale of fixed assets	-	(5,807,511)
	-	(4,833,661)
33.2 Miscellaneous Expenses		
Laundry & cleaning	7,913,271	6,042,555
Photographs	61,875	388,738
Photocopying	210,758	-
Sundry	18,877,743	15,732,372
	27,063,647	22,163,665
33(a) Consolidated Other Expenses		
United Commercial Bank Ltd.	712,817,362	815,707,640
UCB Capital Management Ltd.	5,123,555	-
UCB Securities Ltd.	-	1,562,181
UCB Investment Ltd.	24,106	38,150
	717,965,023	817,307,971

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
34	Provision for Loans & Advances		
	Classified advances	882,815,548	977,163,518
	Unclassified advances	340,212,378	26,992,923
	Special mention account (SMA)	42,752,000	-
	Small & medium enterprise (SME)	77,232,000	27,404,000
	Consumer finance (House Finance)	93,590,890	51,590,069
	Consumer finance (Credit Card)	18,563,000	-
	Consumer finance (Others)	7,325,000	-
	Provision for BHs/MBs/SDs/against share	9,808,000	-
		1,472,298,816	1,083,150,510
34(a)	Consolidated Provision for Loans & Advances		
	United Commercial Bank Ltd.	1,472,298,816	1,083,150,510
	UCB Capital Management Ltd.	1,752,860	-
	UCB Investment Ltd.	-	-
		1,474,051,676	1,083,150,510
35	Provision for diminution in value of investments		
	Provision required during the year	-	-
		-	-
36	Other Provision		
	Provision for other assets	26,928,398	6,500,000
	Provision for off-balance sheet exposures	384,561,000	149,397,000
		411,489,398	155,897,000
	Provision for Off-Balance Sheet Exposure		
	As per BRPD Circular No. 14 dated 23 September 2012, general provision @ 1.00% is required to be maintained against off balance sheet exposures. However Bangladesh Bank vide letter no. BRPD(P-1)/661/13/2014-8164 dated 23.12.2014 allowed us to maintain @ 0.25% provision phase by phase in four years instead of one year against Bank guarantee given to China Bridge Engineering Company Ltd and Sinohydro Corporation Ltd considering importance of Padma Bridge project in national economy. Accordingly total provision for Tk. 1,055,511,000 has been provided upto 31.12.2014 out of which Tk. 384,561,000 has been provided as provision for off balance sheet items for the year ended up to December 31,2014.		
37	Provision for Taxation		
	Provision for current tax has been calculated based on the profit before provision considering admissible & inadmissible expenses as per provision of the Income Tax Ordinance 1984.		
	Current Tax Provision	3,161,945,018	2,562,437,098
	Current Tax Provision up to the year 2007	-	249,475,674
	Deferred Tax Provision	5,000,000	10,000,000
		3,166,945,018	2,821,912,772

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
37(a) Consolidated Provision for Taxation			
Current Tax			
United Commercial Bank Ltd.	3,161,945,018	2,811,912,772	
UCB Capital Management Ltd.	11,178,725	-	
UCB Securities Ltd.	-	1,690,025	
UCB Investment Ltd.	1,733,268	-	
	3,174,857,011	2,813,602,797	
Deferred Tax			
United Commercial Bank Ltd.	5,000,000	10,000,000	
UCB Capital Management Ltd.	-	-	
UCB Investment Ltd.	-	-	
	5,000,000	10,000,000	
	3,179,857,011	2,823,602,797	
38 Earnings per Share (EPS)			
Earnings per share has been calculated in accordance with BAS-33: "Earnings Per Share (EPS)".			
Net Profit after Tax (Numerator)	3,668,727,778	3,065,409,458	
Number of Ordinary shares outstanding (Denominator)	836,611,631	836,611,631	
Earning Per Share (EPS)	4.39	3.66	
38(a) Consolidated Earnings per Share (CEPS)			
Consolidated Earnings per share has been calculated in accordance with BAS-33: Earnings Per Share (EPS).			
Net Profit after Tax (Numerator)	3,700,332,233	3,069,357,562	
Number of Ordinary shares outstanding (Denominator)	836,611,631	836,611,631	
Consolidated Earning Per Share (CEPS)	4.42	3.67	
39 Receipt from other operating activities			
Exchange earning & brokerage	1,021,054,693	860,392,377	
Other operating income	555,654,339	1,456,074,946	
	1,576,709,032	2,316,467,323	
39(a) Consolidated Receipt from other operating activities			
United Commercial Bank Ltd.	1,576,709,032	2,316,467,323	
UCB Capital Management Ltd.	321,897	-	
UCB Securities Ltd.	-	314,513	
UCB Investment Ltd.	-	-	
	1,577,030,929	2,316,781,836	

Notes to the Financial Statements

		Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
40	Payment for other operating activities		
	Legal expenses	38,005,376	65,590,902
	Directors fees & other expenses	4,333,202	4,510,614
	Auditors fees	575,000	575,000
	Repair to fixed assets	104,487,481	65,806,048
	Other expenditure	712,817,362	945,378,654
		860,218,421	1,081,861,218
40(a)	Consolidated Payment for other operating activities		
	United Commercial Bank Ltd.	860,218,421	1,081,861,218
	UCB Capital Management Ltd.	5,876,994	-
	UCB Securities Ltd.	-	3,394,313
	UCB Investment Ltd.	47,106	61,150
		866,142,521	1,085,316,681
41	Increase / Decrease of other assets		
	Closing other assets	10,954,870,454	10,285,051,109
	Advance income tax	(8,145,107,048)	(5,979,200,318)
	Opening other assets	(3,718,757,250)	(4,530,707,616)
	Increase / Decrease for the year	(908,993,844)	(224,856,825)
41(a)	Consolidated Increase / Decrease of other assets		
	Closing other assets	10,767,492,164	9,020,225,816
	Advance income tax paid	(8,152,908,743)	(5,979,200,318)
	Opening other assets	(2,453,931,957)	(3,812,494,585)
	Increase / Decrease for the year	160,651,464	(771,469,087)
42	Increase / Decrease of other liabilities		
	Closing other liabilities	22,646,866,246	20,549,172,219
	Provision for classified loans & advances	(1,929,581,670)	(2,122,873,057)
	Provision for classified investment	(292,839,246)	(292,839,246)
	Provision for classified fixed assets	(3,972,000)	(3,972,000)
	Provision for classified other assets	(54,369,000)	(27,440,602)
	Provision for unclassified loans & advances	(947,978,042)	(607,705,780)
	Provision for special mention account (SMA)	(76,796,000)	(34,044,000)
	Provision for small & medium enterprise (SME)	(243,243,000)	(166,011,000)
	Provision for consumer finance (Credit Card)	(76,615,000)	(58,052,000)
	Provision for consumer finance (House Finance)	(256,157,959)	(162,567,069)
	Provision for consumer finance (L.p)	(1,129,000)	(3,461,000)
	Provision for consumer finance (Others)	(101,767,000)	(94,442,000)
	Provision for short term agri micro finance	(13,334,000)	(49,649,000)
	Provision for others	(34,216,000)	(24,408,000)
	Provision for off-balance sheet exposures	(1,055,511,000)	(670,950,000)
	Provision for UCB foundation	(39,534,987)	(39,534,987)
	Provision for current tax	(11,298,825,636)	(8,136,880,618)
	Provision for deferred tax	(196,445,374)	(191,445,374)
	Adjustment of provision of OBU	59,883	(356,404)
	Opening other liabilities	(4,842,486,522)	(7,689,712,948)
	Increase / Decrease for the year	1,182,124,693	172,827,134

43 Audit Committee

The Audit Committee of the Board was constituted by the Board of Directors of the Bank in its emergent meeting held on 03 April 2004. Subsequently the Committee was reconstituted in its Board meeting. The Audit Committee of the Board of Director consisted of the following 04 (four) members of the Board as on 31 December 2014.

Name of the Members	Status with the Bank	Status in the Committee	Educational Qualification
Lt.Gen ATM Zahirul Alam,rcds,psc (Retd)	Independent Director	Chairman	MA
Ahmed Arif Billah	Director	Member	BBA
Md. Tanvir Khan	Director	Member	MBA
Dr. Salim Mahmud	Independent Director	Member	LLB (Hons),LLM & PhD

During the period from 01 January 2014 to 31 December 2014 the Audit Committee has conducted 09 (Nine) meetings. Details of the meeting are shown below by datewise.

Details of the Audit Committee Meeting in the year 2014

Sl. No	Meeting No	Held On
1	53rd	26-01-2014
2	54th	11-02-2014
3	55th	27-02-2014
4	56th	05-05-2014
5	57th	28-05-2014
6	58th	17-07-2014
7	59th	02-09-2014
8	60th	25-10-2014
9	61st	30-11-2014

The Audit Committee discussed the following issues during the year 2014

- Summary Report on the Audit findings of Bangladesh Bank and Bank's Internal Control & Compliance Department and corrective actions taken there.
- Annual Report based on various parameters on the performance of the Bank during the period ended on 31 Dec. 2014
- Review of Quarterly, Half-yearly & Annual Financial Statements.
- Introduction of a modern,efficient Internal Control & Compliance system to mitigate the risks.
- Establishment of Compliance Culture, efficient HRM,MIS & Computerization.
- Review of Annual Financial Statements for the year ended on 31 December 2014 in its 63rd meeting held on 22.2.2015.

44 Related Party Disclosers :

44.1 (a): Name of the Directors and their shareholding in the Bank.

Name of the Directors	Status in the Board	Opening Share holding position as on 01 Jan. 2014	Closing Share holding position as on 31 Dec. 2014
M. A. Hashem	Chairman	19883125	19883125
Sharif Zahir	Vice-Chairman	16763503	16763503
Anisuzzaman Chowdhury	Chairman- Executive Committee	21089850	23413910
Lt.Gen ATM Zahirul Alam,rcds,psc (Retd)	Chairman Audit Committee (Independent Director)	Nil	Nil
M. A. Sabur	Chairman- Risk Management Committee	16798204	17170704
Showkat Aziz Russel	Director	16803463	16803463
Md. Jahangir Alam Khan	Director	16733300	16733300
Hajee Yunus Ahmed	Director	18069547	18069547
Hajee M. A. Kalam	Director	16733981	16733981
Abdul Gaffar Chowdhury	Director	3529378	16995041
Shabbir Ahmed	Director	16765807	16765807
Md. Tanvir Khan	Director	16733948	16733948
Asifuzzaman Chowdhury	Director	21275336	23599396
Sultana Rezia Begum	Director	16781721	16781721
Ahmed Arif Billah	Director	16734696	17134696
Rukhmila Zaman	Director	Nil	16733201
Nurul Islam Chowdhury	Director	11331414	16735616
Dr. Salim Mahmud	Independent Director	Nil	Nil
Syed Mohammed Nuruddin	Independent Director	Nil	Nil
Muhammed Ali	Managing Director	Nil	Nil

44.1 (b): Name of the Directors and the entities in which they had interest as at 31 December 2014

Name and Address	Status	Name of the Firm/Companies where they have interest.
M.A. Hashem Partex Group SHAA-74, Bir Uttam A K Khandaker Sharak, Mohakhali, Dhaka.	Chairman	1. Amber Pulp & Paper Mills Ltd. 2. Amber Cotton Mills Ltd. 3. Partex Rotor Mills Ltd. 4. Partex Rotor Spinning Mills Ltd. 5. Partex Denim Ltd. 6. Partex Sugar Mills Ltd. 7. Partex Energy Ltd. 8. Partex Spinning Mills Ltd. 9. Dhakacom Ltd. 10. Partex Beverage Ltd. 11. Partex Plastic Ltd. 12. Partex Plastics Furniture Ltd. 13. Partex Properties Ltd. 14. Plastic Accessories Ltd. 15. Partex Real Estate Ltd. 16. Partex Fisheries Ltd. 17. Partex Foundry Ltd. 18. Partex Paper Mills Ltd. 19. Partex Board Mills Limited. 20. Partex Denim Mills Ltd. 21. Partex Jute Mills Ltd. 22. Partex Petro Ltd. 23. Swiftline Automation Ltd. 24. Partex Apparels Ltd. 25. Partex Shipyards Ltd. 26. Star Foods Ltd. 27. Partex Foods Ltd. 28. Partex Feed Mills Ltd. 29. Partex Batteries Ltd. 30. Partex Coal Ltd. 31. Partex Building Materials Ltd. 32. North South University.
Sharif Zahir House No-20, Road No-99 Gulshan - 2, Dhaka.	Vice Chairman	1. Ananta Casual Wear Ltd. 2. Ananta Energy Resources Ltd. 3. National Finance Ltd. 4. Confidence Industries Ltd. 5. Ananta Apparels Ltd. 6. Ananta Fashion Ltd. 7. Ananta Denim Technology Ltd. 8. Ananta Properties Ltd. 9. Creative Vision Ltd. 10. Vanguard Asset Management Ltd. 11. Ananta Group Ltd. 12. Universal Means Wear Ltd. 13. T & S button (Bangladesh) Ltd. 14. Ananta Huaxiang Ltd. 15. DNV Clothing Ltd.
Anisuzzaman Chowdhury Bashiruzzaman Chamber 9 Bundle Road, Patharghata, Chittagong	Chairman - Executive Committee	1. Ronny Chemical Industries Ltd.
Lt.Gen ATM Zahirul Alam,rcds,psc (Retd) Bay Cruise International Ltd. House# 13/1, Road# 12 Baridhara Diplomatic Zone Dhaka-1212	Independent Director & Chairman, Audit Committee	1. Bay Cruise International Ltd.
M.A. Sabur Syed Grand Centre, Level - 13&15, Plot - 89, Road - 28, Sector - 7, Uttara, Dhaka - 1230	Chairman - Risk Management Committee	1. Arbee Textiles Ltd. 2. Maxim Ltd. 3. Maxim International Ltd. 4. Concept Knitting Ltd. 5. Masco Shares & Securities Ltd. 6. Masco Properties Ltd. 7. Masco Poultry Ltd. 8. Masco Cottons Ltd. 9. Masco Services Ltd. 10. Shanta Expressions Ltd.

Name and Address	Status	Name of the Firm/Companies where they have interest.
Showkat Aziz Russell House No- 02, Road No-09, Block No-G, Banani,Dhaka - 1213.	Director	<ol style="list-style-type: none"> 1. Amber Cotton Mills Ltd. 2. Partex Sugar Mills Ltd. 3. Dhakacom Ltd. 4. Partex Energy Ltd. 5. Partex Rotor Spinning Mills Ltd. 6. Partex Denim Ltd. 7. Partex Rotor Mills Ltd. 8. Partex Spinning Mills Ltd. 9. Partex Holdings Ltd. 10. Partex Board Mills Ltd. 11. Partex Denim Mills Ltd. 12. Amber Super Yarn Ltd. 13. Partex Real Estate Ltd. 14. Precision Energy Ltd. 15. Partex Fisheries Ltd. 16. Amber Yarn Dying Ltd. 17. Amber Group Ltd. 18. Amber Plastics Ltd. 19. Amber Holdings Ltd. 20. Amber Power Ltd. 21. Amber Wood & plastic Ltd. 22. Amber Furniture's Ltd. 23. IBAIS University
Md. Jahangir Alam Khan J.K. Group, 42/4, Progati Sarani Green Orlando (3rd & 4th Floor) Baridhara, Block-J, Dhaka-1229	Director	<ol style="list-style-type: none"> 1. J. K. Fabrics Ltd. 2. J. K. Knit Composite Ltd. 3. J. K. Real Estate Ltd. 4. J. K. Spinning Mills Ltd. 5. J. K. Cotton Mills Ltd. 6. Tanima Knit Composite Ltd. 7. J.K. Synthetic Mills Ltd. 8. J. K. Maritime Ltd. 9. J. K. Memorial Hospital. 10. MM Fishing Ltd. 11. MR Fishing Ltd. 12. Ocean Tiger Bangladesh Ltd.
Hajee Yunus Ahmed Shanta Western Tower , Suite 901 9th Floor, 186 Tejgaon 1/A Dhaka-1208.	Director	<ol style="list-style-type: none"> 1. Shore to Shore (Bangladesh) Ltd. 2. Yunusco K. Textiles Ltd. 3. LM Masinara Asia Ltd. 4. Adapt ID Bangladesh Ltd. 5. Yunusco Stone & Engineering Ltd. 6. Yunusco Properties Ltd. 7. Yunusco Ltd. 8. Shore to Shore Textiles Ltd. 9. Yunusco Global Sourcing Ltd. 10. YK Limited. 11. Best Eat (Pvt) Ltd. 12. Nine 2 Nine Manufacturing Ltd. 13. Four M Knit & Footwear Ltd. 14. Wonder Corporation Ltd. 15. Yunusco Avant Grade Ltd. 16. Wonder Gas Ltd.
Hajee M.A. Kalam 2, Rabiya Rahman Lane, Chittagong.	Director	<ol style="list-style-type: none"> 1. M/s. M. A. Kalam Ltd. 2. M/s. United Overseas (BD) Ltd. 3. Arab Plantation Ltd.
Abdul Gaffar Chowdhury Road# 02, House# 37, Block# B Sector- 12, Mirpur, Dhaka-1221	Director	<ol style="list-style-type: none"> 1. Hotel Holiday Cox's Bazar Ltd. 2. Sea Gull Aquaculture Ltd. 3. Janata Insurance Company Ltd.
Shabbir Ahmed East End Automobile, Chandgaon, Kalurghat Road, Chittagong.	Director	<ol style="list-style-type: none"> 1. Farid Level & Accessories. 2. Sharafat & Brothers. 3. Kashfi Knitting Ltd. 4. East End Automobiles Ltd.
Md. Tanvir Khan J. K. Group, 42/4, Progati Sarani, Green Orlando (3rd & 4th Floor), Baridhara, Block-J, Dhaka-1229	Director	<ol style="list-style-type: none"> 1. J. K. Fabrics Ltd. 2. J. K. Knit Composite Ltd.

Name and Address	Status	Name of the Firm/Companies where they have interest.
Asifuzzaman Chowdhury Bashiruzzaman Chamber 9 Bundle Road, Patharghata, Chittagong	Director	1. Synthetic Regin Products (Pvt) Ltd. 2. Ronny Chemical Industries Ltd.
Sultana Rezia Begum House No-3B (New), Road-88 Gulshan-2, Dhaka-1212	Director	1. SamudraJatra Shipping Lines Ltd.
Ahmed Arif Billah Syed Grand Centre, Level - 13&15, Plot - 89, Road - 28, Sector - 7, Uttara, Dhaka - 1230	Director	1. Masco Industries Ltd. 2. Masco Cottons Ltd. 3. Mascotex Ltd. 4. MPL Wear Ltd. 5. Masco Printing and Embroidery Ltd. 6. Tasniah Fabrics Ltd. 7. Masco Poultry Ltd. 8. Masco Linens Ltd. 9. Masco Yarn Dyeing & Printing Ltd. 10. Shanta Expressions Ltd. 11. Masco Exports Ltd. 12. Masco Overseas Ltd. 13. Masco Services Ltd. 14. Masco Picasso Ltd. 15. Masco Properties Ltd. 16. Concept Knitting Ltd.
Rukhmila Zaman Aramit Ltd 53, Kalurghat Heavy Industrial Estate Mohara, Chittagong.	Director	1. Aramit Limited. 2. Aramit Cement Limited. 3. Aramit Thai Aluminum Limited. 4. Aramit Power Limited. 5. Aramit Footwear Limited. 6. Aramit Alu Composite Panels Limited. 7. Aramit Steel Pipes Limited.
Nurul Islam Chowdhury House# 23, Road # 12, Baridhara Gulshan, Dhaka-1212	Director	1. Islam Steel Mills Ltd. 2. Eastern Engineers (CTG.) Ltd. 3. Anowara Jute Mills Ltd. 4. Shoppers World Express Ltd. 5. Shoppers World Ltd.
Dr. Salim Mahmud TCB Building (3rd floor) 1 Karwan Bazar, Dhaka-1215	Independent Director	1. Member (Commissioner) of BERC, GoB
Syed Mohammed Nuruddin Monjoor Building (1st & 2nd Floor) 67 Agrabad, Chittagong.	Independent Director	1. Allport Cargo Services (Ocean) Ltd. 2. Mariners Cargo Services Ltd. 3. Sundaram Tiles Ltd. 4. Mariners (BD) Ltd. 5. Mariners Trading Corporation Ltd. 6. Chittagong Shipyard Ltd.
Muhammed Ali United Commercial Bank Ltd. Corporate Head office CWS (A) 1, Road No: 34 Gulshan Avenue, Dhaka-1212	Managing Director	-

44.2 Significant Contracts where Bank is a party and wherein Directors have interest:

Sl. No	Name of the Contract	Branch Name	Name of the Directors and related by	Remarks
1	Lease Agreement with Sultana Rezia Begum	Agrabad Branch, Chittagong	Sultana Rezia Begum (Owner of the premises)	Approved by Bangladesh Bank vide its Letter Ref. No-DBOD(D)200/40-722/98 dated 22.06.1998

44.3 Shares issued to Directors & Executives without consideration or exercisable at a discount:

Nil

44.4 Related Party Transactions:

Sl. No	Name of the Party	Relationship	Nature of Transaction	Amount
1	Dhakacom Limited	Common Director	Data Connectivity Service for Online Banking & ATM	Tk. 20,69,657/ (As average recurring monthly cost)

44.5 Lending policies to related parties: Lending to related parties is affected as [er requirement of section 27 (1) of the Bank company Act 1991.

44.6 Loans and advances to concern related to directors:

Nil

44.7 Business other than banking business with any related concern of the Directors as per section 18(2) of the Bank company Act 1991:

Nil

44.8 Investment in securities of Directors and their related concern:

Nil

45 Events after Balance Sheet date:

The Board of Directors of United Commercial Bank Limited in its Board meeting no. 376 held on February 22, 2015 recommended stock dividend @ 20% and cash dividend @ 10% for the year 2014.

General:

45.1 Banks share capital has not been utilized for acquiring any other direct or indirect business.

45.2 No amount was spent by the bank for compensating any members of the board for special services rendered during the period.

45.3 During the period under report, United Commercial Bank Ltd did not place any of its assets under pledge as security to obtain any liabilities.


Managing Director


Director


Director


Director

Balance with Nostro Accounts

As on 31 December 2014

(Annexure-A)

Nostro Bank	Name of the Country	Currency	2014			2013		
			Amount in FC	Rate	Amount in BDT	Amount in FC	Rate	Amount in BDT
Commerz Bank AG, (USD)	Germany	USD	239,936.08	77.95	18,702,873.47	679,638.25	77.75	52,841,873.94
Commerz Bank AG, (EUR)	Germany	EUR	136,199.15	94.65	12,891,794.34	83,622.80	106.83	8,933,114.32
Habib American bank, New York	USA	USD	582,557.53	77.95	45,410,009.93	687,755.94	77.75	53,473,024.34
Hong Kong & Shanghai Banking Corporation USA, New York	USA	USD	2,306,670.79	77.95	179,803,604.08	1,075,722.96	61.75	66,428,288.53
JP Morgan Chase Bank NA, NY	USA	USD	535,551.26	77.95	41,745,899.39	1,281,774.46	77.75	99,657,964.27
Mashreq bank PSC, New York	USA	USD	5,725,219.36	77.95	446,279,396.10	1,681,801.58	66.41	111,693,021.39
Standard Chartered Bank, New York	USA	USD	5,659,473.15	77.95	441,152,536.36	4,570,336.57	77.75	355,343,668.32
Wells Fargo Bank, NA, NY	USA	USD	514,549.39	77.95	40,108,816.22	611,052.47	77.75	47,509,329.54
AB Bank, Mumbai	India	USD	441,009.10	77.95	34,376,394.74	337,957.73	77.75	26,276,213.51
Bank of Bhutan, Phuentsholing	Bhutan	USD	2,685.55	77.95	209,337.01	98,665.55	77.75	7,671,246.51
Habib Metropolitan Bank, Karachi	Pakistan	USD	15,393.26	77.95	1,199,895.38	159,222.96	77.75	12,379,585.14
HDFC Bank Ltd, Mumbai	India	USD	143,731.89	77.95	11,203,814.59	43,720.07	77.75	3,399,235.44
ICICI Bank Ltd, Mumbai	India	USD	558,660.99	77.95	43,547,288.97	172,781.68	77.75	13,433,775.62
Mashreqbank Psc, Mumbai	India	USD	241,958.53	77.95	18,860,522.24	52,197.63	77.75	4,058,365.73
Nepal Bangladesh Bank, Kathmandu	Nepal	USD	110,195.15	77.95	8,589,645.83	23,073.40	77.75	1,793,956.85
Peoples Bank, Colombo	Srilanka	USD	109,754.11	77.95	8,555,267.02	89,114.71	77.75	6,928,668.70
Standard Chartered Bank, Mumbai	India	USD	442,028.09	77.95	34,455,824.40	371,705.72	77.75	28,900,119.73
Sonali Bank, Kolkata	India	USD	836,394.10	77.95	65,196,418.26	21,942.42	77.75	1,706,024.16
State Bank of India, Kolkata	India	USD	517,716.17	77.95	40,355,664.82	117,781.17	77.75	9,157,485.97
Bank of Tokyo - Mitsubishi UFJ Limited, Tokyo	Japan	JPY	547,689,534.00	0.65	354,464,666.40	454,154.00	0.74	335,756.05
Bank of Nova Scotia, Toronto	Canada	CAD	4,935.45	66.90	330,199.37	8,317.04	72.58	603,668.64
Mashreq Bank PSC, Dubai	UAE	AED	2,000.00	21.22	42,444.60	-	-	-
Saudi Hollandi Bank, SA	SA	SAR	64,931.00	20.77	1,348,681.80	-	-	-
Arif Habib Rupali Bank	India	USD	4,009.95	77.95	312,573.20	-	-	-
Bank Al-Jazira, SA	SA	SAR	50,000.00	20.77	1,038,550.00	-	-	-
Kookmin Bank, Seoul	South Africa	USD	1,952.12	77.95	152,166.58	-	-	-
Mashreq Bank, PSC (GBP)	USA	GBP	62.52	121.02	7,566.43	-	-	-
Mashreq Bank, PSC (EUR)	USA	EUR	2,835.69	94.65	268,409.40	-	-	-
Mashreq Bank, NY (OBU)	USA	USD	78,293.65	77.95	6,102,943.04	13,532.11	77.75	1,052,121.55
Bank of Credit & Commerce International Limited, New York	USA	USD	-	-	-	52,640.43	77.75	4,092,793.43
Arif Habib Bank Limited, Karachi	Pakistan	USD	-	-	-	4,009.95	77.75	311,773.61
Bank of Credit & Commerce International Limited, London	UK	GBP	-	-	-	372.99	128.09	47,775.32
Hong Kong & Shanghai Banking Corporation, London	UK	GBP	-	-	-	13,304.22	128.09	1,704,102.95
Bank of Credit & Commerce International Limited, Tokyo	Japan	JPY	-	-	-	135,000.00	0.74	99,805.50
Total					1,856,713,204			919,832,759

Schedule of Fixed Assets

As on 31 December 2014

(Annexure-B)

Amount in BDT

Particulars	COST				DEPRECIATION				Written down value as on 31 Dec. 2014
	Opening Balance at Cost as on 01 Jan. 2014	Addition during the year	Adjustment during the year	Total Cost as on 31 Dec. 2014	Rate	Charged upto 31 Dec. 2013	Adjustment during the year	Charged during the year	Total Depreciation as on 31 Dec. 2014
Land	4,395,054,283	-	-	4,395,054,283	0.0%	-	-	-	-
Building	1,628,131,192	55,800,000	55,260	1,683,875,932	2.5%	96,516,529	55,260	39,726,057	136,187,326
Furniture & Fixtures	899,176,274	188,297,171	9,990,488	1,077,482,957	10.0%	250,654,835	6,265,149	109,009,208	353,398,894
Office Equipment	678,127,699	88,577,548	8,009,533	758,695,714	20.0%	349,320,540	6,879,471	130,612,424	473,053,493
Computer Equipment	544,962,352	134,904,756	2,293,601	677,573,507	20.0%	336,902,099	2,290,763	92,074,895	426,686,231
Vehicles	354,759,450	61,148,948	23,787,000	392,121,398	20.0%	212,643,277	22,095,220	52,164,390	242,712,447
Computer Software	142,904,106	155,464,025	-	298,368,131	25.0%	83,185,239	-	37,597,691	120,782,930
Capital Expenditure Work In Progress	643,413,360	897,372,799	561,139,760	979,646,399	0.0%	-	-	-	-
Total as on 31 Dec. 2014	9,286,528,716	1,581,565,247	605,275,642	10,262,818,321		1,329,222,519	37,585,863	461,184,665	1,752,821,321
Total as on 31 Dec. 2013	6,239,084,107	5,687,124,368	2,639,679,759	9,286,528,716		1,016,302,091	22,308,923	335,229,351	1,329,222,519
									7,957,306,197

Highlights on Overall Activities

As at 31 December 2014

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
Paid-up Capital	8,366,116,310	8,366,116,310
Total Capital	25,691,178,623	22,758,759,945
Capital Surplus/(Deficit)	1,366,138,336	3,020,705,103
Total Assets	266,100,737,077	226,333,132,200
Total Deposits	211,072,060,174	184,896,854,257
Total Loans & Advances	174,146,104,337	148,664,861,064
Total Contingent Liabilities & Commitments	144,554,468,462	67,094,057,536
Credit Deposit Ratio (%)	78.92	80.40
Percentage of Classified Loans against Total Loans and Advances	4.62	4.03
Operating Profit	8,719,461,010	7,126,369,740
Profit after Tax & Provision	3,668,727,778	3,065,409,458
Amount of Classified Loans during the year	3,755,923,409	4,427,652,576
Classified Advance at the end of the year	8,050,042,412	5,985,172,650
Provision kept against Classified Loans	1,929,581,670	2,122,873,057
Provision Surplus/(Deficit)	345,823,434	460,190,680
Cost of Fund (%)	10.16	11.66
Interest Earning Assets	221,056,044,061	189,160,176,653
Non-interest earning Assets	45,044,693,016	35,704,014,089
Return on Investment (ROI) (%)	9.69	9.25
Return on Assets (ROA) (%)	1.49	1.41
Net Asset value per share	26.88	24.51
Income from Investments	3,868,656,368	2,666,440,052
Earning per share (Taka)	4.39	3.66
Net Income per share (Taka)	4.39	3.66
Price earning ratio (Times)	6.68	6.85

Financial Statements of Offshore Banking Unit

This section contains:

- Balance Sheet
- Profit and Loss Account
- Cash Flow Statement
- Notes to the Financial Statements

Off-shore Banking Unit Balance Sheet As at 31 December 2014

	Notes	31 Dec. 2014	31 Dec. 2013	
		USD	BDT	BDT
PROPERTY AND ASSETS				
Cash		-	-	-
In hand (including foreign currencies)		-	-	-
Balance with Bangladesh Bank and its agent bank (s)		-	-	-
(including foreign currencies)		-	-	-
Balance with other banks and financial institutions	3	5,924,088	461,779,125	2,972,463
In Bangladesh		5,845,795	455,676,182	1,920,341
Outside Bangladesh		78,294	6,102,943	1,052,122
Loans and advances	4	94,015,771	7,328,472,906	2,333,917,733
Loans, cash credits, overdrafts, etc.		11,864,930	924,864,159	521,688,386
Bills purchased and discounted		82,150,841	6,403,608,748	1,812,229,347
Fixed assets including premises, furniture and fixtures	5	15,042	1,172,502	1,329,660
Other assets	6	1,600,905	124,789,576	28,463,386
Non - banking assets		-	-	-
Total assets		101,555,806	7,916,214,110	2,366,683,242
LIABILITIES AND CAPITAL				
Liabilities				
Borrowings from other banks, financial institutions and agents	7	100,455,101	7,830,414,871	2,341,050,824
Other liabilities	8	1,100,704	85,799,239	25,632,417
Total liabilities		101,555,806	7,916,214,110	2,366,683,242
Capital / Shareholders' equity				
Paid up capital		-	-	-
Statutory reserve		-	-	-
Foreign currency gain		-	-	-
Other reserve		-	-	-
Deficit in profit and loss account / Retained earnings	9	-	-	-
Total Shareholders' equity		-	-	-
Total liabilities and Shareholders' equity		101,555,806	7,916,214,110	2,366,683,241

Off-shore Banking Unit
Off Balance Sheet Items As at 31 December 2014

	Notes	31 Dec. 2014		31 Dec. 2013
		USD	BDT	BDT
Off Balance Sheet Items		-	-	-
Contingent liabilities				
Acceptances and endorsements		-	-	-
Letters of guarantee		-	-	-
Irrevocable letters of credit		-	-	-
Bills for collection		-	-	-
Other contingent liabilities		-	-	-
Other commitments				
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	-	-	-	-
Liabilities against forward purchase and sale		-	-	-
Other commitments		-	-	-
Total Off-Balance Sheet exposures including contingent liabilities		-	-	-

Off-shore Banking Unit Profit and Loss Account For the year ended 31 December 2014

	Notes	31 Dec. 2014		31 Dec. 2013
		USD	BDT	BDT
Interest income	10	5,077,602	395,795,996	136,856,251
Interest paid on deposits, borrowings, etc.	11	(829,209)	(64,636,349)	(7,635,049)
Net interest income		4,248,393	331,159,647	129,221,201
Commission, exchange, brokerage, etc.	12	218,539	17,034,993	969,005
Other operating income	13	-	-	5,095,999
Total operating income (A)		4,466,932	348,194,640	135,286,206
Salaries and allowances	14	4,413	343,956	376,756
Rent, taxes, insurance, electricity, etc.		-	-	21,970
Legal expenses		-	-	-
Postage, stamp, telecommunication, etc.		-	-	-
Stationery, printing, advertisements, etc.		-	-	700
Auditors' fees		-	-	-
Depreciation and repair of Bank's assets		2,060	160,567	157,518
Other expenditure	15	15,509	1,206,629	-
Total operating expenses (B)		21,981	1,711,152	556,943
Profit / (loss) before provision (C=A-B)		4,444,950	346,483,488	134,729,263
Provision for loans and advances / investments				
Specific provision		-	-	-
General provision		641,402	49,996,881	9,998,048
Other provision		-	-	-
Total provision (D)		641,402	49,996,881	9,998,048
Total profit / (loss) before taxes (C-D)		3,803,549	296,486,607	124,731,215
Provision for taxation		-	-	-
Current tax		-	-	-
Deferred tax		-	-	-
Net profit / (loss) after taxation		3,803,549	296,486,607	124,731,215
Retained earnings brought forward from previous years		-	-	-
		3,803,549	296,486,607	124,731,215

Off-shore Banking Unit
Cash Flow Statement For the year ended 31 December 2014

	Notes	31 Dec. 2014		31 Dec. 2013
		USD	BDT	BDT
A) Cash flows from operating activities				
Interest receipts in cash		5,077,602	395,795,996	136,856,251
Interest payments		(829,209)	(64,636,349)	(7,635,049)
Fees and commission receipts in cash		218,539	17,034,993	969,005
Cash payments to employees		(4,413)	(343,076)	(376,756)
Cash payments to suppliers		-	-	(22,670)
Receipts from other operating activities		-	-	5,095,999
Payments for other operating activities		(15,509)	(1,206,629)	-
Cash generated from operating activities before changes				
Cash generated from operating activities before changes in operating assets and liabilities		4,447,010	346,644,935	134,886,781
Increase / (decrease) in operating assets and liabilities				
Loans and advances to other banks		-	-	-
Loans and advances to customers		(63,997,536)	(4,994,555,173)	(998,731,989)
Other assets		(1,234,816)	(96,326,190)	(8,618,088)
Deposits from other banks / borrowings		70,345,123	5,489,364,047	1,023,016,808
Deposits from customers		-	-	-
Other liabilities		129,625	10,110,057	413,863
		5,242,396	408,592,741	16,080,595
Net cash from operating activities		9,689,406	755,237,676	150,967,376
B) Cash flows from investing activities				
Purchase / sale of property, plant and equipment		-	-	-
Proceeds from sale of property, plant and equipment		-	-	-
Net cash used in investing activities		-	-	-
C) Cash flows from financing activities				
Retained earnings sent to Central Operation		(3,803,549)	(296,486,607)	(164,739,147)
Net Cash from financing activities		(3,803,549)	(296,486,607)	(164,739,147)
Net increase / (decrease) in cash and cash equivalents (A+ B + C)		5,885,857	458,751,069	(13,771,771)
Effects of exchange rate changes on cash and cash equivalents		-	55,593	621,045
Cash and cash equivalents at beginning of the year		38,231	2,972,463	16,123,189
Cash and cash equivalents at end of the year		5,924,088	461,779,125	2,972,463
Cash and cash equivalents at end of the year				
Cash in hand (including foreign currencies)		-	-	-
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		-	-	-
Balance with other banks and financial institutions		5,924,088	461,779,125	2,972,463
		5,924,088	461,779,125	2,972,463

Notes to the Financial Statements

For the year ended 31 December 2014

1.1 Status of the units

Off-shore Banking Units of United Commercial Bank Limited, governed under the rules and guidelines of Bangladesh Bank. The Bank obtained permission for 2 (two) units of Off-shore Banking Unit (OBU) vide letter no. BRPD (P-3) 744 (117)/2010-2577 dated 9th June 2010. The Bank commenced the operation of its Off-shore Banking Unit from November 10, 2010. Presently the Bank has 1 (one) unit in Dhaka.

1.1.1 Principal activities

The principal activities of the unit is to provide all kinds of commercial banking services to its customers through its off-shore Banking Units in Bangladesh.

1.2 Significant accounting policies and basis of preparation of financial statements

1.2.1 Basis of accounting

The Off-shore Banking Units maintain its accounting records in USD from which accounts are prepared according to the Bank Company Act 1991, Bangladesh Accounting Standards and other applicable directives issued by Bangladesh Bank.

1.2.2 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

1.2.3 Foreign currency transaction

a) Foreign currencies translation

Foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per BAS-21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into Taka equivalent.

b) Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities / commitments for letter of credit and letter of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the balance date.

c) Translation gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account,

1.2.4 Cash flow statement

Cash flow statement has been prepared in accordance with the Bangladesh Accounting Standard-7 "Cash Flow Statement" under direct method as recommended in the BRPD Circular No. 14, dated June 25, 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

1.2.5 Reporting period

These financial statements cover from January 01 to December 31, 2014.

1.3 Assets and basis of their valuation

1.3.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the unit management for its short-term commitments.

1.3.2 Loans and advances / investments

- a) Loans and advances of Off-shore Banking Units are stated in the balance sheet on gross basis.
- b) Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest is not charged on bad and loss loans as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

1.3.3 Fixed assets and depreciation

- a) All fixed assets are stated at cost less accumulated depreciation as per BAS-16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises

Notes to the Financial Statements

its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

- b) Depreciation is charged for the year at the following rates on straight line method on all fixed assets.

Category of fixed assets	Rate
Furniture and fixtures	10%
Office equipment	20%

- c) For additions during the year, depreciation is charged for the remaining period of the year and for disposal depreciation is charged up to the date of disposal. Full month depreciation is charged in case of any assets purchased or sale at any day in a month.

1.4.1 Benefits to the employees

The retirement benefits accrued for the employees of the units as on reporting date have been accounted for in accordance with the provisions of Bangladesh Accounting Standard-19, "Employee Benefit". Bases of enumerating the retirement benefit schemes operated by the Bank are outlined below:

a) Provident fund

Provident fund benefits are given to the permanent staffs of the unit in accordance with the locally registered/approved Provident Fund Rules. The Commissioner of Income Tax, Taxes Zone - 5, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of section 2(52) read with the provisions of part - B of the First Schedule of Income Tax Ordinance 1984. The recognition took effect from 30 November 1988. The Fund is operated by a Board of Trustees consisting three members of the Bank. All confirmed employees of the Units are contributing 10% of their basic salary as subscription to the Fund. The units also contribute equal amount of the employees' contribution. Interest earned from the investments is credited to the members' account on half yearly basis.

b) Gratuity fund

Gratuity benefits are given to the employees of the bank in accordance with the approved gratuity fund rules. The National Board of Revenue (NBR) has approved the gratuity fund on 27 December 1995. The fund is operated by the Board of Trustees consisting 3 (three) members of the bank. Employees are entitled to the benefit after completion of minimum five years of service in the bank. The gratuity is calculated on the basis of last basic pay of the employee.

c) Welfare fund

United Commercial Bank's employees' welfare fund is subscribed by monthly contribution of the employees. The Bank also contributes to the Fund from time to time. The Fund has been established to provide coverage in the event of accidental death or permanent disabilities of the employees. Disbursement from the fund is done as per rules for employees' welfare fund. Welfare fund for Off-shore Banking Units are maintaining with Head Office of United Commercial Bank Limited.

1.4.2 Provision for liabilities

A provision is recognized in the balance sheet when the unit has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the Bangladesh Accounting Standard (BAS)- 37 "Provisions, Contingent Liabilities and Contingent Assets".

1.5 Revenue recognition

1.5.1 Interest income

Interest income is recognized on accrual basis in terms of the provisions of the Bangladesh Accounting Standard (BAS)-18 "Revenue", .

1.5.2 Fees and commission income

Fees and commission income arises on services provided by the units are recognized on a cash receipt basis. Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

1.5.3 Interest paid and other expenses

In terms of the provisions of the Bangladesh Accounting Standard (BAS) - 1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

2 General

- a) These financial statements are presented in Taka, which is the Bank's functional currency and figures appearing in these financial statements have been rounded off to the nearest Taka.
- b) Assets and liabilities & income and expenses have been converted into Taka currency @ US\$1 = Taka 77.9494 (closing rate as at 31st December 2014).

Notes to the Financial Statements

	31 Dec. 2014		31 Dec. 2013
	USD	BDT	BDT
3 Balance with other banks and financial institutions			
In Bangladesh	5,845,795	455,676,182	1,920,341
Outside Bangladesh	78,294	6,102,943	1,052,122
	5,924,088	461,779,125	2,972,463
4 Loans and advances			
i) Loans, cash credits, overdrafts, etc.			
Loan (General)	-	-	-
Hire purchase	-	-	-
Lease finance	-	-	-
Term Loan	11,864,930	924,864,159	521,688,386
	11,864,930	924,864,159	521,688,386
ii) Bills purchased and discounted (note-5)			
Payable Inside Bangladesh			
Inland bills purchased	-	-	-
Payable Outside Bangladesh			
Foreign bills purchased and discounted	82,150,841	6,403,608,748	1,812,229,347
	82,150,841	6,403,608,748	1,812,229,347
	94,015,771	7,328,472,906	2,333,917,733
5 Fixed assets			
Cost			
Furniture & Fixtures	18,986	1,479,935	1,476,133
Computer and equipments	809	63,027	62,866
	19,794	1,542,962	1,538,998
Less: Accumulated Depreciation			
Furniture & Fixtures	4,106	320,054	171,620
Computer and equipments	647	50,405	37,719
	4,753	370,459	209,339
Written down value (WDV)	15,042	1,172,502	1,329,660
6 Other assets			
Advance deposits and advance rent	-	-	15,550
Stamp in hand	-	-	-
Interest Receivable	1,600,905	124,789,576	28,059,086
Commission/Fees Receivable	-	-	-
License Fees on OBU	-	-	388,750
	1,600,905	124,789,576	28,463,386
7 Deposits and other accounts			
Borrowings from Head office	77,132,654	6,012,444,086	2,205,496,133
Bank Muscat International	2,000,000	155,898,800	-
Bank Sohar Muscat	5,000,000	389,747,000	-
Noor Islami Bank -Dubai	2,400,846	187,144,505	-
Union Bank Ltd-UAE	2,237,700	174,427,372	-
ICICI-UAE	6,683,901	521,006,107	-
Commercial Bank of Ceylon	5,000,000	389,747,000	-
United Bank Ltd.	-	-	135,554,691
	100,455,101	7,830,414,871	2,341,050,824

Notes to the Financial Statements

	31 Dec. 2014		31 Dec. 2013
	USD	BDT	BDT
8 Other liabilities			
Interest payable	158,982	12,392,568	2,282,511
Provision for Loans & Advances	941,722	73,406,671	23,349,906
	1,100,704	85,799,239	25,632,417
9 Retained earnings			
Balance 1 January 2014	-	-	40,007,932
	-	-	40,007,932
Current year profit	3,803,549	296,486,607	124,731,215
Retained earnings transferred to central operation	3,803,549	(296,486,607)	(164,739,147)
Effect of changes in exchange rate	-	-	-
	-	-	-
10 Interest income			
Term Loan	612,622	47,753,535	2,543,142
Bills purchased & Discount	4,013,340	312,837,443	134,313,109
Others	-	-	-
Interest on loans and advances	4,625,962	360,590,978	136,856,251
Interest on balance with other banks and financial institutions	451,082	35,161,603	-
Interest received from foreign banks	557	43,415	-
	451,639	35,205,018	-
Total Interest income	5,077,602	395,795,996	136,856,251
11 Interest on deposits, borrowings, etc.			
a) Interest paid on deposits	-	-	-
b) Interest paid on local bank accounts	-	-	-
c) Interest paid on Borrowings	829,209	64,636,349	7,635,049
	829,209	64,636,349	7,635,049
12 Commission, exchange and brokerage			
LC,BC & BG (Others) Fees and Charges	218,539	17,034,993	969,005
Commission on export bills	-	-	-
Commission on Bill Purchased & Discount	-	-	-
Commission on accepted bills	-	-	-
Other commission	-	-	-
	218,539	17,034,993	969,005
13 Other operating income			
Reimbursement Charge	-	-	5,095,999
Miscellaneous earnings	-	-	-
	-	-	5,095,999
14 Salaries and allowances			
Basic pay	1,873	145,962	172,589
Allowances	1,850	144,202	185,312
Bonus	489	38,154	-
Unit's contribution to provident fund	201	15,637	18,854
	4,413	343,956	376,756
15 Other expenditure			
Foreign bank correspondence charges	10,000	779,494	-
Revaluation loss on foreign currency	5,509	427,135	-
	15,509	1,206,629	-

Directors' Reports of Subsidiary Companies

Honorable Shareholders,

The completion of another eventful year for the bank gives us pleasure to welcome you all and we, the UCB family, are proudly presenting its two subsidiary companies (UCB Capital Management Ltd. & UCB Investment Ltd.) financial exposure to you aiming to bring out the exact scenario of the financial position and outcomes. It is our firm confidence that the report will give you an insight into the Company's performance and future strategies.

1. UCB Capital Management Limited

Capital Market Movement

Capital market took a break during the year 2014 and reenergized with a positive return after experiencing the prolong bear run from year 2012 and 2013. It has been noticed that the market activities were slothful due to political inconsistency and turbulence throughout the financial year. Consequently, adoption of risk averse investment mandate dominated the broader investor sentiment. Investors are still in the waiting room observing the market movement and industry progression to take prudent financial decisions.

Board of Directors as on 30.06.2014

Name of the Director	Status in the Board	Status in Parent Company
Muhammed Ali	Chairman	Managing Director
Syed Mohammed Nuruddin	Director	Independent Director
Mirza Mahmud Rafiqur Rahman	Director	AMD
Md. Tariqul Azam	Director	DMD
Mohammad Shawkat Jamil	Director	DMD

State of the Company's Affair

UCB Capital Management Limited, a subsidiary of the bank was incorporated on 17 January, 2013 under the Companies Act 1994 having membership of Dhaka Stock Exchange Limited & Chittagong Stock Exchange Limited. The main objective of the company is to run stock brokerage business. The vision of the company is to be one of the best places for the investor in the capital market arena. Recently the company has amalgamated with UCB Securities Ltd & Anam Capital

Ltd, the other two dormant subsidiaries of the parent Company United Commercial Bank Ltd. After merged, The present paid up capital of UCB Capital Management Ltd stood Tk. 51 crore 35 Lac while it's authorized capital is Tk. 156 crore.

Infrastructure & Facilities

From the inception of the company's journey UCBL possesses a momentous level of infrastructure throughout the country. Similar trend enlightens the UCB Capital management including building, advanced broker software, own mail server, efficient human capital, and quality services.

Client Base - the positive movers

UCB Capital Management is one of the leading brands in the capital market industry considering its meaningful client base having sizeable portfolio. Art of services together with proper care of client's investment drives UCB Capital at leading edge. Maintaining individual and institutional clients along with their generous accounts is prospective for its growth. UCB Capital management has stepped ahead positively with its clients in the year of 2014.

Financial Performance of UCB Capital Management Limited

UCB Capital Management Ltd. is highly committed to increase long term value for shareholders through successful execution of strategic priorities and action plan. Against various odds, the company succeeded to achieve good financial outcomes.

Directors' Reports of Subsidiary Companies

Operating Performance

Particulars	2014 (In millions)	2013 (In millions)	Growth (%)
Brokerage Commission Income	34.29	10.31	232.59
Interest Income on Margin Loan	20.46	2.68	771.01
Fees & Other Income	0.03	0.03	-
Total Operating Income	54.78	13.02	

The Company earned a Gross Income of BDT 54.78 Million in 2014 which was BDT 13.02 Million in year 2013. The major heads of income of UCB Capital Management are Net brokerage commission, Margin loan and income from CDBL fees and charges.

During 2014 income from all major heads increased notably as compared to the previous year. The total income of BDT 54.78 million comprised of Brokerage Commission Income of 34.29 million, Income from Margin Loan of BDT 20.46 Million and Fees and charges of BDT 0.03 Million.

Dividend Payout

Despite the fact that the Company earned an EPS of Tk. 5.53 in 2014, in order to strengthen the financial position of the company, the Board of Directors of the company did not recommend any dividend for the year ended June 30, 2014.

Observance of BAS, BFRS & Applicable Laws

Company keeps accounting records, which disclose with reasonable accuracy the financial position of the Company and it is the responsibility of the directors to ensure that the financial statements comply with the Companies Act, 1994 and the Securities and Exchange

Rules, 1987. The Directors also confirm that the financial statements have been prepared in accordance with the Bangladesh Accounting Standards, Bangladesh Financial reporting Standards and other applicable rules and regulations.

Accounting Policies and Maintenance of Books of Accounts

As required by the regulators the company prepared financial statements, used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates and that all International Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) have been followed. In preparing financial statements, information has been obtained from the books of accounts, which have been maintained properly as required by the applicable rules and regulations.

Auditors Appointment

Pursuant to Section 210 of the Companies Act, 1994, the Company's statutory auditors M/S. Hoda Vasi Chowdhury & Co., Chartered Accountants was appointed as the independent auditor of the Company in Annual General Meeting held on 25th August 2014.

2. UCBL Investment Limited

Board of Directors as on 31.12.2014

Name of the Director	Status in the Board	Status in Parent Company
Muhammed Ali	Chairman	Managing Director
Mirza Mahmud Rafiqur Rahman	Director	AMD
Mohammad Shawkat Jamil	Director	DMD
Mohammed Shamsuddin Ahmed	Director	EVP
Md. Sohrab Mustafa	Director	SEVP
Lt.Gen ATM Zahirul Alam, rcds, psc (Retd)	Director	Independent Director

Directors' Reports of Subsidiary Companies

State of the Company's Affair

UCB Investment Limited, a subsidiary of country's leading bank- United Commercial Bank Limited, was incorporated in Bangladesh as a private limited company with limited liability as on August 03, 2011 under companies act 1994. The principal objective of the company is to carry out full-fledged merchant banking activities in Bangladesh i.e. portfolio management, share transfer agent, fund management to issue in the capital and security market, underwrite, manage and distribute the issue of stock shares, bonds and other securities. The principal place of business and the registered office of the company is located at Sara Tower (9th Floor), 11/A Toyenbee Circular Road, Motijheel C/A, Dhaka-1000. UCBL holds 24990000 nos. of shares of UCB Investment Limited with face value of Tk. 10 each which equivalent to 99.96% of total shares of the company. To commence its operation, the company already applied for the license to Bangladesh Securities & Exchange Commission which is under consideration of BSEC. The initial paid up capital of the company was Tk. 10 crore & Later on, the capital increased to Tk. 25 crore as per requirement of BSEC.

Financial Performance of UCB Investment Limited

As a subsidiary company, UCB Investment Limited started its journey in the financial year of 2011 but commencement of the operations is under the consideration of Bangladesh Securities and Exchange Commission's approval.

Acknowledgement

On behalf of the Board of Directors, I take the opportunity to express our heart-felt appreciation and gratitude to our customers, business partners and shareholders for their continuous support and confidence in UCB Capital Management and UCB Investment Limited. A special note of appreciation goes to the Management team and all the employees for their devotion, integrity, hard work and professionalism. My sincere thanks also go to Securities and Exchange Commission, Bangladesh Bank, Dhaka and Chittagong Stock Exchanges, retail & institutional investors, who were the partners in the growth of this Company for their invaluable assistance, support, guidance and counsel.

On behalf of the Board of Directors,



Muhammed Ali
Chairman

Observance of BAS, BFRS & Applicable Laws

Company keeps accounting records, which disclose with reasonable accuracy the financial position of the Company and it is the responsibility of the directors to ensure that the financial statements comply with the Companies Act, 1994 and the Securities and Exchange Rules, 1987. The Directors also confirm that the financial statements have been prepared in accordance with the Bangladesh Accounting Standards, Bangladesh Financial reporting Standards and other applicable rules and regulations.

Accounting Policies and Maintenance of Books of Accounts

UCB investment Limited prepared its financial statements based on an appropriated accounting policy, consistently applied and supported by reasonable and prudent judgments and estimates and that all International Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) have been followed As required by the regulators the company.

Auditors Appointment

Pursuant to Section 210 of the Companies Act, 1994, the Company's statutory auditors M/S. Hoda Vasi Chowdhury & Co., Chartered Accountants was appointed as the independent auditor of the Company in Annual General Meeting held on 25th August 2014.

Financial Statements of UCB Capital Management Limited

This section contains:

- Auditor's Report
- Balance Sheet
- Profit and Loss Account
- Cash Flow Statement
- Statement of Changes in Equity
- Notes to the Financial Statements

Independent Auditor's Report

to the Shareholders of UCB Capital Management Ltd.

We have audited the accompanying financial statements of UCB Capital Management Limited (the "Company") which comprise the Statement of Financial Position as at 31 December 2014 and the related Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness

of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2014 and of its financial performance and its cash flows for the year then ended in accordance with the Bangladesh Financial Reporting Standards ("BFRS") and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements

We also report that:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have been kept by the Company, so far as it appeared from our examination of those books;
- (iii) the Company's Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the books of account; and
- (iv) the expenditure incurred were for the purposes of the Company's business.

Dhaka,
23 February 2015



Hoda Vasi Chowdhury & Co
Chartered Accountants

UCB Capital Management Ltd.

Balance Sheet As at 31 December 2014

	Notes	Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
PROPERTIES & ASSETS			
Cash		25,000	-
Cash in hand		25,000	-
Balance with Banks & financial institutions	3	47,851,952	184,789,819
In Bangladesh		47,851,952	184,789,819
Outside Bangladesh		-	-
Investments	4	516,065,383	11,500,000
Government		-	-
Others		516,065,383	11,500,000
Loans and Advances		560,545,119	193,351,938
Loan to Customers		560,545,119	193,351,938
Fixed assets including premises, furniture & fixture	5	4,527,930	907,839
Other assets	6	16,913,538	10,570,590
Total Assets		1,145,928,922	401,120,186
LIABILITIES AND CAPITAL			
Liabilities:			
Borrowings from bank		501,548,048	180,867,118
Noncurrent Liabilities	7	27,937,379	18,406,828
Other Liabilities	8	70,311,139	187,599,413
Total Liabilities		599,796,566	386,873,359
Capital / Shareholders' Equity			
Paid up Capital	9	513,500,000	10,000,000
Retained Earnings/ (Accumulated Losses)		32,632,356	4,246,827
Total Shareholders' Equity		546,132,356	14,246,827
Total Liabilities and Shareholders Equity		1,145,928,922	401,120,186

The annexed notes 01 to 15 form an integral part of these financial statements.



Chairman



Director



Director

Signed as per annexed report of even date

Dhaka, 23 February 2015



Chartered Accountants

UCB Capital Management Ltd.

Profit and Loss Account For the Period ended 31 December 2014

	Notes	Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
Interest Income		59,490,930	6,830,099
Interest paid on borrowings		39,027,010	3,962,058
Net Interest Income		20,463,920	2,868,041
Investment income		-	-
Commission, exchange and brokerage		34,295,836	10,311,305
Other Operating Income	10	321,897	336,054
Total Operating Income (A)		55,081,653	13,515,400
OPERATING EXPENSES			
Salary and allowances		2,987,043	74,942
Rent, taxes, insurance, electricity etc.	11	4,111,123	3,533,407
Legal expenses		301,486	1,683,525
Postage, stamps, telecommunication etc.		186,397	-
Stationery, printing, advertisements etc.	12	298,874	775,234
Auditors fees		34,500	34,500
Depreciation and repair of assets	13	521,561	115,144
Other expenses	14	5,323,555	1,356,554
Total Operating Expenses (B)		13,764,539	7,573,306
Total Profit before Provision ('C) = (A - B)		41,317,114	5,942,094
Provision for margin Loan	15	1,752,860	-
Other provision		-	-
Total Provision (D)		1,752,860	-
Total Profit before Income taxes ('E) = (C - D)		39,564,254	5,942,094
Provision for Taxation		11,178,725	1,690,025
Current Tax		11,178,725	1,690,025
Deferred Tax		-	-
Net Profit after Taxation		28,385,529	4,252,069
Appropriations			
Statutory Reserve		-	-
Retained Surplus		28,385,529	4,252,069
		28,385,529	4,252,069

The annexed notes 01 to 15 form an integral part of these financial statements.



Chairman



Director



Director

Signed as per annexed report of even date

Dhaka, 23 February 2015



Chartered Accountants

UCB Capital Management Ltd.

Cash Flow Statement For the Period ended 31 December 2014

	Notes	Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
A. Cash flows from operating activities			
Interest Receipts in cash		59,490,930	6,830,099
Interest Payments		(39,027,010)	(3,962,058)
Dividend Receipts		-	-
Fees & Commission Receipts in cash		34,295,836	10,311,305
Recoveries of loans Previously written off		-	-
Cash Payments to employees		(2,987,043)	(74,942)
Cash Payments to suppliers		(4,596,394)	(4,308,641)
Income taxes paid		(5,611,740)	(1,690,025)
Receipt from other operating activities		321,897	336,054
Payment for other operating activities		(5,876,994)	(3,315,367)
Operating profit before changes in operating assets and liabilities.		36,009,482	4,126,425
Increase/Decrease in operating assets and liabilities:			
Statutory Deposits		-	-
Purchase/Sales of trading Securities		(54,560)	-
Investment		(1,010,823)	(1,500,000)
Loans and advances to Customers		(367,193,181)	(193,350,627)
Other assets		(731,208)	(8,828,605)
Deposit from customers		-	-
Other Liabilities		(120,689,308)	201,392,058
		(489,679,080)	(2,287,174)
Net Cash from operating activities (A)		(453,669,598)	1,839,251
B. Cash flows from investing activities			
Proceeds from Sale of Securities		-	-
Acquisition of Fixed Assets		(3,924,199)	(943,376)
Proceeds from sale of fixed Assets		-	-
Net Cash from investing activities (B)		(3,924,199)	(943,376)
C. Cash flows from financing activities			
Issuance of Share capital		-	-
Receipts from borrowings		320,680,930	180,867,118
Dividends Paid		-	-
Merger capital		-	-
Net cash from financing activities (C)		320,680,930	180,867,118
Net Increase/(Decrease) in cash (A+B+C)		(136,912,867)	181,762,992
Cash and Cash equivalents at beginning of the period		184,789,819	3,026,827
Cash and cash equivalents at the end of the period		47,876,952	184,789,819
Cash and cash Equivalents at end of the period			
Cash in hand		25,000	-
Balance with other banks & financial institution	3	47,851,952	184,789,819
		47,876,952	184,789,819

The annexed notes 01 to 15 form an integral part of these financial statements.



Chairman



Director



Director

UCB Capital Management Ltd.

Statement of Changes in Equity For the Period ended 31 December 2014

(Amount in BDT)

Particulars	Paid up capital	Retained earnings/ (Accumulated Losses)	Total
Opening Balance as on 01 January 2014	10,000,000	4,246,827	14,246,827
Issuance of share for acquisition of UCB Securities Ltd. and Anam Capital Ltd.	503,500,000	-	503,500,000
Net Profit/(Loss) for the period	-	28,385,529	28,385,529
Balance as at 31 December 2014	513,500,000	32,632,356	546,132,356

The annexed notes 01 to 15 form an integral part of these financial statements.



Chairman



Director



Director

UCB Capital Management Ltd.

Notes to the Financial Statements

For the Period ended 31 December 2014

1.1 Status of the Company

UCB CAPITAL MANAGEMENT LIMITED (the "Company"), former Maryellen Capital Management Ltd. (DSE TREC No-181, CSE TREC No-015) was incorporated in Bangladesh and registered with the Register of Joint Stock Companies vide its registration number C-69039(1551)/07 on November 20, 2007 as a Private Limited Company. The name of the Company was changed by passing a resolution in an Extra-Ordinary General Meeting of UCB Capital Management Ltd held on January 17, 2013. After name change the Company commenced the business from 19th June 2013. The registered office of the Company is located at 74 Motijheel C/A, Dhaka-1000.

1.2 Nature of Business

The principal objectives of the Company are to act as a TREC Holder of Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. to carry on the business of stock brokers in relation to shares and securities dealings and other services as mentioned in the Memorandum and Articles of Association of the Company.

The company is also registered with the Bangladesh Securities and Exchange Commission (BSEC) to act as Stock Dealer for carrying its own investment in the capital market. It also extends margin loan to its clients against their margin for investment in the listed securities. The required margin level is monitored daily and pursuant to established guidelines, customers are required to deposit additional margin to reduce the position, where necessary.

UCB Capital Management Ltd. encompasses a wide range of services having registered with the Securities and Exchange Commission to act as "Depository participant" of Central Depository of Bangladesh Limited (CDBL).

1.3 Basis of preparation of financial statements and significant accounting policies

1.3.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under historical cost convention in accordance with Bangladesh Accounting standard (BAS) and Bangladesh Financial Reporting Standard (BFRS), the Securities and Exchange Commission Rules 1987, Companies Act 1994, and other laws & rules applicable in Bangladesh.

1.3.2 Components of Financial Statements

According to Bangladesh Accounting Standard (BAS-1)" Presentation of Financial statements" the complete set of Financial statement includes the following components:

- a) Statement of Financial Position;
- b) Statement of Comprehensive Income;
- c) Statement of Change in Equity;
- d) Statement of Cash Flows and
- e) Notes to the Financial Statements.

However, in order to cope up with the financial reporting of the parent company (parent company follows the guidelines of Bangladesh Bank) we prepare Balance sheet and Profit & Loss Account in place of Statement of Financial Position and Statement of Comprehensive Income.

1.3.3 Basis of Accounting:

The financial statements except for cash flow information have been prepared on accrual basis of accounting.

1.3.4 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing concern basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

1.3.5 Statement of cash flows

Statement of cash flows is prepared in accordance with the Bangladesh Accounting Standard-7 "Statement Cash Flows" classifying the activities by operating activities, investing and financing activities and the cash flows from operating activities have been prepared and presented under direct method.

1.3.6 Reporting period

Company's usual year ending is 30 June; but in order to facilitate parent company's consolidation these financial statements have been prepared for one year from 01 January 2014 to 31 December 2014.

1.4 Assets and basis of their valuation

1.4.1 Cash and Cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Banks which are subject to insignificant risk of changes in their fair value, and are used by the Company management for its day to day business purpose and to meet its short-term commitments.

UCB Capital Management Ltd. Notes to the Financial Statements

1.4.2 Investments

Investment in DSE, CSE Shares:

In accordance with section 8(Gha) of the Exchanges Demutualization Act, 2013, both stock exchange membership has been converted into shares through the issuance of "Trading Right Entitlement Certificate (TREC)" by the DSE & CSE. Currently fair value of Trading Right Entitlement Certificate is not ascertainable with reasonableness due to the stock exchanges not issuing any TREC other than existing members. Accordingly investment is measured at cost which is considered as fair value.

Investment in securities:

Investment in quoted shares and unquoted shares are initially recognized at cost plus transaction costs that are directly attributable to the acquisition of the shares. After initial recognition, investment in quoted shares has been revalued at cost at reporting date. However, adequate provision is made if market value goes down of the reported cost but no unrealized gain is recognized in the profit and loss account.

Category of assets	Rate(%)	Basis
Furniture and fixtures	10%	Straight Line Method
Computer Equipment	20%	Straight Line Method
Office Equipment	20%	Straight Line Method

1.4.5 Advance, Deposits and prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to statement of comprehensive income or other account heads.

- Security deposits are measured at payment value.

1.4.6 Advance Income tax

The amount of advance income tax is mainly deduction at sources by DSE on daily turnover of brokerage operation.

1.4.7 Goodwill

Goodwill has been arisen due to merger of UCB Securities Limited and Anam Capital Limited with UCB Capital Management Limited. Goodwill represents the difference between the net asset value of the UCB Securities Ltd and Anam Capital Ltd and the purchase consideration as agreed between the parties and approved by the court. Unless otherwise decided by the management such goodwill will be amortized within next five years on a twenty percent amortization basis.

1.4.3 Loan to customers

UCB capital Management Ltd. extends credit facilities to its approved clients for securities transactions against the respective investor account as per margin rules 1999. Loans to customers are stated in the balance sheet on gross outstanding basis.

1.4.4 Property, Plant and equipment

All fixed assets are stated at Written Down Value (WDV) basis ie. at cost together with any incidental expenses of acquisition less accumulated depreciation as per BAS-16 "Property, Plant and Equipment". Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred.

Depreciation on fixed assets acquired during the current year to be charged from the month of acquisition (Full month depreciation will be charged irrespective of the date of purchase during the month). The rates and bases used are as follows:

1.5 Bank Overdraft and Guarantee

United Commercial Bank Limited has sanctioned UCB Capital Management Ltd. credit facilities of BDT 120 crore out of which BDT 100.00 crore is overdraft facility and 20.00 crore is against letter of guarantee respectively vide letter reference no # PB/CML-001/155/2014 dated August 20, 2014 and HO/CRMD (CRRD)/CML-001/2014/933 respectively.

UCB Capital Management Ltd. Utilizes the fund for providing as margin loan to its clients as per margin rules 1999. Interest costs are recognized in the Profit and Loss Account for the period in which they are incurred.

1.6 Provision for Taxation

Provision for taxation consists of provision for current tax and provision for deferred tax. Provision for taxation has been made as per the Income Tax Ordinance 1984, latest finance act, relevant SROs etc. Major income of the company falls under the ambit of source deduction of tax by the stock exchange which is considered as final settlement of tax liability and rest of income such as interest

UCB Capital Management Ltd.
Notes to the Financial Statements

income from margin loan and income from other source falls under normal tax shield of the business and dividend income and capital gain from sale of shares enjoys the facility of the concessionary tax benefits. Due consideration also has been given for admissible and inadmissible expenditures as per the Income Tax Ordinance 1984.

1.7 Accrued Expenses and Other Liabilities:

Liabilities are recognized for the expenses incurred, whether the bill paid or not. Payables are not interest bearing and are stated at their nominal values.

1.8 Provisions:

Provision is recognized in the Statement of Financial Position when the company has a legal and constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate thereof can be made.

1.9 Share capital

(a) Authorized capital

Authorized capital is the maximum amount of share capital that the bank is authorized by its Memorandum and Article of Association to issue to shareholders.

(b) Paid-up capital

Paid-up Capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders meetings. In the event of a winding-up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

1.10 Revenue Reorganization

1.10.1 Brokerage commission

Brokerage commission is recognized as income at the same time of selling or buying order executed.

1.10.2 Interest income on marginal loan

Interest income on margin loan is recognized on accrual basis. Such income is calculated on daily margin loan balance of the respective customers. Income is recognized on monthly but realized quarterly.

1.10.3 Other Operating Income

Other operating income arises on services provided by the Company are recognized on accrual basis.

1.11 Interest paid and other expenses

Interest expenses are generally recognized on accrual basis taking into account of daily balance outstanding at the applicable rate

Other expenses are also recognized and recorded on accrual basis.

1.12 Related party transaction

Parties are considered to be related if there is any relationship by means of shareholding, common ownership or by any other means who can or may influence the financial and operational decisions. Here the related party transactions are the loan taken from United Commercial Bank Limited and the brokerage transactions carried out by the Company for its own investment as its client, within the financial period.

UCB Capital Management Ltd. Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
3.00 Balance with other banks & financial institutions		
UCBL- Principal branch	40,665,259	150,401,356
The City Bank Ltd.	7,096,488	34,388,463
The City Bank Ltd.	45,430	-
UCBL- Principal branch	44,775	-
	47,851,952	184,789,819
4.00 Investments		
Total investment of Tk. 51,60,65,383 consists of merged effect of Investment in DSE membership, Investment in CSE membership, Investment in equity share of UCB Investment Limited and Investment in listed shares. Detail components of investment is mentioned as follows:		
Investment in DSE membership	391,150,000	10,000,000
Investment in CSE membership	124,610,823	1,500,000
Investment in shares of UCB Investment Ltd.	250,000	-
Square Pharmaceutical Ltd. (230 shares @ 237.22)	54,560	-
	516,065,383	11,500,000
During the year 2014, UCB Securities Ltd & Anam Capital Ltd, has been merged with UCB Capital Management Ltd and while reporting the amount investment due effect of merger has been considered.		
* As per the Demutualization Act, 2013 memberships of both stock exchanges have been converted into certain number of shares as well as "Trading Right Entitlement Certificate (TREC)". No transactions of shares as well as "TREC" have been started and hence cost price is considered as fair value.		
5.00 Fixed Assets		
Cost(A):		
Furniture and Fixture	4,573,575	837,176
Computer Equipment	244,200	106,200
Office Equipment	49,800	-
	4,867,575	943,376
Accumulated Depreciation(B):		
Furniture and Fixture	298,995	28,457
Computer Equipment	39,820	7,080
Office Equipment	830	-
	339,645	35,537
Written down value (A-B)	4,527,930	907,839
Fixed Assets Schedule:		
A schedule of Fixed assets is given in Annexure-A		
6.00 Other assets		
Security deposit	200,000	200,000
Advance Rent-office	-	8,485,165
Advance income tax	7,301,765	1,690,025
Receivable from DSE	5,215,867	195,400
Sundry Debtors	290,000	-
Interest receivable	60	-
Goodwill	3,905,846	-
	16,913,538	10,570,590
* Goodwill has been recognized on the basis Independent Expert's assessment.		
7.00 Non Current Liabilities		
Payable to UCBL	27,937,379	18,406,828
Long term Loan	-	-
	27,937,379	18,406,828

UCB Capital Management Ltd.
Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
8.00 Other Liabilities		
Payable to Client	46,273,948	174,886,742
Payable to DSE	9,065,720	11,022,646
Provision for Taxation	12,873,750	1,690,025
Accrued Expenses	344,861	-
Provision for margin loan (Note 8.1)	1,752,860	-
	70,311,139	187,599,413
8.01 Provision for margin loan		
Opening balance	-	-
Provision for the year	1,752,860	-
Closing balance	1,752,860	-
As per Directive no. SEC/CMRRCD/2009-193/166 dated January 12, 2015 of Bangladesh Security and Exchange Commission, 20% provision has been made for unrealised loss arising out of period end (31.12.2014) revaluation of shares purchased through margin loan.		
9.00 Share Capital		
Authorised Capital		
1,56,00,000 Ordinary Shares of Tk. 100 each	1,560,000,000	50,000,000
	1,560,000,000	50,000,000
Subscribed and Paid-up Capital		
5,135,000 Ordinary Shares of Tk. 100 each	513,500,000	10,000,000
	513,500,000	10,000,000
9.01 Share Holding Position		
Shareholders	% of Share Holdings	No. of Shares
United Commercial Bank Limited	99.99998%	5,134,999
Muhammed Ali	0.00002%	1
	100.00%	5,135,000
Directors		
Nominee Directors of United Commercial Bank Limited:		
Name	Position	Occupation
Muhammed Ali	Chairman	Banker
Mirza Mahmud Rafiqur Rahman	Director	Banker
Md. Tariqul Azam	Director	Banker
Sayed Mohammed Nuruddin	Director	Business Man
Mohammed Shawkat Jamil	Director	Banker
10.00 Other Operating Income		
BO Opening Fee	95,300	205,800
BO Annual Fees	42,500	2,500
CDBL Income	109,097	28,958
Margin Loan Processing Fee	70,500	61,500
Other Income	4,500	37,296
	321,897	336,054

**UCB Capital Management Ltd.
Notes to the Financial Statements**

16. Merger of UCB Securities Ltd. & Anam Capital Management Ltd. with UCB Capital Mgt. Ltd.

During the year 2014 UCB Securities Limited and Anam Capital Limited has been merged with UCB Capital Management Limited as per Judgment and order of the honorable High Court division on 29 October 2014. Appropriate accounting treatment to implement the merger scheme has been passed after vetted by the independent expert on the matter. M/S ARTISAN, being independent expert prepared following summary of the financial information as at 31 October 2014:

Assets	UCB Capital Mgt. Ltd.	UCB Securities Ltd.	Anam Capital Mgt. Ltd.	Total	Adjustment	Merged Balance Sheet
Cash in Hand	-	-	-	-	-	-
Balance with Banks & Financial Institutions	97,746,124	499,955,925	2,715	597,704,764	-	597,704,764
Investments	54,560	514,447,143	3,453,680	517,955,383	(13,390,000)	504,565,383
Loans and Advance	389,495,315	-	-	389,495,315	-	389,495,315
Fixed Asset	4,647,693	-	-	4,647,693	-	4,647,693
Other Assets	-	-	-	-	-	-
Goodwill	-	3,723,921	181,925	3,905,846	-	3,905,846
	575,410,275	1,018,276,989	3,638,320	1,597,325,584	(13,390,000)	1,583,935,584

Liabilities	UCB Capital Mgt. Ltd.	UCB Securities Ltd.	Anam Capital Mgt. Ltd.	Total	Adjustment	Merged Balance Sheet
Borrowings from Banks	408,475,015	-	-	408,475,015	-	408,475,015
Other Liability	96,504,619	145,570	32,250	96,682,439	-	96,682,439
Payable to UCBL	25,930,495	518,131,419	106,070	544,167,984	(13,390,000)	530,777,984
Share Capital	10,000,000	500,000,000	3,500,000	513,500,000	-	513,500,000
Retained Earnings	34,500,146	-	-	34,500,146	-	34,500,146
	575,410,275	1,018,276,989	3,638,320	1,597,325,584	(13,390,000)	1,583,935,584

UCB Capital Management Ltd.
Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
11.00 Rent, taxes, insurance, electricity etc.		
Rent Expenses-office	3,667,389	3,160,690
Electricity and room Rent-DSE	185,248	174,528
Utility Exps	258,486	198,189
	4,111,123	3,533,407
12.00 Stationery, printing, advertisements etc.		
Advertising and business Promotion exps.	273,220	763,657
Printing & Stationery	25,654	11,577
	298,874	775,234
13.00 Depreciation and repair of assets		
Depreciation On furniture	270,538	28,457
Depreciation On Computer Equipment	32,740	7,080
Depreciation On Office Equipment	830	-
Total Depreciation	304,108	35,537
Repair & Maintenance	217,453	79,607
	521,561	115,144
14.00 Other expenses		
Training, Seminar & Meeting	207,000	58,000
Bank Charge and others	56,895	26,075
Howla Charge	322,198	126,194
Laga Charge	2,271,462	674,968
CDBL Expenses	2,037,705	415,666
Misc expenses	428,295	55,651
	5,323,555	1,356,554
15.00 Provision for Margin Loan		
Impaired margin loan as at 31 December 2014	8,764,304	-
Provision maintain for this year (20% of impaired margin loan)	1,752,860	-

As per Directive no. SEC/CMRRCD/2009-193/166 dated January 12, 2015 of Bangladesh Security and Exchange Commission, 20% provision has been made for unrealised loss arising out of period end (31.12.2014) revaluation of shares purchased through margin loan.

UCB Capital Management Ltd.
Schedule of Fixed Assets
For the Period ended 31 December 2014

Annexure-A

Particulars	COST				DEPRECIATION				Written down value as on 31 Dec. 2014
	Opening Balance at Cost as on 01 Jan. 2014	Addition during the year	Adjustment during the year	Total Cost as on 31 Dec. 2014	Rate	Charged upto 31 Dec. 2013	Adjustment during the year	Charged during the year	Total Depreciation as on 31 Dec. 2014
Furniture and Fixture	837,176	3,736,399	-	4,573,575	10%	28,457	-	270,538	298,995
Computer Equipment	106,200	138,000	-	244,200	20%	7,080	-	32,740	39,820
Office Equipment	-	49,800	-	49,800	20%	-	-	830	830
Total as on 31 Dec. 2014	943,376	3,924,199	-	4,867,575		35,537	-	304,108	339,645
Total as on 31 Dec. 2013	-	943,376	-	943,376		-	-	35,537	907,839

Financial Statements of UCB Investment Limited

This section contains:

- Auditor's Report
- Balance Sheet
- Profit and Loss Account
- Cash Flow Statement
- Statement of Changes in Equity
- Notes to the Financial Statements

Independent Auditor's Report
to the Shareholders of UCB Investment Ltd.

We have audited the accompanying financial statements of UCB Investment Limited (the "Company") which comprise the Statement of Financial Position as at 31 December 2014 and the related Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2014 and of its financial performance and its cash flows for the year then ended in accordance with the Bangladesh Financial Reporting Standards ("BFRS") and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements**We also report that:**

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have been kept by the Company, so far as it appeared from our examination of those books;
- (iii) the Company's Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the books of account; and
- (iv) the expenditure incurred were for the purposes of the Company's business.

Dhaka, 23 February 2015

Hoda Vasi Chowdhury
Chartered Accountants

UCB Investment Ltd.

Balance Sheet As at 31 December 2014

	Notes	Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
Property and Assets			
Balance with Banks & Financial institutions	5.00	254,465,345	249,967,125
Other assets	6.00	499,930	-
Total Assets		254,965,275	249,967,125
Liabilities and Capital			
Shareholders Equity			
Paid up Capital	3.00	250,000,000	250,000,000
Retained Earnings/ (Accumulated Loss)		2,510,986	(707,940)
Total Shareholders' Equity		252,510,986	249,292,060
Other Liability	4.00	2,454,289	675,065
Total Liabilities and Shareholders' Equity		254,965,275	249,967,125

The annexed notes 01 to 06 form an integral part of these financial statements.



Chairman



Director



Director

Signed as per annexed report of even date

Dhaka, 23 February 2015



Chartered Accountants

UCB Investment Ltd.

Profit and Loss Account For the year ended 31 December 2014

	Notes	Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
Income			
Interest income		4,999,300	-
Total Income		4,999,300	-
Expenses			
Audit fees		23,000	23,000
Other Expenses		24,106	38,150
Total operating Expenses		47,106	61,150
Net Profit/ (Loss) before Income Tax		4,952,194	(61,150)
Provision for Income Tax		1,733,268	-
Net Profit/(Loss) after Income Tax		3,218,926	(61,150)

The annexed notes 01 to 06 form an integral part of these financial statements.



Chairman



Director



Director

Signed as per annexed report of even date

Dhaka, 23 February 2015



Chartered Accountants

UCB Investment Ltd.

Cash Flow Statement For the year ended 31 December 2014

	Notes	Amount in BDT	
		31 Dec. 2014	31 Dec. 2013
A. Cash Flow from Operating Activities			
Interest receipts in cash		4,999,300	-
Payment against operating expenses		(1,150)	(11,150)
Payment of Tax		(499,930)	
Net Cash used in Operating Activities		4,498,220	(11,150)
B. Cash Flow from Investing Activities			
Net Cash used in Investing Activities		-	-
C. Cash Flow from Financing Activities			
Cash received against issue of share		-	150,000,000
Net Cash inflow from Financing Activities		-	150,000,000
D. Net cash inflow for the period (A+B+C)		4,498,220	149,988,850
E. Opening cash and bank balances		249,967,125	99,978,275
F. Closing cash and bank balances (D+E)		254,465,345	249,967,125

The annexed notes 01 to 06 form an integral part of these financial statements.



Chairman



Director



Director

UCB Investment Ltd.


Statement of Changes in Equity

For the year ended 31 December 2014

(Amount in BDT)

Particulars	Paid up capital	Retained earnings / (Accumulated Loss)	Total
Opening Balance as on 01 January 2014	250,000,000	(707,940)	249,292,060
Net Profit (Loss) for the period	-	3,218,926	3,218,926
Balance as at 31 December 2014	250,000,000	2,510,986	252,510,986

The annexed notes 01 to 06 form an integral part of these financial statements.



Chairman



Director



Director

UCB Investment Ltd.

Notes to the Financial Statements

For the year ended 31 December 2014

1.00 Significant accounting policies and other material information

1.01 Legal status of the Company

The UCB Investment Limited (the "Company") was incorporated in Bangladesh as a private limited company with limited liability as on the 03rd day of August of 2011 under Companies Act 1994. The company will commence its operation soon.

1.02 Address of Registered office and principal place of business

The principal place of business and the registered office is located at Sara Tower (9th Floor), 11/A Toyen bee Circular Road, Motijheel C/A, Dhaka - 1000.

1.03 Nature of the Business Activities

- Ø Portfolio Management
- Ø Share Transfer Agent
- Ø Fund Management to Issue in the Capital and Security Market
- Ø Underwrite, Manage and Distribute the Issue of Stock Shares, Bonds and Other Securities

2.00 Significant Accounting Policies

2.01 Basis of preparation of Financial Statements

The Financial Statements have been prepared on a going concern basis under historical cost convention in accordance with Bangladesh Accounting Standard (BAS) and Bangladesh Financial reporting Standard (BFRS), the Companies Act 1994, Securities and Exchange Rules, 1987 and other laws & rules applicable in Bangladesh.

2.02 Components of Financial Statements

According to Bangladesh Accounting Standard (BAS-1) "Presentation of Financial Statements" the complete set of Financial Statement includes the following components:

- (i) Balance Sheet
- (ii) Profit & Loss Account
- (iii) Cash Flow Statement
- (iv) Statement of Changes in Equity and
- (v) Notes to the Financial Statements

2.03 Reporting Currency

The figure in the Financial Statements represents Bangladesh Currency (Taka) which has been rounded off to the nearest Taka.

UCB Investment Ltd.
Notes to the Financial Statements

	Amount in BDT	
	31 Dec. 2014	31 Dec. 2013
3.00 Share Capital		
Authorized Capital		
100,000,000 Ordinary Shares of Tk. 10 each	1,000,000,000	1,000,000,000
Subscribed and Paid-up Capital		
25,000,000 Ordinary Shares of Tk. 10 each	250,000,000	250,000,000
3.01 Share Holding Position		
Shareholders	% of Share Holdings	No. of Shares
United Commercial Bank Ltd.	99.96%	24,990,000
UCB Capital Management Ltd.	0.04%	10,000
	100%	25,000,000
Directors		
Nominee Directors of United Commercial Bank Limited:		
Name	Position	Occupation
Muhammed Ali	Chairman	Banker
Mirza Mahmud Rafiqur Rahman	Director	Banker
Mohammed Shawkat Jamil	Director	Banker
Mohammed Shamsuddin Ahmed	Director	Banker
Md. Sohrab Mustafa	Director	Banker
Lt.Gen.(Retd) A.T.M Zahirul Alam, rcds,psc	Director	Business Man
4.00 Other Liability		
Accrued expenses	23,000	23,000
Current Tax Provision	1,733,268	-
Payable to UCBL	698,021	652,065
	2,454,289	675,065
5.00 Balance with Banks & Financial institutions		
The Company maintained a Bank Account in the Corporate Branch of United Commercial bank Ltd in the name of UCB Investment Ltd.		
UCBL- Corporate Branch (A/C- 0951101000005517)	975	249,967,125
UCBL- Corporate Branch (A/C- 0951402000001025)	254,464,370	-
	254,465,345	249,967,125
6.00 Other assets		
Advance Income Tax Paid	499,930	-
	499,930	-

Other Useful Information

This section contains:

- Shareholders' Calender
- Redressal of Investors' Complaint
- Highlights of 2014
- Memories of Previous AGM
- Branch Network
- World wide Correspondents Network
- Glossary
- Notice of the 32nd AGM
- Proxy Form
- Shareholders' Note

Shareholders' Calendar

Financial results of 2014

First quarter results (un-audited) announced on	May 05, 2014
Second quarter results (un-audited) announced on	July 17, 2014
Third quarter results (un-audited) announced on	October 25, 2014
Annual audited results for the year 2014 announced on	February 22, 2015

31st Annual General Meeting (AGM)

Circulation of Price Sensitive Information	February 27, 2014
Record date	March 11, 2014
Date of 31st Annual General Meeting	April 17, 2014

32nd Annual General Meeting (AGM)

Circulation of Price Sensitive Information	February 22, 2015
Record date	March 04, 2015
Date of 32nd Annual General Meeting	March 31, 2015

Please contact (for any query)
Company Secretariat Division
United Commercial Bank Limited
Corporate Head Office
Plot CWS(A)-1, Road no. 34
Gulshan Avenue
Dhaka-1212

Phone: 880-2-55668070
Fax: +88-02-9887032
Website: www.ucb.com.bd
E-mail: bsd@ucb.com.bd

Redressal of Investors' Complaint

UCB always maintains a good relation with investors. Investors play a vital role in building a sustainable brand image among all the stakeholders. We really care our investors so that they may carry out the flag of UCBL in front line which will help us achieve our vision. In view of that, we have proper arrangement to hear the voice of investors. Investors have free access to bank and can collect available published information. Our share division is always ready to meet the statutory requirement of investors. Any query received from investors is treated efficiently and fairly. Queries from investors is dealt with courtesy and in a timely manner.

How Do UCBL Redress Investors' Complaints

- Corporate website of UCBL (www.ucbl.com) contains a complaint cell where respective officials' contact numbers are given to attend to the investors query and complaints.
- UCBL has a designated email address (info@ucbl.com) where investors can email their complaint which is logged on daily basis and the investors replies are made to the investors.
- Investors can also make a written complaint through letter which is taken care of sincerely and proper actions are taken based on the merit of the complains
- Based on the complaint received from investors, responsible officials are asked to explain regarding the complaint and then proper actions are taken so that such type of complaint can be addressed properly
- Serious complaint are referred to Company Secretary and even to Managing Director of the Bank if so warrants.

Highlights of the year 2014





Memories of Previous AGM



Memories of Previous AGM



Branch Network

Dhaka Division

BANGSHAL BRANCH[AD]

32/3, Malitola Road
North South Road, Dhaka -1000
Phone : +88-02-9562520,
+9558112, 9564177
Mobile : 01713-017589
E-Mail : bng@ucbl.com
S.W.I.F.T : UCBLBDDHBNG
Routing Number : 245270882

BHULTA BRANCH

Gausia Market (1st Floor), Bhulta
Rupganj, Narayanganj.
Phone : +88-02-06725, 87046
Mobile : 0189-249830
01711-809720
E-Mail : bul@ucbl.com
Routing Number : 245670224

BIJAYNAGAR BRANCH[AD]

Al Razi Complex (1st Floor)
166/167, Shahid Sayed Nazrul Islam Sharani
Ward No- 36, Thana- Paltan
Dhaka City Corporation, Dhaka.
Phone : +88-02-7121822
Pabx : +88-02-7126361,7122670
Mobile : 01714-167429
01811-449170
Fax : +88-02-7121822
E-Mail : bjn@ucbl.com
S.W.I.F.T : UCBLBDDHBJN
Routing Number : 245670224

BANANI BRANCH[AD]

Sharif Plaza (1st & 2nd Floor)
39, Kamal Ataturk Avenue Banani
P.S- Gulshan, Dhaka.
Phone : +88-02-9891674
9893166, 9890437
Mobile : 01819-814146
01966-602208
01966-602207
Fax : +88-02-9891877
E-Mail : bnb@ucbl.com
S.W.I.F.T : UCBLBDDHBNB
Routing Number : 245260434

BASHUNDHARA BRANCH

Plot No- 06, Block-A
Bashundhara Main Road
Bashundhara R/A, Dhaka
Phone : +88-02-8401735
(Manager Sir)
+88-02-8401734
Mobile : 01730-001211
01811-481287
E-Mail : bbd@ucbl.com
Routing Number : 245260555

BANASREE BRANCH

Block-K, Plot-320, Road No-16
Main Road, South Banasree, Dhaka.
Mobile : 01714-167431(HOB)
01966-602206(OM)
E-Mail : bnb@ucbl.com
Routing Number : 245260726

CHASHARA BRANCH

Badhan Community Centre (1st Floor)
231/5, B. B. Road
Chashara, Narayanganj.
Phone : +88-02-7643991-2
Mobile : 01730-076140
01817-032567
E-Mail : cbn@ucbl.com
Routing Number : 245670237

CORPORATE BRANCH[AD]

Plot- CWS-(A)-1, Road No- 34
Gulshan Avenue, Dhaka-1212
Phone : +88-02-8852500
Ex. 1001-1015
Mobile : 01730-318848
E-Mail : gab@ucbl.com
S.W.I.F.T : UCBLBDDHGAB
Routing Number : 245261738

CHINISPUR BRANCH

G.M.Bhuiyan Tower
Velanagar Bus Stand
VIII- Chinispur, Ward No- 03
Union-Chinispur, PS- Narsingdi Sadar
Dist- Narsingdi.
Mobile : 01847-052274
01966-602243
01839-398872
E-Mail : cns@ucbl.com
Routing Number : 245680085

DHANMONDI BRANCH

Nahar Green Summit (1st Floor)
Plot # 305 (Old), 43 (New)
Road # 27 (Old), 16 (New)
Dhanmondi R/A, Dhaka
Phone : +88-02-9123343
Pabx : 9130638, 9130765
9121483
Mobile : 01833-102700 (HOB)
01678-013205 (OM)
01713-068100 (GB-in-Charge)
E-Mail : dhn@ucbl.com
Routing Number : 245261183

DONIA BRANCH

1067, Nayapara (1st & 2nd floor)
Union- Shampur, P.S- Shampur, Dhaka.
Phone : +88-02-7550151
+88-02-7550152
Mobile : 01817-032572
E-Mail : dnb@ucbl.com
Routing Number : 245271423

DILKUSHA BRANCH

82, Motijheel C/A, Ward No- 32
PS- Motijheel, Dist- Dhaka.
Phone : +88-02-7115700
PABX : +88-02-7123546,
7123547
Mobile : 01966-602216
Fax : +88-02-7115941
E-Mail : dkb@ucbl.com
Routing Number : 245271902

Branch Network

DARUS SALAM ROAD BRANCH[New]

09, Dakkhin Bishil, Word No-12
 Darus Salam Road, Mirpur-01
 P.S-Darus Salam
 Dhaka North City Corporation
 Dhaka-1216
 Mobile : 01716-866994(HOB)
 01972-315024 (OM)
 E-Mail : drs@ucbl.com
 Routing Number : 245260942

DAKSHINKHAN BRANCH

Irish Plaza, 848/1, Gaoair,
 Prem Bagan
 Thana- Dakkhin Khan
 Dist. Dhaka.
 Phone : +88-02-8999704, 8999704
 Mobile : 01787-670976
 E-Mail : dkn@ucbl.com

ELEPHANT ROAD BRANCH[AD]

25, Elephant Rd., Dhaka-1207
 Phone : +88-02-9667370, 8621283,
 9664622, 8615947
 Pabx : +88-02-8615947, 8621283
 Mobile : 01199-803374
 Fax : +88-02-9664622
 E-Mail : epr@ucbl.com
 S.W.I.F.T : UCBLDDHEPR
 Routing Number : 245261338

FARIDPUR BRANCH

85, Mujib Sarak, Faridpur
 Phone : +88-0631-64927, 63355
 Mobile : 01711-883740
 Fax : +88-0631-63355
 E-Mail : frd@ucbl.com
 Routing Number : 245290525

FOREIGN EXCHANGE BRANCH[AD]

20, Dilkusha C/A, Dhaka-1000
 Phone : +88-02-9563965,
 9563966, 9564030
 Mobile : 01713-034312
 Fax : +88-02-9564030
 E-Mail : fex@ucbl.com
 SWIFT : UCBLDDHFEX
 Routing Number : 245272327

GAZIPUR CHOWRASHTA BRANCH

Unisay Tower (1st floor)
 Mymensingh Road,
 Union- Bason, P.O - Chandana
 Dist- Gazipur.
 Phone : +88-02-9263951,
 +88-02-9263953-54
 Mobile : 01817-032564
 E-Mail : gcb@ucbl.com
 Routing Number : 245330551

GULSHAN BRANCH[AD]

CONCORD I.K. Tower (1st Floor),
 Plot No. CEN (A)-2, North Avenue,
 Gulshan-2, Dhaka-1212
 Phone : +88-02-8824198, 8824564,
 9895500
 Mobile : 01711-888358
 Fax : +880-02-8824564
 E-Mail : gsn@ucbl.com
 S.W.I.F.T : UCBLDDHGSN
 Routing Number : 245261725

GOPALGONJ BRANCH

127, College Road, Chowronggi
 Ward No- 4, Gopalganj Paurasava
 Dist- Gopalganj.
 Phone : +88-02-6682250
 Mobile : 01714-167441
 E-Mail : gpg@ucbl.com
 Routing Number : 245350373

GOPALDI BRANCH

Co-operative Complex,
 Gopaldi Bazar, School Sarak,
 P.S. Arailhazar, Dist. Narayanganj.
 Mobile : 01787-675592
 E-mail : gpl@ucbl.com

HASNABAD BRANCH

P.O: Hasnabad Thana Nawabgonj
 Dhaka-1321
 Phone : +88-038946-84013
 Mobile : 01711-881050
 E-Mail : hsb@ucbl.com
 Routing Number : 245272569

ISLAMPUR BRANCH

Lion Tower (2nd Floor),
 108, Islampur Road,
 PS- Kotwali, Dist- Dhaka
 Phone : +88-02-7392308, 7392661
 Mobile : 01711-809732

KAWRAN BAZAR BRANCH[AD]

11, Kawran Bazar, Titas Gas Bhaban,
 Kawran Bazar, Dhaka
 Phone : +88-02-8115757, 9141572
 Mobile : 01711-883738
 Fax : +88-02- 9140581
 E-Mail : kbz@ucbl.com
 SWIFT : UCBLDDHKBZ
 Routing Number : 245262537

KANCHAN BRANCH

Maula Super Market (1st floor)
 Kanchan Bazar, Rupgonj Narayanganj.
 Mobile : 01811-456752
 01811-456757
 E-Mail : kbn@ucbl.com
 Routing Number : 245670790

KERANIGONJ BRANCH

S.R. Shopping Mall, Ward No.04
 Union- Aganagar,
 Thana-Dakkhin Keranigonj
 Dist- Dhaka.
 Phone : +88-02-7764085
 Mobile : 01811-487856
 01716-608505
 Fax : +88-02-7764086
 E-Mail : kgb@ucbl.com
 Routing Number : 245273647

KONABARI BRANCH

Plot- A/139, BSCIC Industrial Estate
 Konabari, Ward No.- 1
 Thana- Gazipur Sadar, Dist- Gazipur.
 Phone : +88-02-9297132
 Mobile : 01730-076149
 01833-102702
 Fax : +88-02-9297162
 E-Mail : kbb@ucbl.com
 Routing Number : 245330948

Branch Network

KANAIPUR BRANCH

Kanaipur General & Eye Hospital (Pvt.) Ltd.
Kanaipur Bazar, Kanaipur Faridpur.
Mobile : 01714-167371
01833-102704
E-Mail : knp@ucbl.com
Routing Number : 245290912

KAMRANGICHAR BRANCH

Elham Square (1st Floor),
Rony Market Road, Plot- 648 & 649-
Rasulpur Union- Sultangonj,
Ward No- 3 P.S.- Kamrangichar,
Dist- Dhaka.
Mobile : 01714-167426
01966-602205
E-Mail : krc@ucbl.com
Routing Number : 245273584

KHILKHET BRANCH

Talna Bhaban (1st Floor),
House- Kha-49/A Battala, Ward No- 17
P.S.- Khilkhet, Dhaka City Corporation
Dhaka.
Phone : +88-02-7911485
7911524
Mobile : 01730-034868
01966-602202
Fax : +88-02-7911634
E-Mail : klk@ucbl.com
Routing Number : 245260742

KAPASIA BRANCH[new]

Kapasias Bazar, Upazilla Road
Union- Kapasia, Ward No-08
P.S- Kapasia, Dist- Gazipur.
Mobile : 01833-147913
01966-602242
01711-488765
E-Mail : kps@ucbl.com
Routing Number : 245330885

KALIGONJ BRANCH

Madina Bhaban
Kaligonj Bazar, Ward No-04
P.S- Kaligonj, Paurashava- Kaligonj
Dist- Gazipur.
Mobile : 01833-147914
01966-602241
01716-993844
E-Mail :
Routing Number : 245330827

MADHABDEE BRANCH

Union-Madhabdee, P.O-Madhabdee
PS & Dist.Narsingdi
Phone : +88-06257-56405
Mobile : 01711-809731
E-Mail : mdh@ucbl.co
Routing Number : 245680672

MIRPUR BRANCH

House# 1, Road# 6, Block# A
Section# 6, Mirpur, Dhaka
Phone : +88-02-9002043
Mobile : 01711-881049

MIRPUR ROAD BRANCH

House# 12, Road# 5, Ward No# 49
Mirpur Road, Dhanmondi R/A, Dhaka.
Phone : +88-02-9671037, 9671083
9671324
Mobile : 01714-167396
01811-486284
Fax : +88-02-9671357
E-Mail : mrb@ucbl.com
Routing Number : 245263073

MOHAKHALI BRANCH[AD]

Medona Tower, 28, Mohakhali C/A, Dhaka
Phone : +88-02-8813027, 9884883,
9884885
E-Mail : mkh@ucbl.co
S.W.I.F.T : UCBLBDDHMKH
Routing Number : 245263194

MOHAMMADPUR BRANCH

14/21, Block -A, Asad Avenue
Mohammedpur, Dhaka.
Phone : +88-02-9118517, 8114661,
9124325, 9133351,
Mobile : 01711-881048
Fax : +88-02-9124325
E-Mail : mdp@ucbl.com
Routing Number : 245263286

MOULVIBAZAR BRANCH[AD]

4/1, and 5, Moulvibazar Road.
Gulbadan House, Dhaka-1100
Phone : +88-02-7311407,
7311939, 7311807
Fax : +88-02-7311407
E-Mail : mbd@ucbl.com
S.W.I.F.T : UCBLBDDHMBD
Routing Number : 245274420

MYMENSINGH BRANCH

17, Chota Bazar, Mymensingh -2200
Phone : +88-091-64345, 64346
Mobile : 01711-881064
Fax : +88-091-64345
E-Mail : mns@ucbl.com
Routing Number : 245611759

MAWNA BRANCH

Abdus Shahid Super View
Mawna Chowrasta, Shreepur Road
Union- Telihati, Upazilla- Shreepur
Dist- Gazipur.
Phone : 06825-52905, 06825-52904
Mobile : 01714-167406
01811-449179
E-Mail : mwn@ucbl.com
Routing Number : 245331118

MUNSHIGONJ BRANCH

Abdus Sattar Super Market
Holding No- 582, Ward- 1
Sadar Road, (Jamidar Para), Munshigonj.
Phone : +88-02-7620597
Mobile : 01714-167411
01811-487852
Fax : +88-02-7620596
E-Mail : mng@ucbl.com
Routing Number : 245591037

NARAYANGONJ BRANCH[AD]

Padma City Plaza-1 (2nd floor)
55/B,S.M Maleh Road
Narayangonj-1400
Phone : +88-02-7646628, 7641262
Mobile : 01730-076131
Fax : +88-02-7611262
E-Mail : ngj@ucbl.com
S.W.I.F.T : UCBLBDDHNGJ
Routing Number : 245671186

Branch Network

NARSINGDI BRANCH

Narsingdi Bazar, Narsingdi-1600
 Phone : +88-0621-63272, 62673
 Mobile : 01711-809730
 E-Mail : nsd@ucbl.com
 Routing Number : 245680856

NAWABPUR BRANCH[AD]

Hazi Electric Market
 132, Nawabpur Road, Dhaka-1000
 Phone : +88-02-9566746, 7121083, 7166489
 Mobile : 01711-809723
 Fax : +88-02-9566746
 E-Mail : nwp@ucbl.com
 S.W.I.F.T : UCBLBDDHNP
 Routing Number : 245274725

NAYABAZAR BRANCH[AD]

9, Bashabari Lane(1st Floor)
 Nayabazar, Dhaka
 Phone : +88-02-7393379, 7396082, 7393123
 Mobile : 01711-888359
 Fax : +88-02-7393123
 E-mail : nbz@ucbl.com
 S.W.I.F.T : UCBLBDDHNBZ
 Routing Number : 245274817

NEW ESKATON BRANCH

Waqf Bhaban (1st Floor)
 4, New Eskaton Road, Dhaka.
 Mobile : 01730-318847
 E-mail : neb@ucbl.com
 Routing Number : 245261396

NORTH BROOK HALL ROAD BRANCH[AD]

54, North Brook Hall Road
 Bangla Bazar(1st floor), Dhaka
 Mobile : 01711-883739
 Phone : +88-02-7117030, 7122154, 7125064
 Fax : +88-02-7122154
 E-Mail : nbh@ucbl.com
 S.W.I.F.T : UCBLBDDHNBH
 Routing Number : 245275058

NABINAGAR BRANCH

Hazi Nizam Plaza (1st Floor)
 Vill- Dendabar, P.O- Savar Cantonment
 P.S- Ashulia, Upazilla- Savar
 District- Dhaka.
 Phone : +88-02-7792365, 7792366-7
 Mobile : 01730-329716, 01811-418836
 E-Mail : nbs@ucbl.com
 Routing Number : 245263415

PAGLABAZAR BRANCH

D.N. Road, Paglabazar
 PS-Fatullah, Narayanganj
 Phone : +88-02-7682234, +88-02-7681266
 Mobile : 01711-881045
 E-Mail : pgj@ucbl.com
 Routing Number : 245671331

PRINCIPAL BRANCH[AD]

58, Motijheel C/A, Dhaka-1000
 Phone : +88-02-9555799, 9561054, 9559744
 Pabx : +88-02-9550836, 9550833, 9568547-48
 Mobile : 01755-616699
 Fax : +88-02-9568548
 E-Mail : prb@ucbl.com
 S.W.I.F.T : UCBLBDDHPRB
 Routing Number : 245275353

PRAGATI SARANI BRANCH

Cha- 89/1, North Badda
 Pragati Sawrani, Ward No.- 19
 Thana- Badda, Dhaka City Corporation
 Dist- Dhaka.
 Phone : +88-02-9894192, 9896194
 Mobile : 01811-487857
 Fax : +88-02-8835318
 E-Mail : psb@ucbl.com
 Routing Number : 245263707

RAJBARI BRANCH

267, Marwari Potty
 Ward No- 3, Paurasava- Rajbari
 Thana- Rajbari Sadar
 District- Rajbari.
 Phone : +88-0641-66203, 66415
 Mobile : 01714-167435
 Fax : +88-0641-65719
 E-Mail : rjb@ucbl.com
 Routing Number : 245820737

SAVAR BRANCH

Sugandha Super Market
 Savar Bus Stand
 Ward No- 3, Savar Pourashava
 Upazilla- Savar, District- Dhaka.
 Phone : +88-02-7744858
 Mobile : 01730-318845, 01811-414282
 E-Mail : sbd@ucbl.com
 Routing Number : 245264098

SHANTINAGAR BRANCH

"Madina Hights" (Ground & 1st Floor)
 32, New Circular Road,
 Siddeswari, Ramna,
 Ward # 53, Dhaka City Corporation,
 Dhaka
 Phone : +88-02-8312887, 8352054,
 Mobile : 01711-883764
 Fax : +88-02-8312887
 E-Mail : mlb@ucbl.com
 Routing Number : 245273942

SATOIRE BAZAR SME/KRISHI BRANCH

Satoire Bazar, Ward No- 09
 P.S- Boalmaari, Dist- Faridpur.
 Mobile : 01730-705199, 01811-449178
 E-Mail : sbb@ucbl.com
 Routing Number : 245290554

SATARKUL BRANCH

138, Abdullah Bag, Badda- Satarkul Road
 North Badda, Union & PS- Badda, Dist.- Dhaka.
 Phone : +88-02-9855074
 Fax : +88-02-9855075
 E-Mail : skb@ucbl.com
 Routing Number : 245264027

SHIBCHAR BRANCH

Aminuddin Gomosta Super Market, Guatala
 Main Road Shibchar Bazar,
 Pourashova & PS- Shibchar, Dist- Madaripur.
 Phone : +88-06624-56509
 Mobile : 01711-386158, 01714-167392
 E-Mail : sib@ucbl.com
 Routing Number : 245540709

Branch Network

SONARGAON JANAPATH BRANCH

House No- 10, Sonargaon Janapath
Sector- 11, Ward No- 01
Uttara Model Town, Thana- Uttara
Dhaka City Corporation, Dhaka.
Phone : +88-02-8991584
Mobile : 01714-167428
E-Mail : sng@ucbl.com
Routing Number : 245276581

SARULIA BAZAR BRANCH

Awal Khan Shopping Complex,
Vill- Tengra, Union- Sarulia,
Ward No- 05, P.S.- Demra,
Dist- Dhaka.
Mobile : 01819-349859(HOB)
01712-253579(MO)
E-Mail : sri@ucbl.com
Routing Number : 245270082

SONARGAON AVENUE LADIES BRANCH

22, Sonargaon Janapath Sarak,
Sector-09, P.S. Uttara,
Dist. Dhaka.
Phone : 002-8932850
Mobile : 01787-670978
E-mail : sal@ucbl.com

TANGAIL BRANCH

Delta Bhaban
305, Masjid Road
Ward No- 13, P.S- Tangail Model
Dist- Tangail.
Phone : +88-0921-64307, 64327
Mobile : 01711-881051
E-Mail : tgl@ucbl.com
Routing Number : 245932296

TONGI BRANCH

8, Charagali Market
Shajahan Mansion, Tongi
Gazipur.
Phone : +88-02-9802332,
9815799
Mobile : 01711-881046
E-mail : tng@ucbl.com
Routing Number : 245331639

TEJGAON BRANCH

Rahman's Regnum Centre
19/B, Tejgaon 1/A
Tejgaon Gulshan Link Road
Ward No- 37, Thana- Tejgaon
DHaka City Corporation, Dhaka.
Mobile : 01730-705198
E-mail : tgb@ucbl.com
Routing Number : 245264485

TONGI STATION ROAD BRANCH

Amin Super Market
05, Pubail Road, Ward No- 45
Gazipur City Corporation
Thana- Tongi, Dist- Gazipur.
Phone : +88-02-9817650-1
Mobile : 0167-8013206

UTTARA BRANCH[AD]

"Paradise Tower" (Ground to 2nd Floor)
Plot # 11, Sector # 3,
Dhaka Mymensingh Road,
Dhaka City Corporation, Uttara, Dhaka
Phone : +88-02-8956979
Pabx : +88-02-8920450, 8953813
Mobile : 01713-068098
0167-8013204

UTTARKHAN BRANCH

1483, Shah Kabir Majar Road
VIII, PO & PS- Uttarkhan
Ward No- 1, Dist- Dhaka.
Phone : +88-02-8921581,
8921592
Mobile : 01714-167438
01811-487860
E-Mail : ukb@ucbl.com
Routing Number : 245264601

ZINZIRA BRANCH

Star Fair Shopping Centre,
Zinzira Bazar, Ward No.09,
Union-Zinzira, PS-Keranigonj
Dist. Dhaka-1310
Phone : +88-02-7772208
7770757
Mobile : 01711-883757
E-Mail : znz@ucbl.com
Routing Number : 245277098

Chittagong Division

ZONAL OFFICE:

A. K. Complex (1st Floor)
J. C. Guha Road
Nandan Kanan, Chittagong
Phone : +88-031-616264,
031-610497
Mobile : 01713-439066
Fax : +880-31-610498
E-Mail : ctg@ucbl.com

AGRABAD BRANCH[AD]

Kashfia Plaza (1st Floor)
923/A, Sheikh Mujib Road
Agrabad C/A. Chittagong-PC. 4000
Phone : +88-031-710706, 716020,
711054, 725997
PABX : +88-031-711053-5
Mobile : 01711-804129, 0171-725136
Fax : +88-031-711054
E-Mail : agb@ucbl.com
S.W.I.F.T : UCBLBDDHAGB
Routing Number : 245150131

ANDERKILLA BRANCH

504, Anderkilla (Imam Mansion) Chittagong.
Phone : +88-031-614639,
612162
Mobile : 01711-881053
Fax : +88-031-614639, 2853778
E-Mail : ank@ucbl.com
Routing Number : 245150465

ANOWARA BRANCH

Talukder Bhaban (1st & 2nd floor)
Chaturi Chowmuhani
Union- Chaturi, P.S.- Anowara
Dist.- Chittagong.
Phone : +88-03029-56046
Mobile : 01714-135877
01833-312430
Fax : +88-03029-56045
E-Mail : anb@ucbl.com
Routing Number : 245150528

AZADI BAZAR BRANCH

Muntasir D.M. City Center(1st Floor)
Vill- Darmapur, Ward No- 5
Union- Darmapur, P.S- Fatickchari
Dist- Chittagong.
Mobile : 01918-712660(HOB)
01819-968254(OM)
E-Mail : azb@ucbl.com
Routing Number : 245150731

Branch Network

BAHADDARHAT BRANCH

Rahmania Shopping Complex (1st Floor)
63/A, Chandgaon, Chittagong
Phone : +88-031-652370, 2551185
Mobile : 01711-883742
E-Mail : bdh@ucbl.com
Routing Number : 245150799

BRAHMANBARIA BRANCH

1090/12, Court Road, Brahmanbaria
Phone : +88-0851-57650, 57688
Mobile : 01711-809733
E-Mail : bbr@ucbl.com
Routing Number : 245120437

BHATIARY BRANCH

Alim Baksha Sawdagar Market, South Bazar
Union- Bhatiary, PS- Sitakunda
Dist.- Chittagong
Phone : +88-031-2781245
Mobile : 01818-744059
Fax : +88-031-2781246
E-Mail : bhb@ucbl.com
Routing Number : 245151219

BATTALI BRANCH

Idris Tower (1st floor), Battali
Rustamhat, P.O. Burumchara,
Union-Juidandi, Ward No- 06,
P.S. Anowara Dist. Chittagong
Mobile : 01819-185325
01818-622340
E-Mail : btb@ucbl.com
Routing Number : 245151172

BAROJARHAT BRANCH

Mir Complex,
Dhaka-Chittagong Highway,
Ward No-02, Pourasava- Baroiarhat,
P.O-Bisumeer, P.S-Jorargonj(Ex-Mirsarai)
Dist: Chittagong,
Mobile : 01816-225270
01816-611905
E-Mail : brh@ucbl.com
Routing Number : 245151093

BANCHARAMPUR BRANCH

R. S. Super Market, College Road,
P.S. Bancharampur
Dist. Brahmanbaria.
Mobile : 01787-675594
E-mail : bnc@ucbl.com

CHANDPUR BRANCH

37/37, Comilla Road
Paul Bazar, Chandpur
Phone : +88-0841-63483, 67348
Mobile : 01711-888361
E-Mail : cdp@ucbl.com
Routing Number : 245130319

CHAWKBAZAR BRANCH

371, Kapashgola Road,
Chowkbazar, Chittagong-4000
Phone : +88-031-653074
Mobile : 01711-881054
E-Mail : cwk@ucbl.com
Routing Number : 245151930

CHOKORIA BRANCH

Samabaya Market (1st floor)
P.O.: Chiringa
Chokoria Pourashava
Upa Zilla: Chokoria
Dist: Cox's Bazar
Phone : 03422-56274,
0443-4493932
Mobile : 01713-068099
E-Mail : chk@ucbl.com
Routing Number : 245220166

CHOWMUHANI BRANCH

Haji Seraj Market
50-266, Kalitola Road,
Chowmuhani, Noakhali
Phone : +88-0321-52206, 52111
Mobile : 01711-883741
E-Mail : cmh@ucbl.com
Routing Number : 245750678

COMILLA BRANCH

125/117, Raigonj (1st Flr.)
Chatipatty, Comilla-3500
Phone : +88-081-65776, 76447
Mobile : 01711-809726
E-Mail : cml@ucbl.com
Routing Number : 245191158

COX'S BAZAR BRANCH

Al-Hafez Complex
Plot No- 347, Main Road, Ward No- 03,
Pourasava- Cox's Bazar
P.S.- Cox's Bazar Sadar
Dist.- Cox's Bazar
Phone : +88-0341-64398, 64092
Mobile : 01711-888356(HOB)
01814-445822(OM)

CHITTAGONG MEDICAL COLLEGE BRANCH

EPIC Divine
19, Fazlul Kader Road, Ward No.16,
Chittagong City Corporation
P.S. Panchlaish
Dist. Chittagong.

DHOHAZARI BRANCH

Hazari Shopping Centre
Main Arakan Road,
Union & P.S-Chandonaish,
Dist. -Chittagong
Phone : +88-031-635022
Mobile : 01711-888357
E-Mail : dhz@ucbl.com
Routing Number : 245152568

DAMPARA BRANCH

Holding No. 115/134
M. M. Ali Road
WASA More, Dampara, Chittagong.
Phone : +88-031-2867052
+88-031-2867053
Mobile : 01730-705200
01811-456760
E-Mail : dmp@ucbl.com
Routing Number : 245150128

Branch Network

EIDGAON BRANCH

Eidgaon Main Road (Near Bus Stand)
Union- Eidgaon
Upazilla & District- Cox's Bazar.
Mobile : 01730-318849
01811-418837
E-Mail : ebc@ucbl.com
Routing Number : 245220403

ENAYET BAZAR BRANCH

59, Jubilee Road, P.S.- Kotwali,
Dist.- Chittagong
Mobile : 01714-167421 (HOB)
01966-602204 (OM)
E-Mail : enb@ucbl.com
Routing Number : 245150052

FATICKCHARI BRANCH

M.K. Shopping Complex,
College Road, Bibirhat,
Union, Durang, UpaZilla Fatikchari,
Dist.- Chittagong
Phone : +88-031-630389/120,
637001
Mobile : 01711-883746
E-Mail : ftk@ucbl.com
Routing Number : 245152742

FENI BRANCH

Shaheed Hossain Uddin Bipani, (1st Floor),
21, Station Road,
Feni
Phone : +88-0331-74296, 61567
Mobile : 01711-881065
E-Mail : fni@ucbl.com
Routing Number : 245300523

GOHIRA BRANCH

P.O.: Gohira
Pourashava: Raozan
Upa Zilla: Raozan
Dist: Chittagong
Phone : +88-03026-56189,
03026-56190
Mobile : 01713-068097
04434493930
E-Mail : ghr@ucbl.com
Routing Number : 245153017

HATHAZARI BRANCH

SA Shopping Complex (1st floor)
Vill- Fatika, Union- Hathazari Sadar
P.S- Hathazari, Chittagong.
Mobile : 01730-329715
Fax : +88-031-2601835
E-Mail : hhb@ucbl.com
Routing Number : 245153220

HALISHAHAR BRANCH

House No- 7, Road No- 2, Lane- 2,
Block- G, Halishahar Housing Estate,
Chittagong City Corporation, Chittagong.
Phone : +88-031-716650
Mobile : 01714-167388
01811-487851
Fax : +88-031-716651
E-Mail : hls@ucbl.com
Routing Number : 245153167

JUBILEE ROAD BRANCH[AD]

Rifle Club Shooting Complex
Nandankanan, Jubilee Rd. Chittagong-4000
Phone : +88-031-638179,
636024, 624104
PABX : +88-031-611049,630189
Mobile : 01711-804130,
01711-761053
Fax : +88-031-610497
E-Mail : jbr@ucbl.com
S.W.I.F.T : UCBLBDDHJBR
Routing Number : 245153646

JHAWTALA BRANCH

693/1, Shahid Khaja Nizam Uddin Road,
Comilla City Corporation
P.S. Kotwali, Dist. Comilla.
Mobile : 01847-052270
01926-666859
01554-335101
E-Mail : jwt@ucbl.com
Routing Number : 245190159

KAZIRHAT BRANCH

Vill-Alaiyarpur, Ward No-09
Union- Kutubpur,
P.S. Begumgonj, Dist. Noakhali.
Mobile : 01847-052271
01926-666858
01819-991595
E-Mail : kzh@ucbl.com
Routing Number : 245750115

KADAMTALI BRANCH[AD]

Baitush Sharaf Market (1st Floor)
Kadamtali, Chittagong-4000
Phone : +88-031-721978,
725939, 727270,
726240
Mobile : 01711-881056
Fax : +88-031-725939
E-Mail : kdm@ucbl.co
S.W.I.F.T : UCBLBDDHKDM
Routing Number : 245153738

KAMAL BAZAR BRANCH

Kabir Tower (1st Floor)
Kamal Bazar, Kalurghat Road
PL No. (B.S) 18240, 18241
RS Kh No. 10350, 10353
U.L: Mohora
P.S.: Chandgaon
Dist: Chittagong
Phone : +88-031- 2571196,
2571271
Mobile : 01711-809725
E-Mail : rjk@ucbl.com
Routing Number : 245153970

KHATUNGOJ BRANCH[AD]

Khatungonj Trade Centre
Plot No.697,698 & 699
Ramjoy Mohajan Lane
Khatungonj, Chittagong-4000
Phone : +88-031-613777, 610786,
613774, 637029, 637027
PABX : +88-031-611015-6
Mobile : 01711-804132

KARNAFULLY BRANCH

Maimuna Shafi Tower
Aktaruzzaman Chattar
P.S. Karnafully
Dist. Chittagong
Phone : 031-633315, 031-633316
Mobile : 01787-676087

LAKSHMIPUR BRANCH

63, Bancha Nagar
Masjid Road, Lakshimpur
Phone : +88-0381-55443
Mobile : 01711-883747
E-Mail : lkp@ucbl.com
Routing Number : 245510739

Branch Network

LOHAGARA BRANCH

Liakat Hossain Market (1st Floor)
PS- Lohagara, Chittagong
Phone : +88-03034-56011
Mobile : 01199-703298
E-Mail : lhg@ucbl.com
Routing Number : 245154661

MADUNAGHAT BRANCH

Mabia Emporium
Madunaghat Bazar, P.O-Rashid Bari,
Union-Dakshin Madarsha,
P.S- Hathazari, Dist-Chittagong-4337
Phone : +88-031-670375
Mobile : 01711-883744
E-Mail : mdg@ucbl.com
Routing Number : 245154753

MAIZDEE COURT BRANCH

1175-1176, Maizdee Court Main Rd. Noakhali
Phone : +88-0321-61176, 61236
Mobile : 01711-883748
E-Mail : mdc@ucbl.com
Routing Number : 245751572

MURADPUR BRANCH

Chittagong Shopping Complex
112-129 Nasirabad Mohalla
(1st Flr.), Muradpur, Chittagong
Phone : +88-031-651375,
651376
Mobile : 01711-881055
E-Mail : mrd@ucbl.com
Routing Number : 245155323

NAZIRHAT BRANCH

Nazirhat (Hossain Market)
P.O- Nazirhat, P.S -Fatickchari, Chittagong.
Phone : +88-031-637003/
635033-115
Mobile : 01711-883745
E-Mail : nzh@ucbl.com
Routing Number : 245155594

NOAPARA BRANCH

Patherhat, Vill-Noapara
P.S-Rawzan, Chittagong-4346
Phone : +88-031-2571215
Mobile : 01711-883743
E-Mail : npc@ucbl.com
Routing Number : 245155710

O.R.NIZAM ROAD BRANCH

562/A. O.R.Nizam Road
Central Shopping Center, Chittagong
Phone : +88-031-636195,
625890
Mobile : 01811-486290
E-Mail : orm@ucbl.com
Routing Number : 245155802

PAHARTALI BRANCH

3830/B, Shourav Bitan
D.T. Road, Pahartali, Chittagong.
Mobile : 01730-318846
01811-415703
E-Mail : ptb@ucbl.com
Routing Number : 245155923

PORT BRANCH

Chittagong Port, 200, Strand Rd.
Samad Supar Mkt., No. 3, Jetty Gate
Dabilmuring, Chittagong
Phone : +88-031-711051,
711052
Mobile : 01711-809729
Fax : +88-031-711051
E-Mail : prt@ucbl.com
Routing Number : 245156227

RANGUNIA BRANCH

Hajee Faiz Market (1st floor),
Chaumuhani,
VIII- Syed Bari,
P.O- Morium Nagar,
P.S- Rangunia, Chittagong
Mobile : 01819-814109
Mobile : 01730-329718
E-Mail : rgb@ucbl.com
Routing Number : 245156401

RAOZAN SME/KRISHI BRANCH

G.T. Shopping Complex
Maushighata, Ward No- 08
Paurashava & Upazilla- Raozan
Dist- Chittagong.
Mobile : 01714-167409
E-Mail : rzb@ucbl.com
Routing Number : 245156498

STATION ROAD BRANCH

Hajee Abul Hossain mkt (1st flr.)
113, Stn Rd., Katwali, Chittagong
Phone : +88-031-624145,
634152
Mobile : 01711-881057
E-Mail : str@ucbl.com
Routing Number : 245157518

SADARGHAT BRANCH

Habib City Tower
49, Sadarghat Road, Ward no- 30
Chittagong City Corporation
P.S- Doublemooring
Dist- Chittagong
Mobile : 01819-638124
E-Mail : sdr@ucbl.com
Routing Number : 245156735

SONAIMURI BRANCH

Motaleb Plaza, Eshak Mia Sarak,
P.S. Sonaimuri
Dist. Noakhali
Phone : 03227-51202
Mobile : 01787-675591
E-mail : smr@ucbl.com

Sylhet Division**AMBORKHANA BRANCH**

Airport Road, Amborkhana, Sylhet
Phone : +88-0821-718181, 712631
Mobile : 01711-883751
E-Mail : amb@ucbl.com
Routing Number : 245910047

BAROLEKHA BRANCH

Barolekha Branch
Haje Mojir Uddin Shopping City (1st floor)
781, Main Road, P.S. Barolekha
Dist. Moulvibazar
Phone : +88-08622-56140,
03797800032
Mobile : 01711-883759
Cable : UNUBANK
E-Mail : brl@ucbl.com
Routing Number : 245580101

BEANIBAZAR BRANCH

Shahab Mension, Main Road,
Beanibazar, Sylhet-3170
Phone : +88-08223-88338
Mobile : 01711-883750
E-Mail : bbz@ucbl.com
Routing Number : 245910313

BISWANATH BRANCH

Al-Burak Shopping Center,
Biswanath Bazar, Vill, P.O.
P.S-Biswanath,
Dist. Sylhet
Phone : +88-038911-82063,
82059
Mobile : 01711883749
E-Mail : bis@ucbl.com
Routing Number : 245910434

Branch Network

GOALABAZAR BRANCH

P.O Goalabazar
P.S Balagonj, Dist-Sylhet
Phone : +88-03799-187015
Mobile : 01711-883752
E-Mail : gob@ucbl.com
Routing Number : 245911541

LAMABAZAR BRANCH

Ali Complex
14, Chayatoru, Lama Bazar, Sylhet.
Phone : +88-0821-710760,
719506
Mobile : 01811-415698
Fax : 0821-719508
E-Mail : lbb@ucbl.com
Routing Number : 245912511

MOULVIBAZAR BRANCH

Central Road, Chowmohona
Moulvibazar-3200
Phone : +88-0861-52766
Mobile : 01711-881059
E-Mail : mbs@ucbl.com
Routing Number : 245581184

NABIGONJ BRANCH

P.O & P.S- Nabigonj, Dist-Hobigonj
Phone : +88-038927-88105
Mobile : 01711-883754
Cable : UNIBANK
E-Mail : nbj@ucbl.com
Routing Number : 245361096

SHERPUR BRANCH

Union-Sadipur
P.O. Aurangapur,
P.S- Osmani Nagar (New),
Dist- Sylhet.
Phone : +88-08222-89515
Mobile : 01711-922479
E-Mail : srp@ucbl.com
Routing Number : 245913310

SHIBGONJ BRANCH

Union-Tultikar, Sadar Thana - Sylhet, Dist- Sylhet
Phone : +88-0821-760300
Mobile : 01711-883753
Cable : UNISHB
E-Mail : shb@ucbl.com
Routing Number : 245913402

SYLHET BRANCH[AD]

Laldighirpar, Sylhet-3100
Phone : +88-0821-715070,
713541,
713519
Mobile : 01711-809727
Fax : +88-0821-715212
E-Mail : syl@ucbl.com
S.W.I.F.T : UCBLBDDHSHL

SHAHJALAL UPASHAHAR BRANCH

Rose View Complex (2nd Floor),
Mouza-Sadipur, Plot # 597, 598,
Block-D, Shahjalal Upashahar
Thana- Kotwali, Sylhet City Corporation,
Sylhet
Phone : +88-0821-2833298-99
Mobile : 01819412620
Fax : +88-0821-721139
E-Mail : ups@ucbl.com
Routing Number : 245913257

SUBID BAZAR BRANCH^{New}

Silver Star Tower
Doyal-1, Sylhet- Sunamgonj Sarak,
Subid Bazar, Sylhet City Corporation,
Dist-Sylhet.
Phone : +88-0821-721450
Mobile : 01714-167432/ 01712-
737111
Fax : +88-0821-721453
E-Mail : sbs@ucbl.com
Routing Number : 245913499

ZINDABAZAR BRANCH

1683/A, Zindabazar, Sylhet
Phone : +88-0821-714527,
723567
Mobile : 01711-881062
E-Mail : znb@ucbl.com
Routing Number : 245914151

Rajshahi Division

BOGRA BRANCH[AD]

221, Jhawtola, Pashari Mansion
Bogra- 5800
Phone : +88-051-65467, 63630,
69527
Mobile : 01711-881066
E-Mail : bgr@ucbl.com
SWIFT : UCBLBDDHGBR
Routing Number : 245100378

BANESHWAR BRANCH

Haowa Plaza, Union- Baneshwar,
P.S. Putiya, Dist. Rajshahi.
Mobile : 01787-675590
E-mail : bnr@ucbl.com

CHAPAINAWABGONJ BRANCH

4-5, Gudagari Road, Chapainawabgonj.
Phone : +88-0781-52283
Mobile : 01711-436595
Fax : +88-0781-56497
E-Mail : cpn@ucbl.com
Routing Number : 245700257

NATORE BRANCH

Union- Harishapur
Patuapara, Natore
Phone : +88-0771-66771, 66913
Mobile : 01711-809721
E-Mail : ntr@ucbl.com
Routing Number : 245691090

NAOGAON BRANCH

379, Tula Patty (1st flr)
Naogaon-6500
Phone : +88-0741-62988, 62861
Mobile : 01711-809728
Fax : +88-0741-62988
E-Mail : ngn@ucbl.com
Routing Number : 245641187

PABNA BRANCH

Al-Monsur Super Market (1st Floor),
407, Abdul Hamid Road,
Pabna
Phone : +88-0731-65417, 66331
Mobile : 01711-883756
E-Mail : pbn@ucbl.com
Routing Number : 245761788

RAJSHAHI BRANCH [AD]

70/71, Miah Para (1st Flr.)
Shaheb Bazar, Natore Maha Sarak
Rajshahi -6100
Phone : +88-0721-771386, 773367,
812357
Mobile : 01711-883755
Fax : 88-0721-771386
E-Mail : rjh@ucbl.com
Routing Number : 245811933

SERAJGONJ BRANCH

720, S.S.Road
P.O Serajgonj, Dist-Serajgonj
Phone : +88-0751-62393, 64169
Mobile : 01711-888362
Fax : +88-0751-62393
E-Mail : srj@ucbl.com
Routing Number : 245881871

Branch Network

ULLAPARA BRANCH

Mizan Mension
807, Joydev Sarak,
P.S. Ullapara,
Dist. Serajgonj.
Phone : 07529-56444,
07529-55446
Mobile : 01787-670979
E-mail : ulp@ucbl.com

Rangpur Division**DINAJPUR BRANCH**

Maldahpalty, Dinajpur-5200
Phone : +88-0531-63327, 64042
Mobile : 01711-436596
Fax : +88-0531-63266
E-Mail : dnj@ucbl.com
Routing Number : 245280672

RANGPUR BRANCH[AD]

"Asha Center", 624, G. L. Roy Road,
Rangpur
Phone : +88-0521-62851,63730
Mobile : 01711-881061
Fax : +88-0521-62851

Khulna Division**CHUADANGA BRANCH**

147, Barobazar, Chuadanga
Phone : +88-0761-62515
Mobile : 01711-883763
E-Mail : cdg@ucbl.com
Routing Number : 245180198

JESSORE BRANCH

36, M.K Road, Jessore
Phone : +88-0421-66606, 66061,
73542
Mobile : 01711-883758
Fax : +88-042173542
E-Mail : jsr@ucbl.com
Routing Number : 245410947

JHENAIDAH BRANCH

129, Shere Bangla Road, Jhenaidah
Phone : +88-0451-62725
Mobile : 01711-883760
E-Mail : jhn@ucbl.com
Routing Number : 245440641

KHAN JAHAN ALI ROAD BRANCH

Haji Hanif Complex (1st Floor),
Holding No- 12 & 13
Khan Jahan Ali Road, Khulna
Phone : +88-041-732224
Mobile : 01711-883762
E-Mail : khj@ucbl.com
Routing Number : 245471481

KHULNA BRANCH[AD]

47, K.D Ghosh Road,
Khulna-9000
Phone : +88-041-720502, 720522,
733676
Mobile : 01711-881063
Fax : +88-041-720502
E-Mail : kln@ucbl.com

KUSHTIA BRANCH

4, Bar Waritala Road, Kushtia
Phone : +88-071-61991, 62533
Mobile : 01711-881058
E-Mail : kst@ucbl.com
Routing Number : 245500949

NOAPARA BAZAR BRANCH JESSORE

Noapara Bazar
P.S Avoy nagor, Jessore.
Phone : +88-04222-7189
Mobile : 01711-883761
E-Mail : npj@ucbl.com
Routing Number : 245411667

Barisal Division**BARISAL BRANCH**

87-88, Hamayet Uddin Road
Barisal
Phone : +88-0431-57650,
57688, 64289
Mobile : 01711-336457
Fax : +880-0431-53989
E-Mail : bsl@ucbl.com
Routing Number : 245060289

Worldwide Correspondents Network



Indonesia
The Hongkong And Shanghai Banking Corporation Limited
Bank Internasional Indonesia
Bank Mandiri (Persero), Pt
Jpmorgan Chase Bank, N.A.
Korea Exchange Bank
Bank Mega Pt
State Bank Of India
Standard Chartered Bank

Ireland
Danske Bank A/S
Wells Fargo Bank, N.A.

Italy
Banca Delle Marche Spa
Banca Popolare Soc. Coop.
Intesa Sanpaolo Spa
Ubi Banca (Unione Di Banche Italiane) S.C.P.A.
Banca Nazionale Del Lavoro S.P.A.
Bank Of Tokyo-Mitsubishi Ufi, Ltd., The
Credito Valtellinese
Banca Popolare Dell'Emilia Romagna
Banca Popolare Di Vicenza Scpa
Banca Nuova Spa (Banca Popolare Di Vicenza Group)
Commerzbank Ag
Banca Carim-Cassa Di Risparmio Di Rimini Spa
Cassa Di Risparmio Del Veneto S.P.A.
Mizuho Bank, Ltd
Banca Monte Dei Paschi Di Siena S.P.A.
Banca Ubae Spa
Unicredit S.P.A.
Banca Popolare Soc. Coop. (Formerly Banca Popolare Di Verona)

Japan
Bank Of Tokyo-Mitsubishi Ufi, Ltd., The
Jpmorgan Chase Bank, N.A.
Resona Bank, Ltd., Tokyo
Hongkong And Shanghai Banking Corporation Limited
The Korea Exchange Bank
Mizuho Bank, Ltd
Okazaki Shinkin Bank
Wells Fargo Bank, N.A.
Saltama Resona Bank, Limited
State Bank Of India
Standard Chartered Bank
Sumitomo Mitsui Banking Corporation
U.B.A.F. - Union De Banques Arabes Et Francaises Tokyo Branch

Jordan
Standard Chartered Bank

Korea Rep. (South Korea)
Bank Of Tokyo-Mitsubishi Ufi, Ltd., The
Jpmorgan Chase Bank, N.A., Seoul Branch
Kookmin Bank
Hana Bank
Hongkong And Shanghai Banking Corporation Limited
Woori Bank, Seoul
Industrial Bank Of Korea
Korea Development Bank, The
Korea Exchange Bank
Wells Fargo Bank, N.A.
Standard Chartered Bank
Shinhan Bank
U.B.A.F. - Union De Banques Arabes Et Francaises

Kuwait
Al Mulla International Exchange Co
National Bank Of Kuwait

Luxembourg
Danske Bank International S.A.

Macau
The Hongkong And Shanghai Banking Corporation Limited

Malta
Akbank T.A.S. (Malta Branch)
Fimbank Plc

Malaysia
Ambank (M) Berhad
J.P.Morgan Chase Bank Berhad, Kuala Lumpur
Malayan Banking Berhad
Rhb Islami Bank Berhad
Rhb Bank Berhad
Standard Chartered Bank
Hsbc Bank Malaysia Berhad, Malaysia

Mexico
Bank Of America, Mexico S.A.

Nepal
Himalayan Bank Ltd.
Nepal Bangladesh Bank Limited
Standard Chartered Bank

Netherlands
Credit Europe Bank
Rabobank Nederland
Commerzbank Ag Kantoor Amsterdam
Abn Amro Bank N.V.
Deutsche Bank A.G. Amsterdam
Ing Bank N.V.
Yapi Kredi Bank Nederland N.V.
Korea Exchange Bank, Amsterdam Branch

New Zealand
The Hongkong And Shanghai Banking Corporation Limited

Norway
Bnp Paribas Fortis Sa/Nv Norway Branch
Danske Bank A/S
Dnb Bank Asa
Handelsbanken

Oman
Bankmuscat Saog
Bank Sohar S.A.O.G

Pakistan
Bank Al Habib Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
National Bank Of Pakistan
Standard Chartered Bank
Summit Bank Ltd
United Bank Limited

Panama
Korea Exchange Bank

Philippine
Asian Development Bank
Wells Fargo Bank, N.A.
Korea Exchange Bank

Poland
Danske Bank A/S S.A. Oddzial W Polsce
Bank Polska Kasa Opieki Sa - Bank Pekao Sa
Banco Espirito Santo S.A.

Qatar
Mashreqbank Psc
Standard Chartered Bank
United Bank Limited, Doha
Doha Bank

Russia
Commerzbank (Eurasija) Sao

Saudi Arabia
National Bank Of Pakistan
Saudi British Bank
Samba Financial Group
State Bank Of India
Saudi Hollandi Bank
Bank Al-Jazira
Bankmuscat
Emirates Nbd Psc

Singapore
INDIAN BANK SINGAPORE
Standard Chartered Bank
Abn Amro Bank N.V. Singapore Branch
Axis Bank Limited
Bnp Paribas - Singapore Branch
Bank Of America, N.A. Singapore
Bank Of Tokyo-Mitsubishi Ufi, Ltd., The
Bnp Paribas Wealth Management (Formerly Known As Bnp Paribas Private Bank)
Banco Santander, S.A. Singapore Branch
Jpmorgan Chase Bank, N.A.
Commerzbank Ag, Singapore Branch
Dbs Bank Ltd.
Deutsche Bank Ag
Dnb Bank Asa, Singapore Branch
Emirates Nbd Bank Pjsc (Enbd)
Skandinaviska Enskilda Banken Ab (Publ)
Habib Bank Limited
The Hongkong And Shanghai Banking Corporation Limited, Singapore
Mega International Commercial Bank Co., Ltd., Singapore Branch

icici Bank Limited
Ing Bank N.V.
Indian Overseas Bank
Korea Exchange Bank, Singapore Branch
Kbc Bank Singapore Branch
Malayan Banking Berhad
Mizuho Bank, Ltd
Bank Of Nova Scotia
Raiffeisen Bank International Ag Singapore Branch
Standard Chartered Bank
Sumitomo Mitsui Banking Corporation
U.B.A.F. - Union De Banques Arabes Et Francaises

Slovenia
Unicredit Banka Slovenija D.D.

Slovakia
Ceskoslovenska Obchodna Banka, A.S.

South Africa
FirstRand Bank Ltd Head Office Incl. Divisions First National Bank, Fnb
Corporate And Rand Merchant Bank

Spain
Banco Bilbao Vizcaya Argentaria S.A.
Banco Espirito Santo, Spain Branch
Bnp Paribas S.A. Sucursal En Espana
Bank Of Tokyo-Mitsubishi Ufi, Ltd., The
Caixabank, S.A.
Laboral Kutxa (Caja Laboral Popular Coop.De Credito)
Commerzbank Ag
HSBC
Banco Popular Espanol, S.A.

Sri Lanka
People'S Bank
Axis Bank Ltd.
icici Bank Ltd

Sweden
Danske Bank
Skandinaviska Enskilda Banken
Skandinaviska Enskilda Banken
Skandinaviska Enskilda Banken
Svenska Handelsbanken
Swedbank Ab

Switzerland
The Royal Bank Of Scotland Plc Zurich (Formerly Known As Rbs Nv)
Atlantic Forfaitierungs Ag
Credit Agricole (Suisse)Sa
Arab Bank (Switzerland) Ltd
Banque Cantonale De Geneve
Banque Cantonale Vaudoise
Banque De Commerce Et De Placements S.A.
Bnp Paribas (Suisse) Sa
Credit Suisse Ag
Habib Bank Ag Zurich
Banca Popolare Di Sondrio (Suisse)
Ubs Ag
Ubi (Switzerland) Ag
Zuercher Kantonalbank
HSBC Bank Pls London, Zurich Branch

Taiwan
Bank Of China Limited Taipei Branch
Bangkok Bank Public Company Limited Taipei Branch
Chang Hwa Commercial Bank Ltd.
Jpmorgan Chase Bank, N.A.
Deutsche Bank Ag, Taipei Branch
HSBC Bank (Taiwan) Limited
The Bank Of New York Mellon, Taipei Branch
Bank Of Nova Scotia
Wells Fargo Bank, N.A.
Standard Chartered Bank
Shanghai Commercial And Savings Bank, Ltd.

Thailand
THANACHART BANK PUBLIC COMPANY LIMITED
Bangkok Bank Public Company Limited
Bnp Paribas Bangkok Branch
Bank Of Tokyo-Mitsubishi Ufi, Ltd., The
Jpmorgan Chase Bank, N.A., Bangkok Branch
Export-Import Bank Of Thailand
Kasikornbank Public Company Limited
Mizuho Bank, Ltd., Bangkok Branch
Standard Chartered Bank
Sumitomo Mitsui Banking Corporation
Hongkong And Shanghai Banking Corporation Limited, The

Turkey
Turkiye Garanti Bankasi A.S.
Akbank T.A.S.
Hsbc Bank A.S.

UAE
Bu Dhabi Commercial Bank
Axis Bank Limited, Dfci Branch (Regulated By Dfsa)
Mashreqbank Psc
Commercial Bank Of Dubai
Commercial Bank International
Emirates Nbd Bank Pjsc
Habib Bank Limited
Habib Bank Ag Zurich
icici Bank Limited
Emirates Islamic Bank
Noor Islamic Bank
Standard Chartered Bank
United Bank Ltd.

UK
Habib-Uk Plc
icici Bank Uk Plc
Korea Exchange Bank
Mizuho Bank, Ltd
HSBC
Mashreqbank Psc
Wells Fargo Bank, N.A.
Wells Fargo Bank, N.A.
Standard Chartered Bank
The Royal Bank Of Scotland Plc London (Formerly Known As Rbs Nv)
Bank Mandiri (Europe) Limited
Bank Of Tokyo-Mitsubishi Ufi, Ltd., The
Sonal Bank Limited
Jpmorgan Chase Bank, N.A.
Commerzbank Ag
Northern Bank Limited (Trading As Danske Bank)
Danske Bank
Habib Bank Ag Zurich

U.S.A.
CITY NATIONAL BANK LOS ANGELES
New York Commercial Bank
Deutsche Bank Trust Company Americas
Bnp Paribas U.S.A. - New York Branch
Bank Of America, N.A.
Bank Of Tokyo-Mitsubishi Ufi, Ltd., The
Bank Of The West
Jpmorgan Chase Bank, N.A.
Citibank Corp. (Usa)
Abn Amro Capital Usa Llc
Gbc International Bank
Habib Bank Limited
Habib American Bank
Woori America Bank, New York
icici Bank Limited
The Bank Of New York Mellon
Keybank National Association
Mizuho Bank, Ltd. New York Branch
HSBC
Mashreqbank Psc
National Bank Of Pakistan
Capital One, N.A.
Bank Of Nova Scotia
Wells Fargo Bank, N.A.Philadelphia
Wells Fargo Bank, N.A.Miami
Wells Fargo Bank, N.A.Charlotte
Wells Fargo Bank, N.A. Losanges
Pnc Bank, N.A.
Standard Chartered Bank
Shinhan Bank America
Sumitomo Mitsui Banking Corporation
Sterling National Bank
United Bank Ltd.
U.S. Bank
Wells Fargo Bank, N.A.

Uruguay
Banco Bilbao Vizcaya Argentaria Uruguay S.A.

Uzbekistan
National Bank For Foreign Economic Activity Of The Republic Of Uzbekistan

Vietnam
Korea Exchange Bank, Hanoi Branch
Standard Chartered Bank (Vietnam) Limited
Shinhan Bank Vietnam
Joint Stock Commercial Bank For Foreign Trade Of Vietnam
Joint Stock Commercial Bank For Investment And Development Of Vietnam
Jpmorgan Chase Bank, N.A.
Wooribank Hochiminh

Glossary

AD	Authorized Dealer	HFT	Held for Trading
ALCO	Asset Liability Committee	HTM	Held to Maturity
ALM	Asset Liability Management	ICAB	Institute of Chartered Accountants of Bangladesh
AMLCO	Anti Money Laundering Compliance Officer	IT	Information Technology
ATM	Automated Teller Machine	IMF	International Monetary Fund
BB	Bangladesh Bank (Central Bank of Bangladesh)	IAS	International Accounting Standard
Bank	United Commercial Bank Limited	IPO	Initial Public Offering
B/L	Bad/Loss	LC	Letter of Credit
BAS	Bangladesh Accounting Standard	MBID	Merchant Banking and Investment Division
BEFTN	Bangladesh Electronic Fund Transfer Network	MTMF	Medium Term Macro Economic Framework
BFRS	Bangladesh Financial Reporting Standard	MANCOM	Management Committee
BIBM	Bangladesh Institute of Bank Management	NII	Net Interest Income
BRPD	Banking Regulatory and Policy Department	NPL	Non Performing Loan
CAR	Capital Adequacy Ratio	NCBs	Nationalised Commercial Banks
CRR	Cash Reserve Requirement	NRB	National Board of Revenue
CRG	Credit Risk Grading	OBUs	Offshore Banking Unit
CSR	Corporate Social Responsibility	PCBs	Private Commercial Banks
CPI	Consumer Price Index	PF	Provident Fund
CDBL	Central Depository Bangladesh Limited	POS	Point of Sale
CBS	Core Banking Software	PV	Present Value
CRISL	Credit Rating and Information Services Ltd.	RWA	Risk Weighted Assets
DCFCL	Departmental Control Function Check List	RMG	Readymade Garments
DEPZ	Dhaka Export Processing Zone	ROA	Return on Assets
DOS	Department of Off-site Supervision	ROE	Return on Equity
DP	Depository Participants	SME	Small and Medium Enterprise
EPS	Earning Per Share	SOP	Standard Operating Procedure
EWS	Early Warning Signal	SLR	Statutory Liquidity Requirement
EPZ	Export Processing Zone	SMA	Special Mentioned Account
FY	Fiscal Year (July to June)	UCB	United Commercial Bank Limited
GF	Gratuity Fund	VAT	Value Added Tax
GDP	Gross Domestic Product	WDV	Written Down Value
HO	Head Office		
HOB	Head of Branch		

**United Commercial Bank Ltd.****Corporate Head Office:**

CWS(A)-1, Road No. 34, Gulshan Avenue
Dhaka-1212

Notice of the 32nd Annual General Meeting

Notice is hereby given that 32nd Annual General Meeting of United Commercial Bank Ltd. will be held on **March 31, 2015 (Tuesday)** at **11.30 A.M** at **International Convention City (Rajodarshan, Hall No. 3), Bashundhara, Dhaka** to transact the following business:

1. To receive and adopt the Balance Sheet, Financial Statements & Audited Accounts for the year ended December 31, 2014 and Report of the Directors & the Auditors thereon.
2. To approve 20% Stock & 10% Cash Dividend as recommended by the Board of Directors.
3. Appointment & reappointment of the Directors of the Bank.
4. Appointment of External Auditors & fix their remuneration.
5. To approve UCB Second Subordinate Bond of BDT 500 (five hundred) crore.

By order of the Board

Sd/-

(A T M Tahmiduzzaman ACS)

Company Secretary

Dated: March 09, 2015

Notes:

- (i) The '**Record Date**' in lieu of Book Closure has been fixed on **March 04, 2015 (Wednesday)**.
- (ii) The Shareholders whose names would appear in the Register of Members of the Company or in the depository (CDBL) on the Record Date i.e. **March 04, 2015 (Wednesday)** will be eligible to attend the meeting and entitled to dividend as mentioned above.
- (iii) A member eligible to attend the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The instrument appointing proxy duly signed by the member and stamped (TK. 20.00) must be submitted to the Registered Office of the Company at least 48 hours before the Meeting.
- (iv) Members/ Proxies are requested to record their entry in the AGM well in time on **March 31, 2015 (Tuesday)**. The registration counter will open at 9.00 am on the AGM date.
- (v) Annual Report, Attendance Slip and Proxy Form along with the Notice are being sent to all the Members by Post/Courier Service. The Members may also collect the Annual Report and Proxy Form from the Registered Office of the Company and may download those from the Bank's website i. e. www.ucb.com.bd.
- (vi) In compliance with the Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated 24 October 2013, **No Gift/Gift Coupon / Food Box shall be distributed at the ensuing 32nd AGM.**


United Commercial Bank Ltd.
Corporate Head Office:

 CWS(A)-1, Road No. 34, Gulshan Avenue
Dhaka-1212

Proxy Form

I/We..... of
..... being a
member of United Commercial Bank Ltd. do hereby appoint Mr. /Ms.
as my / our PROXY to attend and vote for me/us and on my / our behalf at the 32nd AGM of the Bank to be held
on March 31, 2015 (Tuesday) at 11.30 A.M. at International Convention City (Rajodarshan, Hall No. 3),
Bashundhara, Dhaka and at any adjournment thereof.
As witness my/our hand this..... day of 2015.

Signature of Shareholder(s)

Signature of PROXY

No. of Shares held

Folio No.	
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 Revenue
Stamp

Or

BO ID No.																			
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Note: A member entitled to attend at the General Meeting may appoint a PROXY to attend on his/her behalf. The Proxy Form, duly stamped, must be deposited at the Registered Office of the Bank at least 48 hours before the time for the meeting.

Signature Verified

Authorized Signatory


United Commercial Bank Ltd.
Corporate Head Office:

 CWS(A)-1, Road No. 34, Gulshan Avenue
Dhaka-1212

Shareholder/Proxy Attendance Slip

I hereby record my attendance at the 32nd AGM of the Company held on March 31, 2015 (Tuesday) at 11.30 A.M.
at International Convention City (Rajodarshan, Hall No. 3), Bashundhara, Dhaka.

Name of the Shareholder	
No. of Shares	
Folio No.	
BO ID No.	
Name of the Proxy (if any)	

Signature of Shareholder/Proxy

Signature verified by

Notes: Please present this Slip at the Reception Desk. Children and non-Shareholders will not be allowed at the meeting.