

**HALF-YEARLY FINANCIAL STATEMENTS
ENDED ON DECEMBER 31, 2010
(UN-AUDITED)**

ISSUE DATE: JANUARY 30, 2011



DHAKA ELCTERIC SUPPLY COMPANY LTD

REGISTERED OFFICE AT
House # 03, Road # 24, Block # K, Banani, Dhaka – 1213
Tel: 8860341 Fax: 8854648
e-mail: info@desco.org.bd
www.desco.org.bd

The Half yearly financial statements is also available in the website of the company at www.desco.org.bd

Dhaka Electric Supply Company Limited (DESCO)
Balance Sheet (un-audited)
As at December 31, 2010

| | Dec 31, 2010 Taka | June 30, 2010 Taka |
|-------------------------------------|-----------------------|-----------------------|
| APPLICATION OF FUND: | | |
| Non Current Assets: | | |
| Property, Plant & Equipment | 8,478,197,738 | 8,440,892,392 |
| Capital Work -in- Progress | 807,079,864 | 335,313,744 |
| Investment in Shares | 1,000 | 29,131,000 |
| | 9,285,278,602 | 8,805,337,136 |
| Current Assets: | | |
| Stores and Spares | 4,318,109,173 | 4,671,791,625 |
| Accounts Receivable | 2,278,943,000 | 2,375,140,475 |
| Advances & Deposits | 141,440,533 | 134,659,063 |
| Advance Income Tax | 569,242,197 | 438,322,022 |
| Cash and Bank Balances | 10,887,858,242 | 9,668,541,622 |
| | 18,195,593,145 | 17,288,454,806 |
| Current Liabilities: | | |
| Creditors for Goods | 846,317,608 | 1,028,992,195 |
| Creditors for Expenses | 45,101,642 | 79,095,756 |
| Creditors for Other Finance | 874,708,731 | 747,920,808 |
| Accounts Payable - Energy Purchase | 1,445,496,389 | 1,865,308,079 |
| Current maturity of Long Term Loans | 104,526,828 | 257,279,761 |
| Accrued Interest on Loans | 434,692,846 | 359,487,194 |
| Provision for income Tax | 694,216,684 | 405,311,658 |
| | 4,445,060,728 | 4,743,395,450 |
| Net Current Assets | 13,750,532,418 | 12,545,059,356 |
| | 23,035,811,019 | 21,350,396,492 |
| SOURCES OF FUND: | | |
| Shareholders Equity: | | |
| Share Capital | 1,601,704,440 | 1,601,704,440 |
| Share Money Deposit | 75,000,000 | 75,000,000 |
| GOB Equity | 1,552,140,000 | 1,552,140,000 |
| Un-appropriated Profit | 6,496,575,760 | 5,531,011,194 |
| | 9,725,420,200 | 8,759,855,634 |
| Long Term Liabilities: | | |
| Long Term Loan from ADB/GOB | 7,112,979,333 | 6,482,508,563 |
| Deferred Tax Liability | 1,293,835,706 | 1,213,835,706 |
| Due to DESA (For assets taken over) | 4,039,671,539 | 4,039,671,539 |
| Security Deposits - Consumers | 863,904,241 | 854,525,049 |
| | 13,310,390,819 | 12,590,540,857 |
| | 23,035,811,019 | 21,350,396,492 |


Qudrate Khuda
Director (Finance)


Md. Monzur Rahman
Managing Director(In-Charge)

Note: The half yearly financial statements is available in the website of the company at www.desco.org.bd

Dhaka Electric Supply Company Limited (DESCO)
Income Statement (un audited)
For the half year ended December 31, 2010

| | July to Dec 2010 Taka | July to Dec 2009 Taka | Oct to Dec 2010 Taka | Oct to Dec 2009 Taka |
|---------------------------------------|--------------------------|--------------------------|-------------------------|-------------------------|
| Operating Revenue: | | | | |
| Energy Sales | 6,269,867,462 | 5,501,736,957 | 2,892,358,034 | 2,588,894,629 |
| Other Operating Revenue | 32,826,430 | 84,743,085 | 6,094,473 | 51,750,006 |
| Total Revenue from Operatic | 6,302,693,892 | 5,586,480,042 | 2,898,452,507 | 2,640,644,635 |
| Cost of energy Sales: | | | | |
| Energy Purchase | 4,190,911,610 | 3,990,882,426 | 1,853,725,654 | 1,822,254,839 |
| Operating expenditure | 176,212,951 | 178,777,523 | 64,564,442 | 72,824,507 |
| Depreciation (Operating) | 275,300,163 | 285,648,166 | 120,623,486 | 114,676,677 |
| | 4,642,424,724 | 4,455,308,115 | 2,038,913,582 | 2,009,756,023 |
| Gross Margin | 1,660,269,168 | 1,131,171,927 | 859,538,925 | 630,888,612 |
| Cost & Expenditures: | | | | |
| Administrative expenses | 66504795 | 53,874,551 | 39,253,074 | 34,573,132 |
| Employee expenses | 281693371 | 241,096,619 | 125,054,733 | 103,018,170 |
| Bad debts Provision | 5,874,904 | 4,433,032 | 5,874,904 | 4,754,621 |
| Depreciation (Non Operating) | 28,193,371 | 21,455,727 | 15,656,811 | 12,536,560 |
| | 382,266,441 | 320,859,929 | 185,839,522 | 154,882,483 |
| Operating Profit | 1,278,002,727 | 810,311,998 | 673,699,403 | 476,006,129 |
| Non Operating Income/(Expense) | | | | |
| Interest Income | 324245260 | 473,921,835 | 194,657,783 | 245,769,052 |
| Interest Expense | (136,600,148) | (119,229,105) | (69,152,363) | (84,847,036) |
| Exchange (Loss) provision | (165,311,247) | (14,425,936) | (120,098,551) | - |
| Miscellaneous Income | 340001 | 408,149 | (529,999) | 171,541 |
| Gain on sale of investment | 31136600 | - | - | - |
| Total Non Operating Income | 53,810,466 | 340,674,943 | 4,876,870 | 161,093,557 |
| Net Profit before tax | 1,331,813,193 | 1,150,986,941 | 678,576,273 | 637,099,686 |
| Current Tax Provision | (286,248,628) | (288,905,117) | (106,608,475) | (175,202,414) |
| Deferred Tax Provision | (80,000,000) | (28,840,875) | (25,000,000) | (55,000,000) |
| | (366,248,628) | (317,745,992) | (131,608,475) | (230,202,414) |
| Net Profit After Tax | 965,564,565 | 833,240,949 | 546,967,798 | 406,897,272 |
| Basic Earning per share (EPS) | 60.28 | 52.02 | 34.15 | 25.40 |
| No of Shares | 16,017,044 | 16,017,044 | 16,017,044 | 16,017,044 |

Note : 4,805,113 no of bonus share have subsequently been issued on 3rd January 2011.


Qudrate Khuda
Director (Finance)


Md. Monzur Rahman
Managing Director(In-Charge)

DHAKA ELECTRIC SUPPLY COMPANY LIMITED (DESCO)
CASH FLOW STATEMENT (un-audited)
For the half year ended December 31, 2010

| SL. NO. | PARTICULARS | Dec'31, 2010 | Dec'31, 2009 |
|-----------|--|-----------------------|------------------------|
| A. | <u>Cash Flow from operating Activities</u> | Taka | Taka |
| | Received from Energy Sales | 6,329,040,650 | 5,866,326,963 |
| | Collection of Govt. Duty, VAT & Tax | 310,961,357 | 265,573,357 |
| | Received from Other Operating & Non Operating Activities | 102,682,980 | 104,743,085 |
| | Received against Financial Income | 361,434,686 | 483,560,818 |
| | Payment for Energy Purchase | (4,610,901,102) | (4,340,831,681) |
| | Payment for Employees Expenses | (281,693,371) | (241,096,619) |
| | Payment for Administrative & Other Expenses | (66,504,795) | (44,000,496) |
| | Payment for Interest on Long Term Loan | (152,752,933) | (131,926,483) |
| | Income tax Paid | (130,860,268) | (74,943,705) |
| | Payment for Govt. Duty, Vat & Tax | (302,566,406) | (264,295,544) |
| | Net cash inflow from operating activities: | 1,558,840,798 | 1,623,109,695 |
| B. | <u>Cash Flow from Investing Activities:</u> | | |
| | Acquisition of Property & Plant | (166,471,124) | (173,737,788) |
| | Acquisition of Stores & Equipment | (588,400,960) | (1,224,329,849) |
| | Net cash used in investing activities: | (754,872,084) | (1,398,067,637) |
| C. | <u>Cash Flow from Financing Activities:</u> | | |
| | Long Term Loan | 465,159,523 | 664,951,040 |
| | Long Term Loan Paid | (61,394,496) | (117,595,257) |
| | Dividend Paid | (285,465) | (190,913,608) |
| | Consumer Security Deposit | 11,868,344 | 75,960,389 |
| | Net cash inflow from financing activities: | 415,347,906 | 432,402,564 |
| D. | Cash & Cash equivalents increase /(decrease) during the year | 1,219,316,620 | 657,444,622 |
| E. | Cash & Cash equivalents as at July 1,2010 | 9,668,541,622 | 8,491,302,150 |
| F. | Cash & Cash equivalents as at December 31, 2010 | 10,887,858,242 | 9,148,746,772 |

Net operating cash flow per share

97.32

101.34


Qudrate Khuda
 Director (Finance)


Md. Monzur Rahman
 Managing Director(In-Charge)

Dhaka Electric Supply Company Limited (DESCO)
Statement of Changes in Equity (un-Audited)
For the half year ended December 31, 2010

| Particulars | Share Capital | Share Money Deposit | GOB Equity | Reserve & Surplus | Proposed Dividend | Total |
|--------------------------------|----------------------|---------------------|----------------------|----------------------|-------------------|----------------------|
| Balance at 30 June 2010 | 1,601,704,440 | 75,000,000 | 1,552,140,000 | 5,531,011,195 | | 8,759,855,635 |
| Half yearly net profit | - | - | | 965,564,565 | - | 965,564,565 |
| Balance at 31 Dec' 2010 | 1,601,704,440 | 75,000,000 | 1,552,140,000 | 6,496,575,760 | - | 9,725,420,200 |

| Particulars | Share Capital | Share Money Deposit | GOB Equity | Reserve & Surplus | Proposed Dividend | Total |
|--------------------------------|----------------------|---------------------|----------------------|----------------------|--------------------|----------------------|
| Balance at 30 June 2009 | 1,334,753,700 | 75,000,000 | 1,552,140,000 | 3,757,874,232 | 600,639,165 | 7,320,407,097 |
| Half yearly net profit | - | - | | 833,240,949 | | 833,240,949 |
| Balance at 31 Dec' 2009 | 1,334,753,700 | 75,000,000 | 1,552,140,000 | 4,591,115,181 | 600,639,165 | 8,153,648,046 |


Qudrate Khuda
Director (Finance)


Md. Monzur Rahman
Managing Director(In-Charge)