

Aftab Automobiles Limited
2nd Quarter (Half-yearly) Report
2017-2018

Dear Shareholders,

We are pleased to forward herewith the un-audited Consolidated Statement of Profit or Loss and other Comprehensive Income for the 2nd Quarter (Half-yearly) ended December 31,2017. Consolidated Statement of Financial Position as at December 31,2017. Consolidated statement of cash flows , Consolidated statement of Changes in Equity and consolidated notes to the financial statements of the company for the period ended on that date.

Sd/-
Chairman

Dated, Dhaka.
 January 30, 2018

Aftab Automobiles Limited and its Subsidiary

Un-Audited consolidated Statement of Profit or Loss and other Comprehensive Income

For the 2nd Quarter ended December 31, 2017

(Amount in "000" Tk.)					
Particulars	Notes	July ' 2017 to December' 2017	July ' 2016 to December' 2016	3-Months ended 1/10/17 to 31/12/17	3-Months ended 1/10/16 to 31/12/16
Revenues		2,451,606	1,814,072	1,203,304	893,571
Less : Cost of sales	3	1,948,181	1,379,467	1,025,254	686,421
Gross profit		503,425	434,605	178,050	207,150
Less: Operating expenses		282,197	249,190	120,099	136,263
Administrative expenses		50,008	49,803	21,068	26,865
Selling and distribution expenses		62,137	59,967	28,836	34,781
Financial charges		170,052	139,420	70,195	74,617
Operating profit		221,228	185,415	57,951	70,887
Add : Other income		1,065	2,040	573	713
Profit before contribution to WPPF		222,293	187,455	58,524	71,600
Less : Contribution to WPPF		10,585	8,926	2,787	3,410
Net profit before tax		211,708	178,529	55,738	68,190
Add : Share of profit from associate company		19,557	7,666	19,557	7,666
Profit before tax		231,265	186,195	75,294	75,856
Less : Provision for Income tax		(69,982)	(50,543)	(14,975)	(20,399)
Current tax		(62,873)	(48,292)	(22,303)	(16,818)
Deferred tax		(7,109)	(2,251)	7,328	(3,581)
Net income for the Period		161,283	135,652	60,320	55,457
Other comprehensive Income for the year :					
Investment Valuation surplus in share		(493)	2,534	275	2,563
Revaluation Gain/(Loss) on investment in share		(548)	2,815	306	2,330
Deferred tax		55	(282)	(31)	233
Total comprehensive income for the Period		160,790	138,185	60,595	58,020
Consolidated earnings per share		1.68	1.42	0.63	0.58

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
C F O

Sd/-
Company Secretary

Aftab Automobiles Limited and its Subsidiary

Un-Audited consolidated Statement of Financial Position

As at December 31, 2017

Amount in '000' Tk

	Notes	31/12/17	30/06/17
Assets :			
Non-current assets			
Property, plant and equipment	4	1,965,633	1,742,323
Capital work-in-progress	5	95,635	289,002
Investments		38,044	38,592
Investments in associate		321,563	297,117
Receivables -Non-Current Maturity	6	1,987,426	2,041,737
Total non-current assets		4,408,301	4,408,771
Current assets			
Receivables -Current Maturity	6	1,837,236	1,647,745
Stock and stores	7	1,918,549	2,131,144
Current account with Navana Group Companies		1,010,690	1,066,437
Advances, deposits and prepayments	8	2,531,032	2,158,585
Cash and bank balances	9	572,790	481,144
Total current assets :		7,870,297	7,485,055
Total Assets		12,278,598	11,893,826
Equity and Liabilities :			
Capital & reserve			
Share capital		957,324	957,324
Share premium		1,925,858	1,925,858
Reserve		67,338	67,338
Retained earnings		2,795,191	2,722,946
Equity attributable to equity holders		5,745,711	5,673,466
Non-controlling interest		411	395
Total equity		5,746,122	5,673,861
Non-current liabilities			
Loan and deferred liabilities (unsecured)		25,310	25,310
Long Term loan-Net of current maturity	10	2,375,190	2,020,724
Deferred tax liability	11	133,538	121,595
Total non-current liabilities		2,534,038	2,167,629
Current liabilities :			
Long Term loan-Current maturity	10	791,730	673,575
Short-term loan	12	2,160,726	2,265,616
Accrued and other current liabilities	13	1,045,982	1,113,145
Total current liabilities :		3,998,438	4,052,336
Total liabilities		6,532,476	6,219,965
Total Equity and Liabilities		12,278,598	11,893,826
Consolidated net assets value per share (NAVPS)		60.02	59.26

Sd/-
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Managing Director

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Director

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Company Secretary

Aftab Automobiles Limited and its Subsidiary
Un-audited consolidated Statement of Cash Flows
For the 2nd Quarter ended December 31, 2017

(Amount in "000" Tk.)

Particulars	July ' 2017 to December' 2017	July ' 2016 to December' 2016
A. Cash flows from operating activities		
Receipts from customers	2,316,426	1,715,592
Receipts as other income	1,065	2,040
Payments to suppliers and employees	(2,121,111)	(1,536,497)
Cash generated from operations	196,380	181,135
Income tax paid	(83,257)	(90,894)
Net cash generated by operating activities	113,123	90,241
B. Cash flows from investing activities		
Acquisition of property, plant & equipment	(35,317)	(232,873)
Capital work in progress	(39,563)	(135,020)
Inter company transaction	(55,747)	-
Net cash used investing activities	(130,627)	(367,893)
C. Cash flows from financing activities		
Received of bank loan	367,731	47,877
Financial charges paid	(170,052)	(139,420)
Dividend paid	(88,529)	(82,952)
Net cash used in financing activities	109,150	(174,495)
D. Net changes in cash & cash equivalents for the period (A+B+C)	91,646	(452,147)
E. Cash & cash equivalents at beginning of the period	481,144	932,642
F. Cash & cash equivalents at end of the period (D+E)	572,790	480,495
Consolidated net operating cash flows per share (NOCFPS)	1.18	0.94

Sd/-
Chairman

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Managing Director

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Director

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C F O

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Company Secretary

Aftab Automobiles Limited and its Subsidiary

Un-audited consolidated Statement of Changes in Equity

For the 2nd Quarter ended December 31, 2017

(Amount in "000" Tk.)

Particulars	Share capital	Share premium	Reserves	Retained earnings	Attributable to equity holders of the company	Non-controlling interest	Total
Balance as on July 01, 2016	957,324	1,925,858	67,338	2,417,698	5,368,218	352	5,368,570
Cash Dividend paid	-	-	-	(102,786)	(102,786)	-	(102,786)
Comprehensive income for the period		-	-	138,465	138,465	2	138,467
Balance at December 31, 2016	957,324	1,925,858	67,338	2,453,377	5,403,897	354	5,404,251
Balance as on July 01, 2017	957,324	1,925,858	67,338	2,722,946	5,673,466	395	5,673,861
Cash Dividend paid	-	-	-	(88,529)	(88,529)	-	(88,529)
Comprehensive income for the period		-	-	160,774	160,774	16	160,790
Balance at December 31, 2017	957,324	1,925,858	67,338	2,795,191	5,745,711	411	5,746,122

Sd/-
Chairman

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Company Secretary

Aftab Automobiles Limited and its Subsidiary

Consolidated notes to the Financial Statements

As at and for the 2nd Quarter ended December 31, 2017

1. Corporate Information and Mode of Business

Aftab Automobiles Limited (the company), was incorporated in Bangladesh in 1967 as a Private Limited Company. In 1981 the company registered itself as a Public Limited Company which is one of the largest automobile assembling plants in the private sector. The Registered Office of the Company is located at 125/A, Motijheel Commercial Area, Dhaka-1000. The Company was listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited in the year 1987 and 1996 respectively.

The principal activities of the Company throughout the period were assembling of Toyota Land Cruiser soft top / Pick-up, Land Cruiser Prado, Hino Bus, Hino Mini Bus / Truck Chassis with a production Capacity of 2400 units of vehicles in 3 shifts in Assembling Unit. At present the plant is running single shift. The Company has recently setup a Motor Cycle Unit with a capacity of 10,000 units of Motor Cycle per year. Sales of Motor Cycle shall be start in the year 2013-2014. The Company has one subsidiary company namely Navana Batteries Ltd, that produce and market Batteries.

2. Significant Accounting Policies and basis of preparation of the financial statements

2.1 . Statement of Compliance

The financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS)- 34 Interim Financial Reporting Standards

2.3 . Basis of Reporting

The financial statements are prepared and presented for external users by the company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirement of BAS 1- "Presentation of Financial Statements".

2.4. Reporting Period

These financial statements cover 2nd Quarter of accounting year of the company for the period from July 01, 2017 to December 31, 2017

3. Cost of sales

Materials
Factory Overhead
Depreciation

Amount in '000' Tk

	July ' 2017 to December' 2017	July ' 2016 to December' 2016
	1,839,140	1,281,222
	64,104	58,391
	44,937	39,854
	<u>1,948,181</u>	<u>1,379,467</u>

	Amount in '000' Tk	
	31/12/17	30/06/17
4 Property, plant and equipment, net		
Opening Balance	1,742,323	1,265,524
Add : Addition for the Period	35,317	491,035
Add : Transferred from Capital W-I-P	232,930	73,862
	2,010,570	1,830,421
Less : Depreciation	44,937	88,098
Closing Balance	1,965,633	1,742,323
5 Capital work-in-progress		
Opening balance	289,002	103,416
Add : Addition during the Period	39,563	369,419
	328,565	472,835
Less: Transfer to property, plant & equipment	232,930	183,833
Closing balance	95,635	289,002
6 Receivables		
Receivables -Non-Current Maturity	1,987,426	2,041,737
Receivables -Current Maturity	1,837,236	1,647,745
	3,824,662	3,689,482
7 Stock and stores		
Finished products	1,114,658	1,393,323
Raw materials	357,421	385,463
Work-in-process	92,057	77,094
Stores and spares	20,541	2,046
Goods in transit	333,872	273,218
	1,918,549	2,131,144
8 Advances, deposits and prepayments		
Advance to suppliers	752,032	638,320
Advance to employees	40,812	34,954
Deposits for motor Cycle Unit	69,476	69,476
Advance to others	235,913	119,198
Current Account with VAT	114,819	81,263
Deposits	352,961	333,612
Advance Income tax (note-8.1)	965,019	881,762
	2,531,032	2,158,585
8.1 Advance Income tax		
Opening balance	881,762	662,760
Add : Addition during the Period	83,257	219,002
	965,019	881,762
Less : Adjustment made during the period	-	-
Closing Balance	965,019	881,762
9 Cash and bank balances		
Cash in hand	45,065	27,954
Cash at bank :		
Current & STD Accounts	419,492	344,228
FDR AC	108,233	108,962
	572,790	481,144

	Amount in '000' Tk	
	31/12/17	30/06/17
10 Long Term loan-Net of current portion		
Agrani Bank Ltd.	309,365	309,656
Meghna bank Ltd AC 631-4	86,952	92,255
South-bangla Agricultural & commerce Ltd.	73,552	78,668
Standard bank ltd.	99,610	94,628
Mutual trust bank ltd.	146,274	137,679
Bank Asia Ltd.	160,654	153,057
City bank Ltd.STL	216,667	105,453
Uttara Finance & investment Ltd.	97,960	37,023
Prime bank Ltd. HP loan	79,600	107,667
Midland Bank Ltd.	50,405	53,345
Peoples Leasing & Financial services Ltd.	79,716	109,325
Mercantile bank Ltd. Term loan	134,272	85,864
One Bank Ltd. Lease Loan	388,113	149,696
Al-Arafah Islami Bank Ltd.	18,112	30,344
Trust Bank Ltd.	388,510	357,037
Dutch-Bangla Bank Ltd	188,426	103,065
NCC Bank Ltd TL AC	164,092	126,117
Bay Leasing and investment Ltd.	90,703	97,454
GSP Finance co.(Bd) Ltd.	166,456	191,949
Midas financing Ltd.	34,839	39,962
Union Capital Ltd.	134,981	150,912
Modhumoti bank Ltd.	7,022	83,143
Brac Bank Ltd.	50,639	-
	3,166,920	2,694,299
less: Long Term loan-Current portion	791,730	673,575
Long Term loan-Net of current portion	2,375,190	2,020,724
11 Deferred tax liability		
Opening Balance	121,595	107,293
Add : Addition for the Period	7,054	12,386
Add : For Associate Company	4,889	1,916
Closing Balance	133,538	121,595
12 Short-term loan		
Bank Asia Ltd.SOD A/C	463,206	493,993
Standard Bank Ltd CC A/C	41,277	40,849
NRB Commercial Ltd. OD A/C	212,978	210,979
NCC Bank Ltd CC A/C	50,765	66,560
Dhaka Bank Ltd.OD A/C	54,082	51,084
Mercantile Bank Ltd CC A/C	55,755	73,124
The City Bank Ltd OD A/C	30,767	30,632
Midland Bank Ltd. OD A/C	20,640	21,238
Prime bank Ltd. SOD A/C	51,426	49,706
SBAC Bank Ltd. CC A/C	32,148	31,108
Mutual trust bank ltd.CC A/C	53,756	51,554
Southeast Bank Ltd. CC A/C	294,769	335,271
Modhumoti Bank Ltd. CC A/C	82,642	122,227
Dutch-Bangla Bank Ltd. SOD A/C	599,909	600,956
Al-Arafah Islami Bank Ltd. CC A/C	60,043	33,171
Social Islami Bank Ltd. CC A/C	56,563	53,164
	2,160,726	2,265,616
13 Accrued and other current liabilities		
For goods supplied	71,396	73,348
For expenses	104,292	101,171
For Income tax	670,645	733,518
For gratuity	47,657	45,157
For Workers' P.P.F. and W.F.	62,632	52,047
For other finance	39,671	57,632
Unclaimed dividend	49,688	50,271
	1,045,982	1,113,144