

AFTAB AUTOMOBILES LIMITED
HALF-YEARLY REPORT
2015-2016

Dear Shareholders,

We are pleased to forward herewith this half yearly un-audited financial statements which consist of consolidated statement of financial position as at 29 February 2016, consolidated Statement of Profit or Loss and other Comprehensive Income, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the Financial Statements for the half year ended on that date.

Sd/-
Chairman

Dated, Dhaka.
 March 30, 2016

Aftab Automobiles Limited and its Subsidiary

Un-Audited consolidated Statement of Profit or Loss and other Comprehensive Income
For the half year ended February 29, 2016

Particulars	Notes	(Amount in "000" Tk.)			
		Half year ended 29/02/16	Half year ended 28/02/15	3-Months ended 1/12/15 to 29/02/16	3-Months ended 1/12/14 to 28/02/15
		BD Taka	BD Taka	BD Taka	BD Taka
Revenues		1,644,772	1,332,892	764,271	682,215
Less : Cost of sales	3	1,220,433	998,265	562,906	519,161
Gross profit		424,339	334,627	201,365	163,054
Less: Operating expenses		232,190	174,171	119,628	98,041
Administrative expenses		44,803	38,306	20,363	19,183
Selling and distribution expenses		57,967	48,340	37,349	26,953
Financial charges		129,420	87,525	61,916	51,905
Operating profit		192,149	160,456	81,737	65,013
Add : Other income		3,820	15,778	2,800	14,236
Less : Contribution to WPPF		9,332	8,392	4,026	3,774
Add : Share of profit from associate company		10,717	20,082	10,047	20,082
Profit before tax		197,354	187,924	90,559	95,557
Less : Provision for Income tax		51,554	50,973	21,908	26,130
Current tax		49,358	49,521	20,810	25,646
Deferred tax		2,196	1,452	1,098	484
Net income for the Period		145,800	116,869	69,320	69,427
Revaluation Gain/(Loss) on investment in share		(316)	(1,012)	(896)	(1,223)
Total comprehensive income for the Period		145,484	115,857	68,424	68,204
Total comprehensive income for the Period					
Attributable to:					
Equity holders		145,484	115,857	68,424	68,204
Non-controlling interests		0.83	16	5.17	4
Total comprehensive income for the period		145,484	115,873	68,430	68,208
Earnings per share		1.52	1.22	0.72	0.73

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
CFO

Sd/-
Company Secretary

Aftab Automobiles Limited and its Subsidiary

Un-Audited consolidated Statement of Financial Position

As at February 29, 2016

		Amount in '000' Tk		
		29/02/16	31/08/15	
Notes		BD Taka	BD Taka	
Assets :				
Non-current assets				
	Property, plant and equipment, net	4	1,196,635	1,033,688
	Capital work in progress	5	91,960	266,817
	Investments in shares		5,544	5,860
	Investments in associate		287,534	274,138
	Receivables -Long term	6	2,904,030	2,877,234
Total non-current assets			4,485,703	4,457,737
Current assets				
	Receivables -Short term	6	1,423,521	1,450,556
	Stock and stores	7	1,636,559	1,351,371
	Income tax deducted at source		617,793	564,368
	Advance, deposits and prepayments	8	1,411,030	1,390,450
	Cash and bank balances	9	300,252	338,955
Total current assets :			5,389,155	5,095,700
Total Assets			9,874,858	9,553,437
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		2,286,449	2,247,588
Equity attributable to equity holders			5,236,969	5,198,108
Non-controlling interest			323	322
Total equity			5,237,291	5,198,430
Non-current liabilities				
	Loan and deferred liabilities (unsecured)		25,310	25,310
	Long Term loan-Net of current portion	10	1,341,227	1,408,434
	Deferred tax liability		107,409	102,534
Total non-current liabilities			1,473,945	1,536,278
Current liabilities :				
	Long Term loan-Current portion	10	447,076	469,478
	Short-term loan	11	1,658,013	1,394,533
	Accrued and other current liabilities	12	1,058,533	954,718
Total current liabilities :			3,163,622	2,818,729
Total liabilities			4,637,567	4,355,007
Total Equity and Liabilities			9,874,858	9,553,437
Net assets value per share (NAVPS)			54.70	54.30

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 Cash Flows

For the half year ended February 29, 2016

(Amount in "000" Tk.)

Particulars	Half year ended 29/02/16	Half year ended 28/02/15
	BD Taka	BD Taka
A. Cash flows from operating activities		
Receipts from customers	1,645,011	1,605,261
Receipts as other income	3,820	15,778
Payments to suppliers and employees	(1,535,314)	(1,025,192)
Cash generated from operations	113,517	595,847
Income tax paid	(66,587)	(43,949)
Net cash generated by operating activities	46,930	551,898
B. Cash flows from investing activities		
Acquisition of property, plant & equipment	(23,460)	(18,953)
Capital work in progress	-	(206,839)
Net cash used investing activities	(23,460)	(225,792)
C. Cash flows from financing activities		
Received of bank loan	173,870	(309,301)
Financial charges paid	(129,420)	(87,525)
Dividend paid	(106,623)	(133,085)
Net cash used in financing activities	(62,173)	(529,911)
D. Net changes in cash & cash equivalents for the period (A+B+C)	(38,703)	(203,805)
E. Cash & cash equivalents at beginning of the period	338,955	490,311
F. Cash & cash equivalents at end of the period (D+E)	300,252	286,506
Net operating cash flows per share (NOCFPS)	0.49	5.77

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 Changes in Equity

For the half year ended February 29, 2016

(Amount in "000" Tk.)

Particulars	Share capital	Share premium	Reserves	Retained earnings	Attributable to equity holders of the company	Non-controlling interest	Total
	BD Taka	BD Taka	BD Taka	BD Taka	BD Taka	BD Taka	BD Taka
Balance as on 1st September , 2014	957,324	1,925,858	67,338	2,088,569	5,039,089	273	5,039,362
Cash Dividend paid	-	-	-	(133,085)	(133,085)	-	(133,085)
Comprehensive income for the period		-	-	115,841	115,841	16	115,857
Balance at February 28, 2015	957,324	1,925,858	67,338	2,071,325	5,021,845	289	5,022,134
Balance as on 1st September , 2015	957,324	1,925,858	67,338	2,247,588	5,198,108	322	5,198,430
Cash Dividend paid	-	-	-	(106,623)	(106,623)	-	(106,623)
Comprehensive income for the period		-	-	145,484	145,484	1	145,484
Balance at February 29, 2016	957,324	1,925,858	67,338	2,286,449	5,236,969	323	5,237,291

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
C F O

Sd/-
Company Secretary

Aftab Automobiles Limited and its Subsidiary

Consolidated notes to the Financial Statements

As at and for the Half yearly ended February 29, 2016

1. Corporate Information and Mode of Business

1.1 Corporate Information

Aftab Automobiles Limited (the company), was incorporated in the then erstwhile East Pakistan in 1967 as a Private Limited Company. In 1981 the company was converted to a Public Limited Company which is one of the largest automobile assembling plant 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.

1.2 Mode of Business

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. The Company has recently setup a Motorcycle Unit with a capacity of 10,000 units of Motorcycle per year. The Company has one subsidiary company namely Navana Batteries Ltd, that produce industrial and automotive 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 Half yearly of accounting year of the company for the period from September 1, 2015 to February 29, 2016

3 Cost of sales

	<u>Amount in '000' Tk</u>	
	<u>Period ended</u>	<u>Period ended</u>
	<u>29/02/16</u>	<u>28/02/15</u>
	<u>BD Taka</u>	<u>BD Taka</u>
Materials	1,127,069	921,333
Factory Overhead	57,994	52,950
Depreciation	35,370	23,982
	<u>1,220,433</u>	<u>998,265</u>

		Amount in '000' Tk	
		29/02/16	31/08/15
		BD Taka	BD Taka
4	Property, plant and equipment, net		
	Opening Balance	1,033,688	785,502
	Add : Addition for the Period	23,460	126,681
	Add : Transferred from Capital WIP	174,857	184,473
		1,232,005	1,096,656
	Less Depreciation	35,370	62,968
	Closing Balance	1,196,635	1,033,688
5	Capital work in progress		
	Opening balance	266,817	191,996
	Addition during the Period/ year	-	259,294
		266,817	451,290
	Less: transfer to property, plant & equipment	174,857	184,473
	Closing balance	91,960	266,817
6	Receivables		
	Long Term receivable	2,904,030	2,877,234
	Short Term receivable	1,423,521	1,450,556
		4,327,551	4,327,790
7	Stock and stores		
	Finished products	679,699	675,113
	Raw materials	456,803	471,546
	Work-in-process	100,890	95,365
	Stores and spares	105,180	12,458
	Goods in transit	293,987	96,889
		1,636,559	1,351,371
8	Advances, deposits and prepayments		
	Advance to suppliers	680,363	716,399
	Advance to employees	55,067	59,117
	Deposits for motor Cycle Unit	69,476	69,476
	Advance to others	126,793	98,395
	Current Account with VAT	89,510	38,025
	Deposits	389,821	409,038
		1,411,030	1,390,450
9	Cash and bank balances		
	Cash in hand	20,879	12,118
	Cash at bank :		
	Current & STD Accounts	182,413	233,201
	FDR AC	96,960	93,636
		300,252	338,955

		Amount in '000' Tk	
		29/02/16	31/08/15
		BD Taka	BD Taka
10	Long Term loan-Net of current portion		
	Agrani Bank Ltd.	321,431	312,046
	Meghna bank Ltd AC 631-4	144,680	162,458
	South-bangla Agricultural & commerce Bank Ltd.	114,364	127,209
	Standard bank Ltd.	27,878	31,840
	Mutual trust bank Ltd.	11,995	74,997
	Uttara Finance and Investment Ltd.	147,531	198,397
	Peoples Leasing & Financial Services Ltd.	205,556	245,538
	One Bank Ltd. Lease Loan	9,938	10,080
	Al-Arafah Islami Bank Ltd.	16,207	35,059
	Trust Bank Ltd.	254,250	236,925
	Dutch-bangla Bank Ltd.	459,356	392,611
	Social Islami Bank Ltd.	48,645	45,825
	IDLC Finance Ltd.	2,115	3,223
	National finance Ltd	1,278	1,704
	NCC Lease Finance	23,078	-
		1,788,302	1,877,912
	less: Long Term loan-Current portion	447,076	469,478
	Long Term loan-Net of current portion	1,341,227	1,408,434
11	Short-term loan		
	Bank Asia Ltd.	465,428	466,463
	Standard Bank Ltd CC AC	38,295	41,737
	NRB Commercial bank Ltd.	263,340	90,000
	NCC Bank Ltd CC AC	49,987	69,644
	Midland Bank Ltd. O/D AC	19,826	63,158
	Dhaka Bank Ltd.	45,950	102,443
	Mercantile Bank	114,169	19,270
	Southeast Bank Ltd.	157,488	195,963
	National Bank Ltd. CC loan	311,712	199,870
	Shahjalal Islami bank Ltd.	-	3,657
	The City Bank Ltd O/D Ac	31,130	29,975
	Prime bank Ltd. SOD A/C	97,038	49,945
	One bank Ltd. SOD A/C	30,908	30,908
	South-bangla Agricultural & commerce Bank Ltd.	32,742	31,500
		1,658,013	1,394,533
12	Accrued and other current liabilities		
	For goods supplied	156,792	75,793
	For expenses	128,370	132,840
	For Income tax	549,741	513,545
	For gratuity	37,326	35,326
	For Workers' P.P.F. and W.F.	56,336	47,004
	Unclaimed dividend	34,159	32,215
	For other finance	95,809	117,995
		1,058,533	954,718