

**An
Internship/Thesis Report
on
Financial Performance Analysis of Eastern Bank Limited**

Submitted by:

Name: Sha Newaz Shomi

ID: 1701010069

Program: BBA

BBA (Major in Accounting)

Semester: 12th

Submitted to:

Bachelor of Business Administration



Sonargaon University (SU)

Dhaka- 1215

Date of Submission: March 31, 2021

An
Internship Report
on
Financial Performance Analysis of Eastern Bank Limited



Supervised By:

Farjana Yeasmin Chowdhury

Lecturer

Department of Business Administration

Sonargaon University

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Letter of Transmittal

March 31, 2021

To

Farjana Yeasmin Chowdhury

Lecturer

Department of Business Administration

Sonargaon University (SU)

Subject: Submission of Internship report on Financial Performance Analysis of Eastern Bank Ltd.

Dear Madam,

This is my Pleasure to present my internship report entitled "Financial performance analysis of Eastern Bank Limited." I have conducted my internship program in Eastern Bank Limited 42 Gulshan North, Road-52, Dhaka-1212 under your close supervision.

I tried my best to put meticulous effort for the preparation of this report. Any short comings or flaw may arise as I am very much novice in this aspect. I will wholeheartedly welcome any clarification and suggestion about any view and conception disseminated in my report your support in this regard will be highly appreciated.

Sincerely,

Sha Newaz Shomi

ID: 1701010069

Bachelor of Business Administration

Sonargaon University (SU)

Letter of Approval

This is certifying that Sha Newaz Shomi, ID: 1701010069, BBA (Accounting), is a regular student of department of Business Administration. She was successfully completed her internship program at Eastern Bank Limited and has prepared this internship under my direct supervision. She assigned internship topic is "Financial Performance Analysis of Eastern Bank Limited." I think that the report will intentioned of fulfilling the partial requirement of BBA Program.

.....

Farjana Yeasmin Chowdhury

Lecturer

Department of Business Administration

Sonargaon University (SU)

Certification

Sha Newaz Shomi, a student of BBA, ID: 1701010069 has completed internship report on “Financial Performance Analysis of Eastern Bank Limited.” as a partial requirement for obtaining BBA degree. I have read the report and found that it meets the standard of BBA internship report Sha Newaz Shomi has completed the report my herself under my supervision.

I wish her all the success in life.

.....
Farjana Yeasmin Chowdhury
Lecturer
Department of Business Administration
Sonargaon University (SU)

ACKNOWLEDGEMENT

First, I would like to express my gratitude to almighty Allah to give me the strength to complete the report within the stipulated time.

I am deeply indebted to my Academic Supervisor “Farjana Yeasmin Chowdhury” madam for her whole hearted supervision. Her suggestion and comments were really a great source of spirit to make the report a good one.

Sincerely,

Sha Newaz Shomi

ID: 1701010069

Bachelor of Business Administration

Sonargaon University (SU)

EXECUTIVE SUMMARY

Eastern Bank Ltd. (EBL) began its journey in 1992 with a vision to become the bank of choice and to be the most valuable financial brand in Bangladesh. Over the years EBL has established itself as a leading private commercial bank in the country with undisputed leadership in Corporate Banking and a strong Consumer and SME growth engines. EBL's ambition is to be the number one financial services provider, creating lasting value for its clientele, shareholder, and employees and above all for the community it operates in.

The topic of my report is ***“Financial Performance Analysis of Eastern Bank Limited”***. My focus of the report is basically Eastern Bank’s financial performance analysis and comparison with other two banks such as BRAC Bank Ltd & City Bank Ltd.

At first, I focused on the background of Eastern Bank Ltd. Then I tried to give brief idea about Eastern Bank Ltd the Consumer banking division, Corporate banking division and SME division. Then I tried to mention what I have done in my project part that is performance analysis of Eastern Bank Ltd.

This report aims to analyzing Eastern Bank Ltd overall performance.

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Chapter: 01

PROJECT PART

Introduction

Banking Industry is one of the most promising industries of our country. The importance of the sector revealed through its contribution in the economic growth of the country. This sector accelerates economic growth through mobilizing funds from surplus unit to the deficit unit. Banking Industry is moving towards rapid changes due to technological innovation and diversified needs of its customers. As the pace of globalization competition in banking sector is increasing very fast. Banks are becoming more customers oriented and offer High Tech customized products to its target market to hold the market. Our central bank always keeps monitoring banks performances. Individual banks also need to assess their own performance to satisfy the parties those are related to its growth.

Origin of the Report

This internship report on Mercantile Bank Ltd. is prepared to fulfill the partial requirement of the internship program as full credit subject of the M.B.A. program of BRAC University. I have chosen to do my internship report titled "**Performance Evaluation of Eastern Bank Limited**" It will increase the knowledge to know the corporate world and will tend to apply theoretical knowledge in the practical life.

Problem Statement

This paper will begin by putting light on the Performance evaluation of the bank and continues to focus on overview of Eastern Bank Ltd. Therefore the intention is to find out the significant factor of financial performance of the bank. This paper features the above mentioned elements depicted by different graphs, tables, and charts in order to provide the reader with ease of understanding.

Objective of the study

The objective of the study as follows:

- To present an overview of Eastern Bank Limited.
- To present the principal activities of Eastern Bank Limited.
- To evaluate the performance of Eastern Bank Limited.
- To identify the problems of Eastern Bank Limited.
- To suggest remedial measures of development of Eastern Bank Limited.

Methodology

Both primary data and secondary data will be used in this report.

Primary data sources

- Primary data will be gathered by Focus group meetings.
- ☐ Direct observations are another important way to aid myself in learning more about the topic.

Secondary data sources

- Official Website of Eastern Bank Ltd.
- Annual Report of Eastern Bank Ltd.
- Some brochures and related articles of Eastern Bank Ltd.

Scope

This study is focused on the overall performance of Eastern Bank Ltd. This includes their financial condition, how they maintain it, and how they operate their different major business activities.

This study also covers the bank's history and performance mechanism.

Limitations

In every program or activities, one has to face numerous constraints. The constraints that have been during the preparation of this report are:

1. Time is a big constraint for my research. I had to go under my day to day job responsibility that I was supposed to do so. So I could get few more time to spend in collecting data for preparing my internship report.
2. Data insufficiency limitation is the main constraint in the development of the report.
3. This report did not include the whole financial position of Eastern Bank Ltd. it is a part.

Chapter: 02

Organization Part

Background of Eastern Bank Limited

The emergence of Eastern Bank Limited in the private sector is an important event in the banking industry of Bangladesh. Eastern Bank Limited started its business as a public limited company on August 8, 1992 with the primary objectives to carry on all kinds of banking business in and outside Bangladesh and also with a view to safeguard the interest of the depositors of Bank of Credit and Commerce International (BCCI).

The bank has scheduled commercial Bank under private sector established within the ambit of Bank Company Act, 1991 and was incorporated as a Public Limited Company on August 08, 1992. Eastern Bank Limited started commercial banking operations from August 19, 1992. A huge public response has enabled the Bank to keep up the plan of expanding its network. Within a span of twenty four years the bank has been able to deliver services to its customers through eighty branches. In terms of profitability the bank has outperformed its peer banks.

As a fully licensed commercial bank, Eastern Bank Ltd. is being managed by a highly professional and dedicated team with long experience in banking. They constantly focus on understanding and anticipating customer needs. As the banking scenario undergoes changes so is the bank and it repositions itself in the changed market condition.

Eastern Bank Ltd. offers all kinds of Commercial Corporate and Personal Banking services covering all segments of society within the framework of Banking Company Act and rules and regulations laid down by our central bank. Diversification of products and services include Corporate Banking, Retail Banking and Consumer Banking right from industry to agriculture, and real state to software.

Eastern Bank Ltd., since its beginning has attached more importance in technology integration. In order to retain competitive edge, investment in technology is always a top agenda and under constant focus. Keeping the network within a reasonable limit, our strategy is to serve the customers through capacity building across multi delivery channels.

Corporate Vision

To become the most valuable brand in the financial services in Bangladesh creating long-lasting value for our stakeholders and above all for the community we operate in by transforming the way we do business and by delivering sustainable growth.

Corporate Mission

- ❖ We will deliver service excellence to all our customers, both internal and external.
- ❖ We will ensure to maximize shareholders' value.
- ❖ We will constantly challenge our systems, procedures and training to maintain a cohesive and professional team in order to achieve service excellence.
- ❖ We will create an enabling environment and embrace a team based culture where people will excel.

Corporate Values

- ❖ **Service Excellence:**
 - We passionately drive customer delight.
 - We use customer satisfaction to accelerate growth.
 - We believe in change to bring in timely solution.
- ❖ **Openness:**
 - We share business plan.
 - We encourage two-way communications.
 - We recognize achievements, celebrate results.
- ❖ **Trust:**
 - We care for each other.
 - We share knowledge.
 - We empower our people.

Commitment:

- We know our road-map.
- We believe in continuous improvement.
- We do our task before we are told.

❖ **Integrity:**

- We say what we believe in.
- We respect every relationship.
- We are against abuse of information power.

❖ **Responsible Corporate Citizen:**

- We are tax-abiding citizen.
- We promote protection of the environment for our children.
- We conform to all laws, rules, norms, sentiments and values of the land.

Strategic Priority

- ❖ Deploying flexible business strategy in facing growing challenges in order to remain on sustained growth path.
- ❖ Exploring cross-selling opportunities through improved coordination and multi-skill development.
- ❖ Ensuring responsible governance through conformity with the laws and by conducting all our activities honestly, responsibly and ethically.
- ❖ Creating a corporate culture in which performance is rewarded equitably.
- ❖ Pursuing balanced growth through selective lending and by offering value proposition.
- ❖ Bringing the attitudes and goals of our people in line with the needs of our clients and the overall economy.
- ❖ Leveraging balance sheet management through improved productivity, recovery and cost rationalization.

Corporate Directory

Name of the Company: Eastern Bank Limited

Legal Form: A public limited company incorporated in Bangladesh on 08 August 1992 to carry out all kinds of banking businesses in and outside Bangladesh. Having taken over the businesses, assets, liabilities and losses of erstwhile Bank of Credit & Commerce International (Overseas) Limited as per BCCI Reconstruction Scheme 1992 of Bangladesh Bank, the Bank commenced its operations on 16 August 1992.

Ownership Composition:

Shareholding position of EBL by the Directors, General Public & Financial Institutions is presented below:

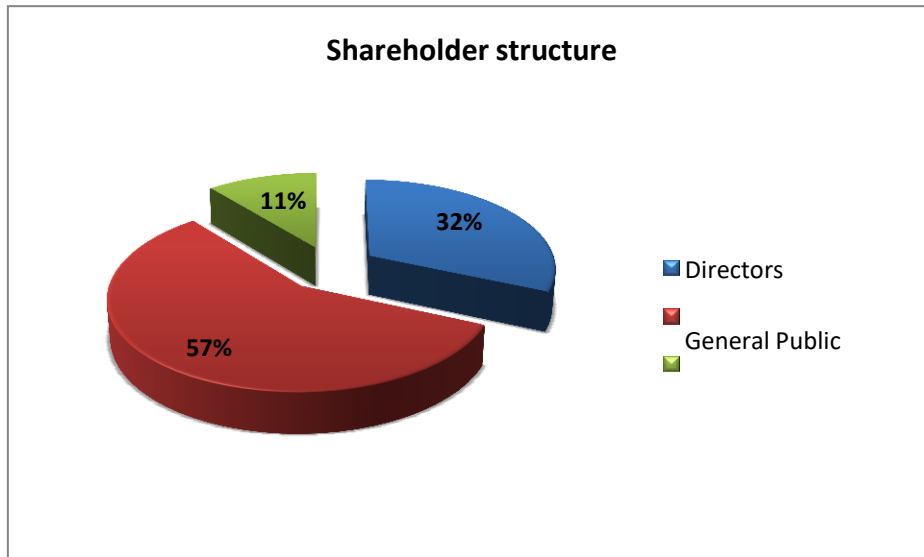


Figure: Shareholder Structure

Composition of the Group EBL

Eastern Bank Limited (Group)	
Bank	Subsidiaries (fully owned)
Eastern Bank Limited	EBL Securities Limited (Stock Dealing & Brokerage)
Off-Shore Banking Unit	EBL Investments Limited (Merchant Banking Operations)
Yangon Representative Office	EBL Asset Management Limited (Asset management i.e. managing mutual funds)
	EBL Finance (HK) Limited (First foreign subsidiary doing trade finance and off-shore banking business in Hong Kong)

Core Business

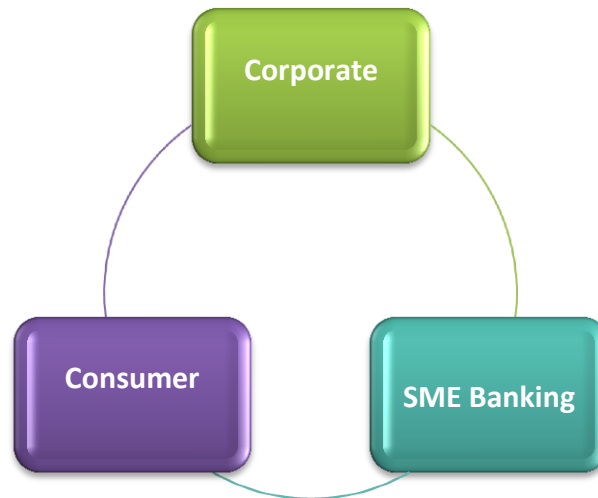
Over the years EBL has established itself as a leading private commercial bank in the country with established leadership in Corporate Banking and growing focus on SME and Consumer businesses. The Bank offers a wide range of depository, loan and card products and a variety of services to cater virtually for every customer segment. The product basket is rich in content featuring different types of Savings and Current Accounts, Term and Continuous Loans, Personal Loans, Debit/Credit Cards, Internet Banking, Sky-banking, Structured Finance, Treasury & Syndication services etc.

Network Coverage

Consumer Banking customers are served through a network of 80 Branches, 197 ATMs, 72 Bills Pay Machines and 15 priority centers countrywide. The bank has its presence in major cities/towns in the country SME Banking customers are served through 57 SME centers located across the country.

Divisions of Eastern Bank Ltd

Businesses of the bank are broadly segmented into three divisions:

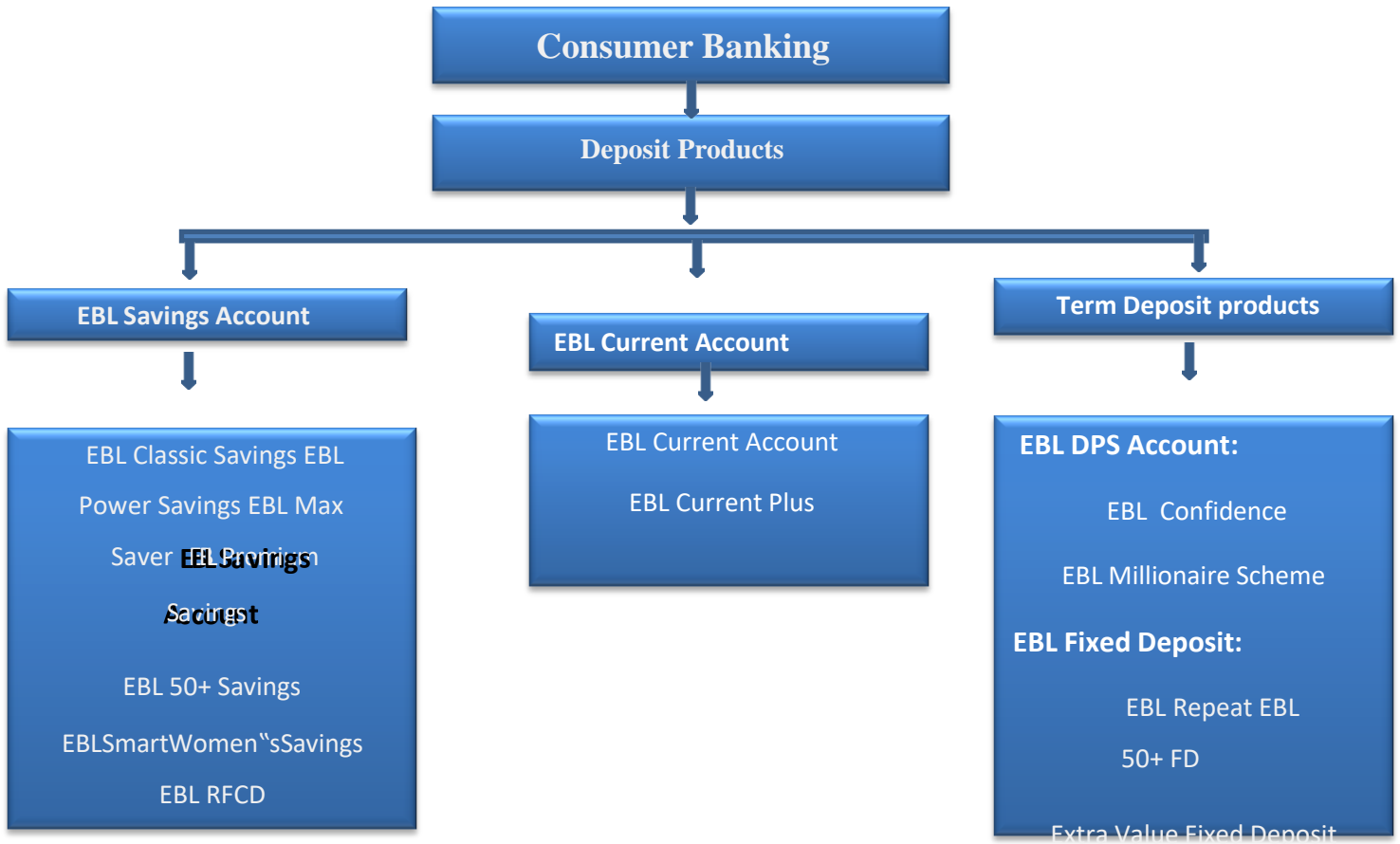


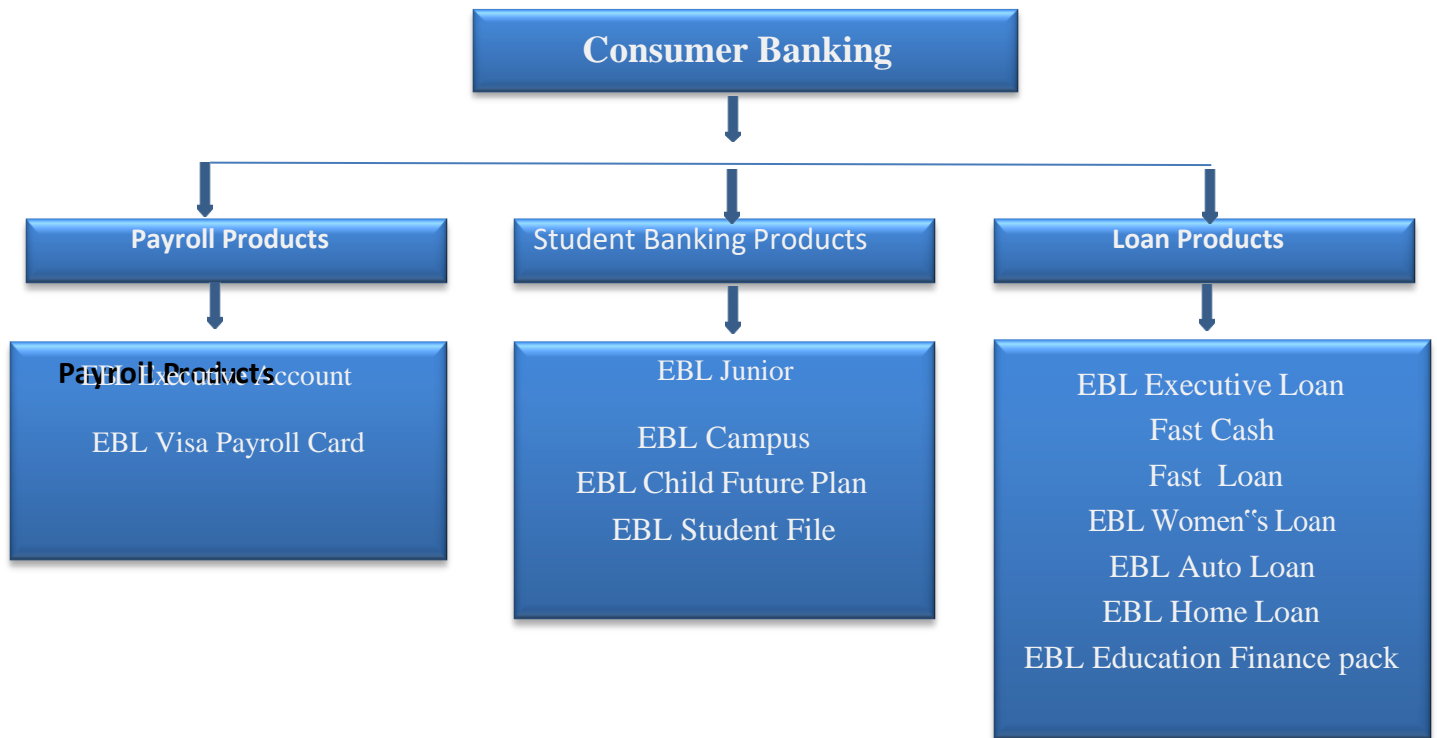
The Corporate banking division has 11 relationship units; 7 of them are stationed in suitable business location in Dhaka and the rest 4 are in Chittagong. To facilitate and support business units they have three product-specific solution based units i.e. Structured Finance Unit (SFU), Transaction Banking (TB) and Product & Portfolio Support Unit (PPSU).

Transaction Banking is supported by 3 particular Units i.e. Cash Management Unit (CMU), Trade Sales Unit (TSU) and Financial Institutions (FI) Unit. EBL Corporate Banking is geographically centralized in Dhaka and Chittagong, but it uses nationwide EBL branches, correspondent banks and affiliated networks worldwide to serve the large corporate banking clients of the country.

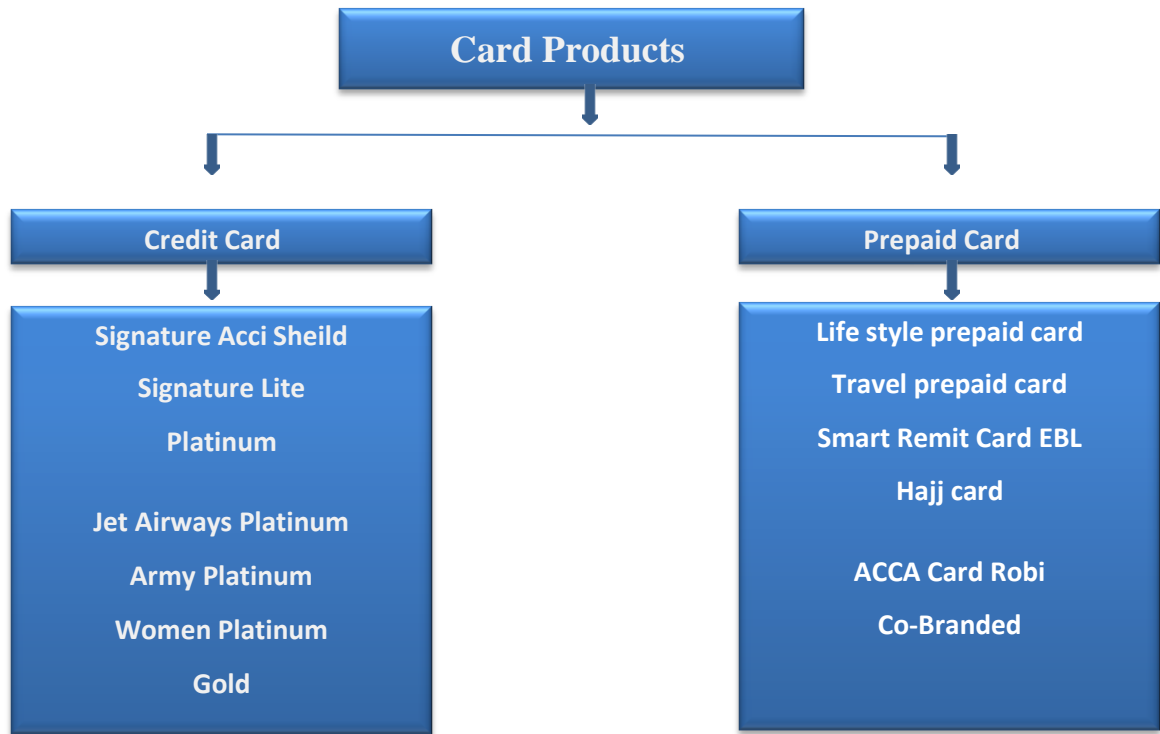
Products Basket & Service Propositions

Consumer banking consists of deposits & loan products. These are describe below





Card Products



Card Facilities

Skymiles Reward Program: A reward program bundled with a world of travel privileges. Customers can earn miles against their card purchases on their EBL Signature & Platinum Credit Cards.

EBL Zip: An equal monthly installment plans allowing cardholders to convert their high-volume retail purchase transactions at partner outlets into an installment scheme without any interest.

HIPO: EMI plan for EBL credit cardholders, which can be issued from the unused balance of credit card as Pay order, EBL to EBL Account transfer, or transfer to other bank's Accounts through EFTN.

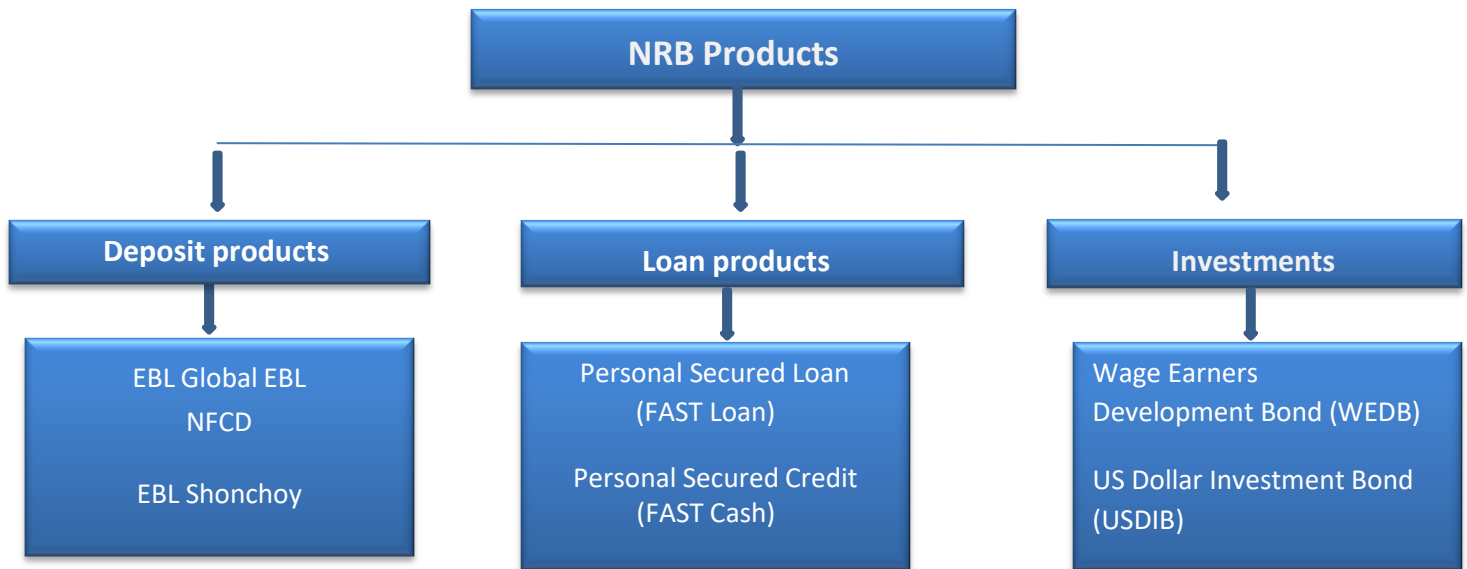
Debit EMI: Debit cardholders are offered EMI facility for the first time ever in Bangladesh. Through a linked fixed deposit with their Current Account or Savings Account can enjoy high volume purchase at select merchant outlets and payback in installments of 3 to 12 months

EBL CAS: Consumer Authentication service aimed for securing customer's e-commerce transactions by authenticating customer's identity prior to authorization process, adding a powerful layer of protection against fraud.

EBL Acquiring: EBL is providing acquiring services to the merchants. With EBL POS, merchants can offer acceptance of VISA and MasterCard debit, credit and prepaid cards issued locally and globally to customers. Furthermore, EBL POS machines facilitate acceptance of both magnetic strip and EMV chip cards.

NRB Products

Matribhumi is a tailor-made product and service propositions for the NRBs which includes:



Digital Banking & Payments

SKYBANKING: SKYBANKING, a complete mobile app based banking service accessible through smart phone or tab from anywhere anytime is designed to provide the customers with all the basic banking services such as checking account information or credit card details, paying utility bills, transferring fund and mobile top-up, accessing product information, priority banking, benefit partner list, ZIP partner list, EBL location, message center, contacting EBL and many more.

Internet Banking: Distance, time or location is no longer any issue for EBL customers as EBL offers 24 hour banking service through its Internet Banking facility. Bundled with features like utility bill payments, instant mobile top-up, fund transfer (even in other bank accounts) and many other banking services, EBL Internet Banking Service allows ultimate convenience to the customers.

EBL 365: Having a nationwide network of 197 ATMs (branded as EBL 365) open for 24X7 and

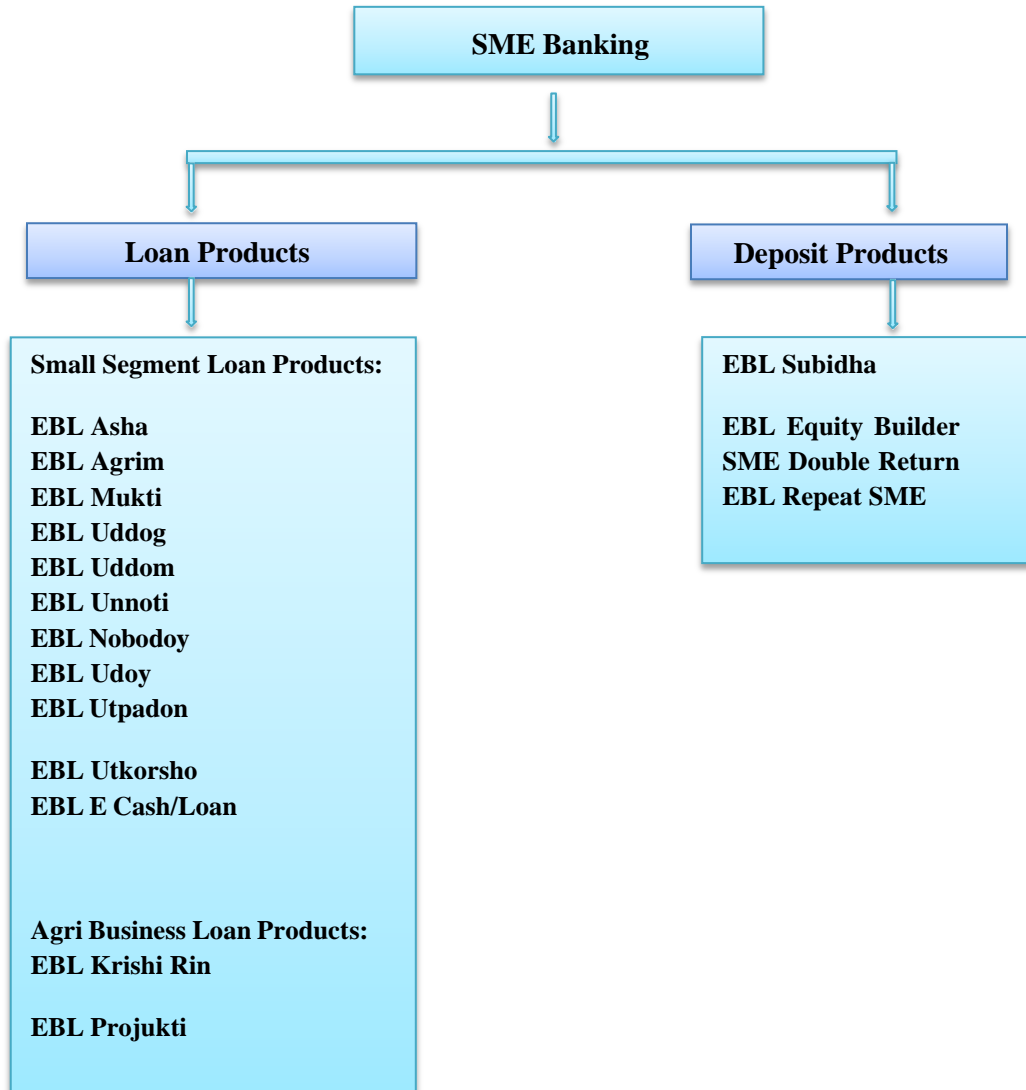
365 days a year, EBL makes its customers feel never far away from the bank.

EBL Dropbox: EBL has 72 Cash Deposit Machines (branded as EBL Dropbox) in its fleet making it the second largest bank with the widest network of Cash Deposit Machines in the country allowing the customers to pay bills and deposit cash & cheque, which are collected and settled twice a day. EBL is the only local bank to offer this service.

EBL Contact Center with Phone Banking facility: Equipped with state of the art technology and full set of IVR services, EBL Contact Centre acts as the „one stop solution“ for various kinds of banking services to its valued customers on 24X7X365 basis over the phone. Just a call to 16230 or 8332232 fulfills a lot of banking needs. EBL SMS Banking & SMS Alert Service EBL SMS banking provides its customers with access to EBL products & services while SMS Alert Service sends instant notifications to the customers“ mobile phones for any usage of theirrespective account or credit card.

SME Banking

SME banking consists of loan products and deposits products. These are describe below



Corporate Banking

Eastern Bank Limited is the leader in offering customized corporate banking products, services and solutions to its valued clients including large local corporate, multinational, Development organizations, Financial Institutions, Non-bank Financial Institutions and public corporations. We serve more than 2,000 clients- including many of the industry leaders- through our dedicated relationship teams, industry specialists and product experts. EBL Corporate Banking is committed to deliver the full spectrum of banking solutions, from simple transactional products to complex structured finance that eventually helps the customer to achieve their financial goal.

Cash Management Solutions

These solutions aim at managing client's business liquidity effectively and efficiently through extending extensive range of products and services. Some common deposit products like Current Deposit, Short Notice Deposit, Fixed Deposit, High Performance Account etc are offered to corporate customers.

- I. **Nationwide Collection Services (NCS):** Nationwide Collection Services (NCS) is formulated to facilitate collecting daily funds through EBL own branch network and corresponding bank network and crediting the same to the single collection account maintained with EBL which will facilitate large corporate by providing faster funds availability in a cost-effective manner.
- II. **Payment Transfer Services (PTS):** Eastern Bank's Payment Transfer Service (PTS) is formulated to facilitate organizations to transfer funds to their respective Branch Offices through EBL own branches and also through Bangladesh Electronic Fund Transfer Network (BEFTN) across the country which facilitates the corporate clients by providing faster fund transfer solution in a cost-effective manner.
- III. **EBL Cheq Pro:** EBL Cheq Pro is very user-friendly software which facilitates the preparation, printing, recording and reconciliation of Eastern Bank Limited cheques and generates different kinds of MIS.

- IV. **Cash Pick-up & Delivery Service:** Cash Pick-up & Delivery Service is designed for cash pick-up from the designated EBL branch and to be delivered in the office premises of the client and the service provided through enlisted security company of the Bank.

Working Capital Solutions

Provides flexible financing to smooth and improve cash flow, full range of Working Capital products can help customers to meet day-to-day financial obligations and fund business growth. Working capital solutions comprises full range of Trade solutions. Trade solution is designed to enhance trading status and to help achieving client's domestic and international trade objectives:

I. Funded Facilities

- Import Loan: Post import facility against L/C.
- Demand Loan: To meet cash requirement from time to time (local purchase/duty/tax etc)
- Manufacturers Demand Loan: Facilitating the manufacturers with low cost working capital Loan.
- Overdraft: To meet day to day overhead expenses.
- Time Loan: To meet short term requirement/ post import against Machinery LC etc.
- Packing Credit: To meet fund requirement of the exporters to make export items.
- Local Documentary Bill Purchased (LDBP): To purchase/ discount against Local L/C.
- Foreign Documentary Bill Purchased (FDBP): To purchase/ discount/negotiate export documents against Sight/ Usance Export L/C.
- EDF Loan: To finance LC under Export Development Fund.

II. Non Funded Facilities:

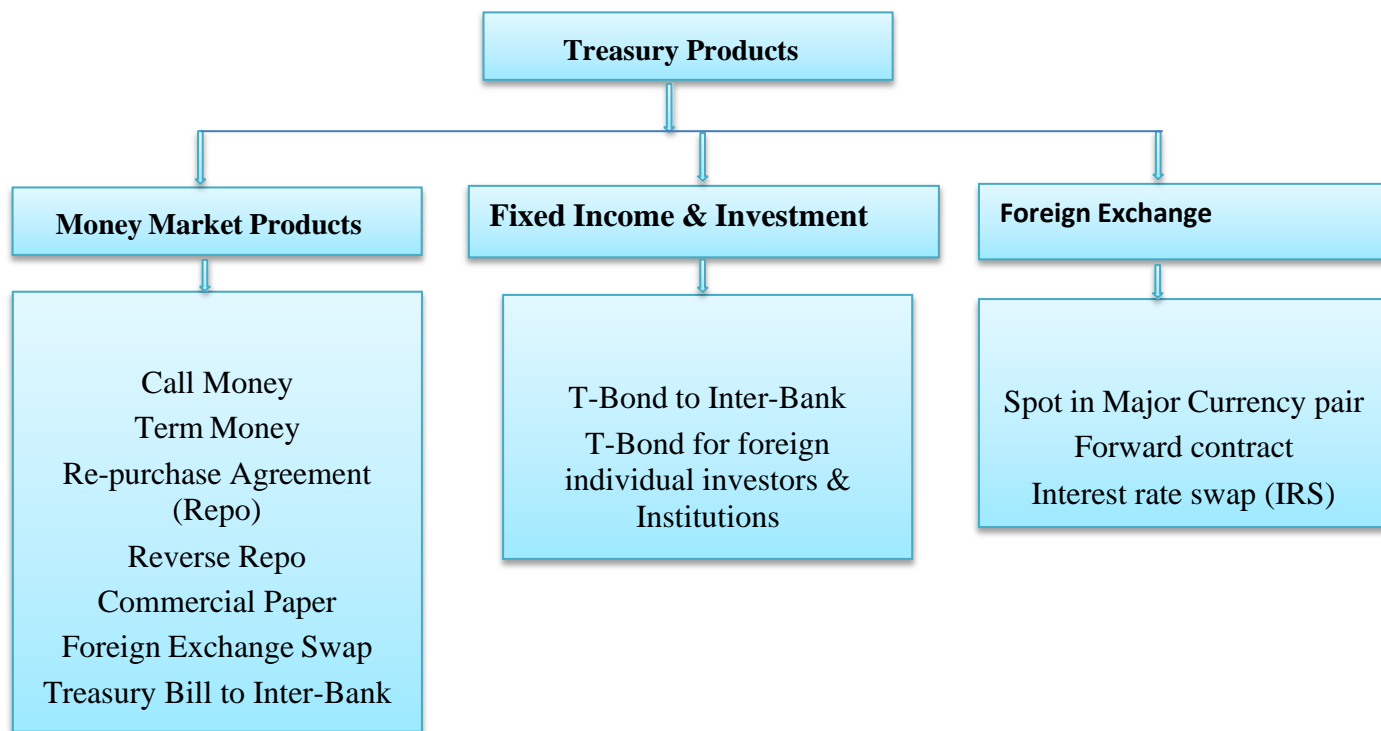
Letter of Credit (Cash/Back to Back):

- Sight LC: To import locally/from abroad on sight basis.
- Usance/ Deferred LC: To import locally/ from abroad on usance/deferred basis.
- Structured LC/OBU: Usance LC with sight payment arrangement to beneficiary after shipment by EBL Offshore Banking Unit or correspondent Bank.

Guarantee (Open Ended/close Ended):

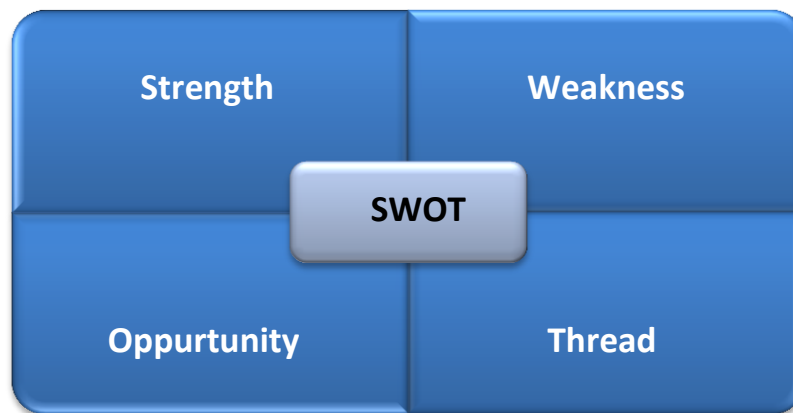
- Performance Guarantee
- Bid Bond
- Advance payment Guarantee
- Retention Bond
- Security Bond

Treasury Products



SWOT analysis of Eastern Bank Ltd

A SWOT analysis is “a technique for matching organizational strengths and weaknesses with environmental opportunities and threats to determine the organization’s right niche”. SWOT analysis is an important tool for evaluating the company’s Strengths, Weaknesses, Opportunities and Threats. It helps the organization to identify how to evaluate its performance and scan the macro environment, which in turn would help organization to navigate in the turbulent ocean of competition. With this tool, we will be able to determine, though not perfectly, since we are not internal members of this organization, the internal strengths and weaknesses of EBL as well as the opportunities and challenges that the changing external environment provides.



Strengths:

- Eastern Bank has a strong financial back-up on the industry. Ample source of finance means it is in a better position to serve the market with its products & also it has the financial resources to grow its business.
- Eastern Bank Limited is providing diversified product and services to the market.
- It has a huge manpower and network all over the Bangladesh that helps Eastern Bank to knock at the door of some customers which were out of banking touch.
- Launched Own managed Cards Software and Production System.
- Awarded „Super brand” by super brands Inc. for the period 2009-2011

Weaknesses:

- •Lack of Bank Branches and ATM Booths.
- Higher interest than some other commercial private bank in Bangladesh is another weak point of Eastern Bank Ltd.
- Lack of Capital.
- Lower growth rate.

Opportunities:

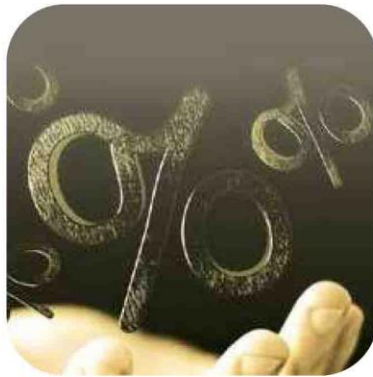
- Emerging economies.
- The credit Card Sector

Threats:

- Rival Banks are growing faster
- The existing software is not that much capable to catch the run according to its position

Chapter: 03

Performance Analysis



STAKEHOLDERS' **INFORMATION**

2017

As a valued financial brand of the country, we hope to be a leading client-centric bank in Southeast Asia. Diversification and broadening the banking channel in the region is what we aspire to now. As a good corporate and as to meet our regional dream, meeting the stakeholders' aspiration is also crucial. We have given priority in our strategy on issues of transparency in our accounting process and are committed to provide balanced and comprehensive review of financial and non-financial performance of the bank. This will help our stakeholders to understand how goes into make a decision be it resource allocation, capital planning, or business strategy.

Financial Highlights

BDT in Million

Particulars	Group			Bank		
	2017	2016	Change (%)	2017	2016	Change (%)
Performance During the Year						
Net interest income	5,879	5,607	4.84%	5,745	5,529	3.89%
Non interest income	6,985	6,103	14.45%	6,656	5,952	11.83%
Operating income	12,863	11,710	9.85%	12,401	11,481	8.01%
Operating profit	7,056	6,516	8.28%	6,796	6,418	5.88%
Profit after tax	2,428	2,716	-10.60%	2,405	2,656	-9.47%
Year End Financial Position						
Loans and advances	191,685	156,371	22.58%	184,027	152,084	21.00%
Investment	26,106	22,940	13.80%	24,361	21,449	13.58%
Deposits	166,959	140,205	19.08%	167,348	140,284	19.29%
Shareholders' equity	21,876	20,832	5.01%	21,586	20,572	4.93%
Total asset	256,300	212,377	20.68%	253,365	211,185	19.97%
Information Per Ordinary Share						
Earnings per share (BDT) restated	3.29	3.68	-10.60%	3.26	3.60	-9.44%
Price earning ratio (times) restated	15.53	7.88	97.09%	15.68	8.06	94.58%
Net asset value per share (BDT) restated	29.64	28.23	5.01%	29.25	27.87	4.93%
Market price per share (BDT)	51.10	29.00	76.21%	51.10	29.00	76.21%
Ratios (%)						
Capital to RWA ratio (CRAR) (as per Basel III)	13.82%	14.96%	-7.59%	14.09%	15.10%	-6.73%
Non performing loans	2.41%	2.76%	-12.40%	2.50%	2.69%	-7.18%
Cost to income ratio	45.15%	44.36%	1.78%	45.20%	43.99%	2.75%

Five-Year Financial Progression

BDT in Million

Particulars	2017	2016	2015	2014	2013
Balance Sheet Metrics					
Authorised capital	12,000	12,000	12,000	12,000	12,000
Paid up capital	7,380	7,029	6,112	6,112	6,112
Shareholders' equity	21,586	20,572	20,496	20,087	18,450
Loans and advances	184,027	152,084	130,226	118,291	102,910
Deposits	167,348	140,284	127,990	116,792	117,102
Borrowing	50,998	39,061	30,543	26,021	14,080
Statutory liquidity reserve ratio (SLR) (at close of the year)	14.83%	14.81%	16.71%	22.23%	29.88%
Cash reserve ratio (CRR) (at close of the year)	7.33%	6.70%	6.42%	7.27%	6.10%
Liabilities to shareholders' equity (times)	10.74	9.27	8.25	7.57	7.56
Investment	24,361	21,449	23,398	24,655	25,904
Fixed assets	5,923	5,940	5,943	7,087	6,897
Interest bearing assets	200,119	183,761	163,993	146,689	133,057
Total assets	253,365	211,185	189,563	172,124	157,882
Income Statement Metrics					
Net interest income (excluding investment income)	5,745	5,529	3,545	4,009	4,892
Non-interest income	6,656	5,952	6,351	5,980	4,491
Investment income	3,415	3,315	3,576	3,343	2,071
Non investment income (exchange, fees & charges)	3,241	2,636	2,774	2,637	2,420
Operating income	12,401	11,481	9,896	9,989	9,382
Operating expense	5,605	5,063	4,691	4,214	3,594
Operating profit (profit before provision and tax)	6,796	6,418	5,204	5,775	5,788

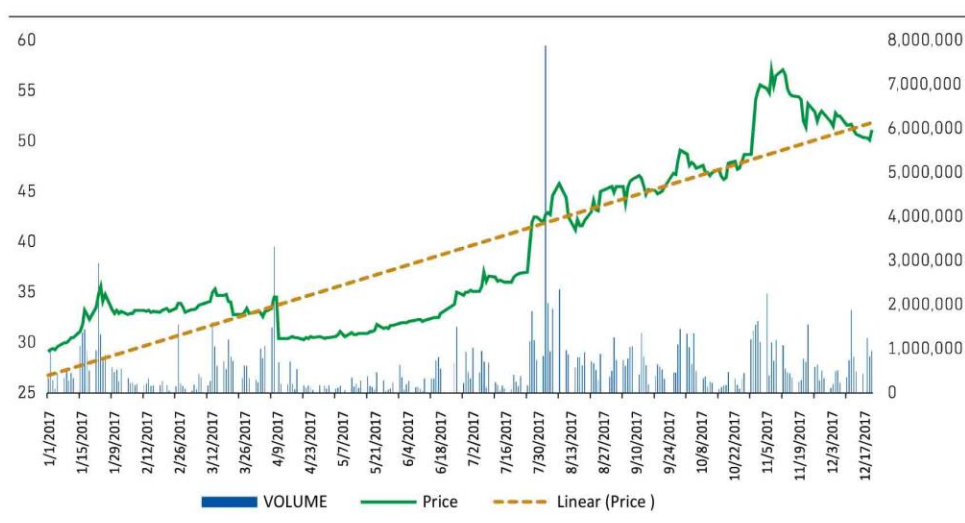
Particulars	2017	2016	2015	2014	2013
Provision for loans, investment and other assets	2,739	2,019	1,788	1,802	953
Profit before tax (PBT)	4,057	4,400	3,417	3,973	4,836
Profit after tax (PAT)	2,405	2,656	2,221	2,107	2,568
Capital Metrics					
Total Risk weighted assets (RWA)	165,435	148,811	143,707	137,037	140,279
Common Equity Tier-1 Capital	16,943	16,078	14,688	13,958	13,245
Tier-2 Capital	6,358	6,394	5,776	4,163	3,519
Total Regulatory capital (Tier 1 and Tier 2)	23,302	22,472	20,463	18,121	16,764
Capital to risk weighted assets ratio (CRAR)	14.09%	15.10%	14.24%	13.22%	11.95%
Common Equity Tier - 1 Capital to RWA	10.24%	10.80%	10.22%	10.19%	9.44%
RWA to total assets	65.30%	70.46%	75.81%	79.62%	88.85%
Credit Quality					
Non performing /classified loans (NPLs)	4,600	4,096	4,263	5,157	3,697
Specific provision (cumulative)	4,379	3,475	2,821	2,409	1,929
General provision (cumulative)	2,960	2,546	2,160	1,916	1,644
NPL Ratio	2.50%	2.69%	3.27%	4.36%	3.59%
NPL coverage ratio (Specific provision + General Provision)/Gross NPL	159.52%	146.99%	116.84%	83.86%	96.66%
Trade Business Metrics					
Export	98,493	91,834	84,302	77,452	74,003
Import (LC)	156,994	121,421	113,770	104,939	112,977
Guarantee	12,609	8,508	8,534	5,573	6,307
Efficiency / Productivity Ratios					
Return on average equity (ROE)	11.41%	12.94%	10.95%	10.93%	14.44%
Return on average assets (ROA)	1.04%	1.33%	1.23%	1.28%	1.68%
Cost to income ratio	45.20%	44.10%	47.41%	42.18%	38.31%
Weighted average interest rate of loan (year-end) (A)	9.47%	9.98%	11.29%	12.43%	14.57%
Weighted average interest rate of deposits (year-end) (B)	5.06%	4.87%	6.12%	7.26%	8.84%
Spread (C = A-B)	4.41%	5.11%	5.17%	5.17%	5.73%
Operating profit per employee	4.26	4.05	3.30	3.70	3.86
Operating profit per branch	80.90	78.27	65.06	75.99	81.52
Share Based Metrics					
Earnings per share (EPS) in BDT (Not restated)	3.26	3.78	3.63	3.45	4.20
Operating profit per share in BDT (Not restated)	9.21	9.13	8.52	9.45	9.47
Price earning ratio (times)	15.68	7.67	7.87	7.89	6.93
Market price per share (BDT) as on close of the year at DSE	51.10	29.00	28.60	27.20	29.10
NAV (book value) per share in BDT (Not restated)	29.25	29.27	33.54	32.87	30.19
Dividend Cover ratio: (EPS/DPS)	1.63	1.51	1.04	1.72	2.10
Dividend (%)	20	25	35	20	20
Cash (%)	20	20	20	20	20
Stock (%)	-	5	15	-	-
Market capitalization (at close of year)	37,712	20,383	17,480	16,624	17,785
Market price to NAV per share (times)	1.75	0.99	0.85	0.83	0.96
Other Information					
Number of branches	84	82	80	76	71
Number of permanent employees	1,594	1,584	1,577	1,559	1,498
Number of deposit accounts	532,208	426,685	367,487	380,156	352,627
Number of loan Accounts	222,986	305,611	234,185	179,328	178,896
Number of foreign correspondents	522	727	713	697	715
Number of ATM	200	202	197	191	175
Number of priority centers	14	13	15	14	11

Market Price Information of EBL Share

BDT in Million

Month	DSE			CSE			Total Volume on DSE & CSE
	Month High	Month Low	Total Volume (Number)	Month High	Month Low	Total Volume (Number)	
Jan-17	35.90	29.00	17,861,740	35.90	29.00	1,030,824	18,892,564
Feb-17	34.20	32.10	5,662,871	34.00	32.00	214,100	5,876,971
Mar-17	36.00	32.50	11,043,724	36.80	32.50	10,862,950	21,906,674
Apr-17	35.00	29.70	11,698,544	34.70	29.50	7,868,858	19,567,402
May-17	31.90	30.20	3,723,667	31.50	30.00	841,961	4,565,628
Jun-17	35.80	31.60	7,432,410	35.00	31.00	256,731	7,689,141
Jul-17	40.00	34.00	9,302,771	39.60	32.70	527,783	9,830,554
Aug-17	48.00	39.30	28,458,892	48.00	39.90	1,467,310	29,926,202
Sep-17	47.00	43.40	13,027,343	47.00	43.00	252,952	13,280,295
Oct-17	50.00	43.30	11,330,480	49.90	45.00	109,126	11,439,606
Nov-17	59.00	47.40	19,958,981	57.90	47.80	2,019,205	21,978,186
Dec-17	54.10	49.50	11,699,582	53.20	49.80	7,047,226	18,746,808

DSE Price-Volume Movement of EBL Share



Financial Goals and Performance (Bank)

Parameters	Goals 2018	Actual 2017	Actual 2016
Capital to risk weighted assets ratio (CRAR)	13.5%	14.09%	15.10%
Return on average equity (ROE)	13% Plus	11.41%	12.94%
Return on average assets (ROA)	1.25% Plus	1.04%	1.33%
Cost to income ratio	Less than 42.5%	45.20%	43.99%
NPL (%)	Less than 2.5%	2.50%	2.69%
Year-end deposits (BDT million)	208,642	167,348	140,284
Year-end loans and advances (BDT million)	213,751	184,027	152,084

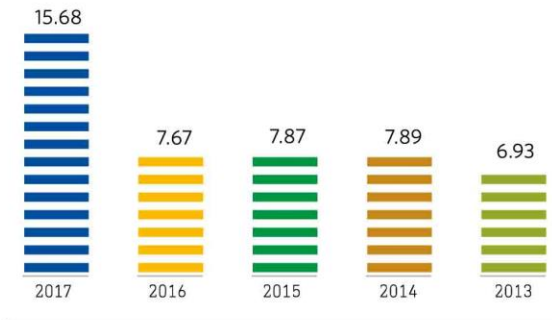
Graphical Presentation

Key Performance Indicators

Market price per share (BDT)



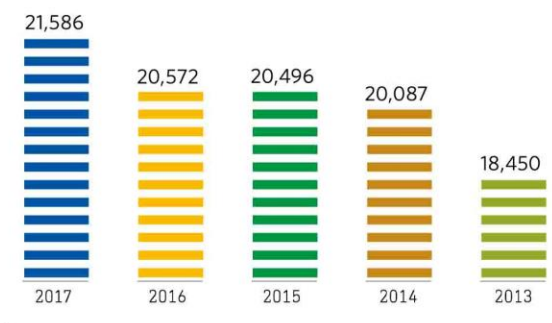
Price earning ratio (Times)



Earnings per share (BDT) (not restated)



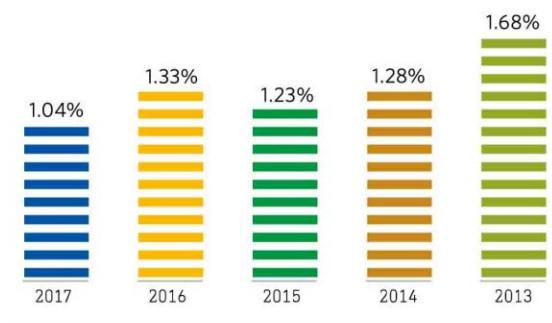
Shareholders' equity (BDT million)



Return on average equity (Percentage)



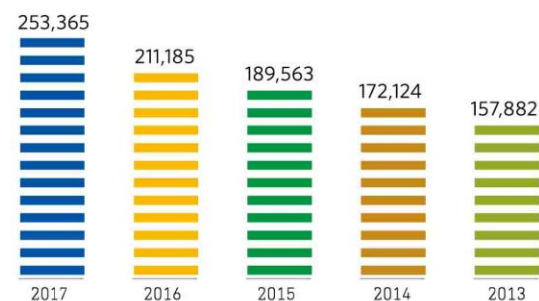
Return on average assets (Percentage)



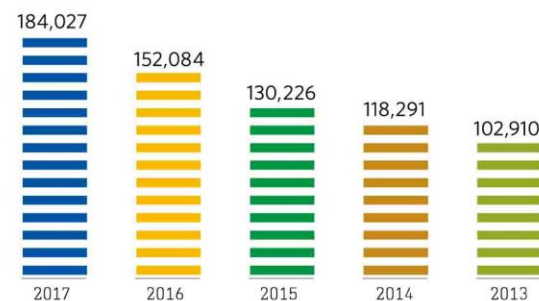
Graphical Presentation

Key Performance Indicators

Total assets (BDT million)



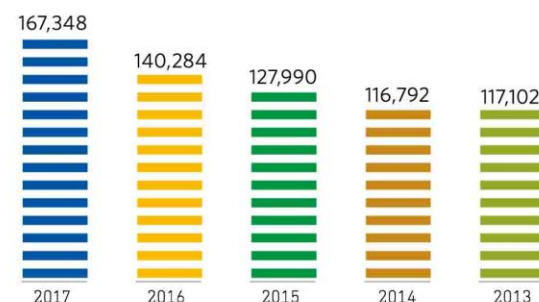
Loans and advances (BDT million)



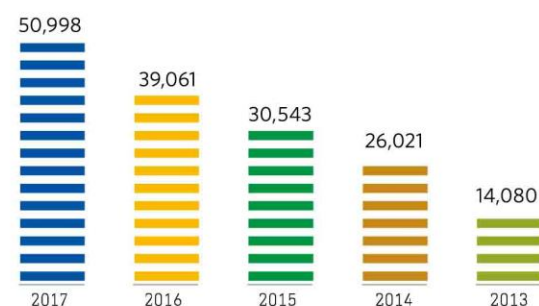
Non Performing Loan (percentage)



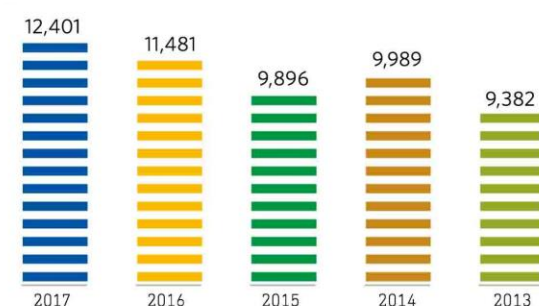
Deposits (BDT million)



Borrowing (BDT million)



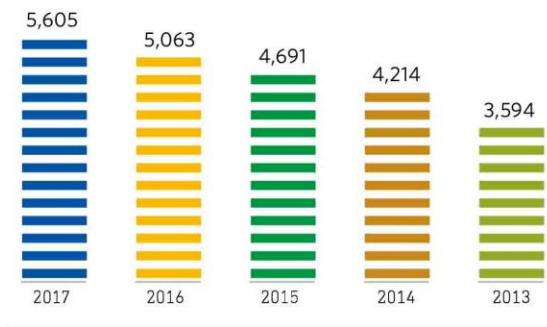
Operating income (BDT million)



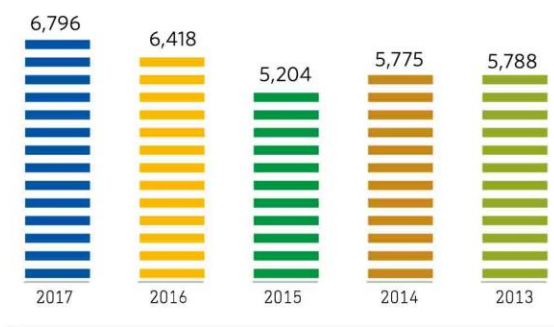
Graphical Presentation

Key Performance Indicators

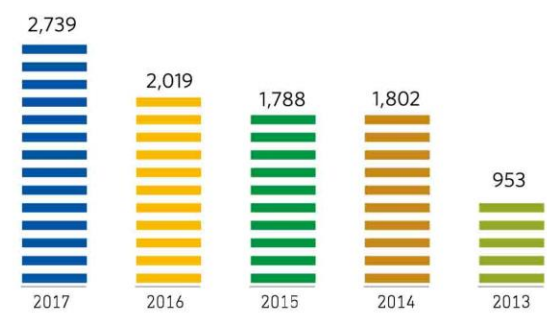
Operating expense (BDT million)



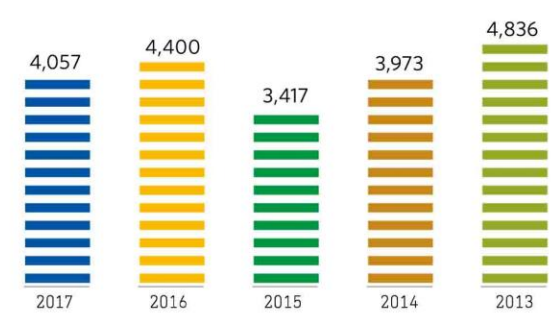
Operating profit (BDT million)



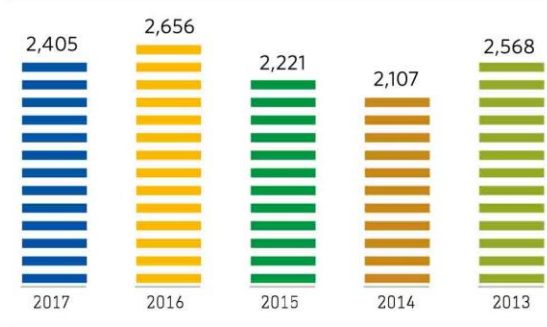
Total provision (BDT million)



Profit before tax (BDT million)



Profit after tax (BDT million)



Dividend (Percentage)



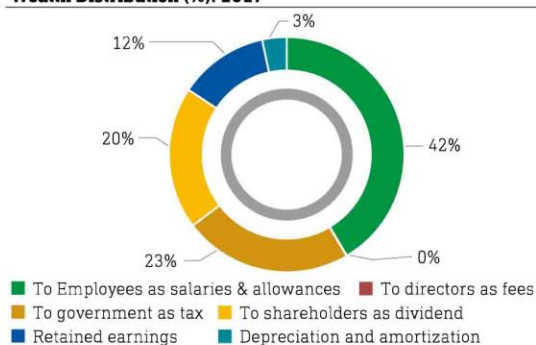
Value Added Statement

Value added is the wealth accretion made by Eastern Bank Limited through providing banking and other financial services in 2017 for its employees, directors, government and shareholders in the form of salaries & allowances, remuneration, duties & taxes, net profit after tax respectively and also indicates value of use of fixed assets through depreciation.

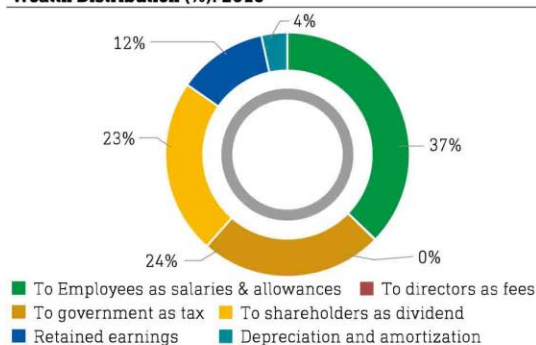
Value Added Statement for the year ended 31 December

Particulars	Figures in BDT	
	2017	2016
Wealth creation		
Revenue from banking services	14,399,103,828	13,545,638,173
Less: Cost of services & supplies	(10,789,006,402)	(9,900,218,092)
	3,610,097,426	3,645,420,081
Non-banking income	6,655,947,827	5,951,671,003
Provision for loans & other assets	(2,738,984,634)	(2,018,702,613)
Total wealth creation	7,527,060,619	7,578,388,470
Wealth distribution		
Employees & Directors		
Employees as salaries & allowances	3,119,165,228	2,821,251,248
Directors as fees	4,122,333	3,769,127
Government		
Coporate tax	1,651,807,667	1,743,025,266
Service tax/ Value added tax	87,699,565	87,434,575
Municipalities/ local taxes	2,999,604	2,452,952
Excise duties	2,517,000	1,485,000
Shareholders		
Dividend to shareholders	1,475,999,178	1,757,141,880
Retention for future business growth		
Retained earnings	928,824,114	899,344,945
Depreciation and amortization	253,925,930	262,483,477
Total wealth distribution	7,527,060,619	7,578,388,470

Wealth Distribution (%): 2017



Wealth Distribution (%): 2016



Economic Value Added Statement

Economic Value Added (EVA) is the measure of financial performance of an organization. It is based on the principle that since a company's management employs equity capital to earn a profit; it must pay for the use of this equity capital. This management tool is useful to shareholders in particular and other stakeholders in general to take decision for increasing wealth.

EVA is equal to Profit after Tax (PAT) plus the provision for loans & other assets less written off during the year minus cost of equity where cost of equity is the opportunity cost that the shareholders forego. This cost of equity is calculated considering the risk free rate based on weighted average rate of 10 years Treasury bond issued by Bangladesh Government plus 2% risk premium. EBL management is committed to maximize wealth of its shareholders and other equity providers.

EVA statement for the year ended 31 December		Figures in BDT	
Particulars	2017	2016	
Shareholders equity	21,585,565,606	20,571,642,404	
Add: Accumulated provision for loans & advances and other assets	7,430,988,701	6,150,252,324	
Capital Employed	29,016,554,306	26,721,894,728	
Average Capital Employed / Shareholders' equity	27,869,224,516	26,305,451,124	
Earnings			
Profit after tax	2,404,823,295	2,656,486,826	
Add: Provision for loans & advances and other assets charged during the year	2,738,984,634	2,018,702,613	
Less: Written off loans during the year	2,206,671,791	1,957,170,216	
Net earnings	2,937,136,138	2,718,019,223	
Cost of equity:			
Average cost of equity (Based on weighted average rate of 10 years treasury bond issued by the Bangladesh Government) Plus 2% risk premium	9.24%	9.16%	
Capital charge (Cost of average equity)	2,575,116,345	2,409,579,323	
Economic Value Added	362,019,793	308,439,900	

Market Value Added (MVA) Statement

Market value added statement reflects the company's performance evaluated by the market through the share price. This amount is derived from the difference between market capitalization and book value of the shares outstanding. It signifies the enhancement of financial solvency as perceived by the market.

Market Value Added statement as at 31 December

Particulars	2017	2016
Face Value per share (BDT)	10.00	10.00
Market value per share (BDT)	51.10	29.00
Number of shares outstanding	737,999,589	702,856,752
Total market capitalization (BDT million)	37,712	20,383
Book value of paid up capital (BDT million)	7,380	7,029
Market value added (BDT million)	30,332	13,354

Financial Calendar

Quarterly results

Particulars	Submission date to BSEC
Un-audited consolidated results for the 1 st Quarter ended 31 March 2017	14 May 2017
Un-audited consolidated results for the 2 nd Quarter ended 30 June 2017	27 July 2017
Un-audited consolidated results for the 3 rd Quarter ended 30 September 2017	26 October 2017

Dividends

25 th Annual General Meeting	Notice Date	22 March 2017
Entitlement for Dividends for the Financial Year ended 31 December 2016	Record Date	11 April 2017
25 th Annual General Meeting	Held On	27 April 2017
Distribution of Cash Dividend	Date of Disbursement	8 May 2017
Issuance of Stock Dividend	Date of Issuance	23 May 2017

Taxation on dividend income

Stock dividend is tax exempted. In case of cash dividend, following is the current deduction of tax at source on dividend income as per current fiscal act:

- If the shareholder is a company, either resident or non-resident Bangladeshi, at the rate applicable to the company i.e. 20%.
- If the shareholder is a resident or non-resident Bangladeshi person, other than company, at the rate of 10% where the person receiving such dividend furnishes his 12 digit e-TIN to the payer or 15% the person receiving such dividend fails to furnish his 12 digit e-TIN to the payer.
- If the shareholder is a non-resident (other than Bangladeshi) person, other than company, at the rate of 30%.

Since stock dividend is out of the loop of withholding tax deduction, its effective rate of return is much higher than cash dividend.

Taxation arising from capital gain

Capital gain arising from transfer or sale of Government securities is tax exempted. Capital gain arising from transfer or sale of Stocks and shares of public companies listed with stock exchanges is taxable at the rate of 10%.

Stock details

Particulars	DSE	CSE
Stock Symbol	EBL	EBL
Company Code	148	22025
Listing Year	1993	2004
Market Category	A	A
Electronic Share	Yes	Yes
Market Lot (Nos)	1	1
Face Value (Taka)	10	10
Total Number of Securities (Nos)	737,999,589	737,999,589

Information sensitive to share price

Particulars	Date of disclosure
Corporate Disclosure for approval of Financial Statements 2016, Recommendation of Dividend, Record Date for Dividend entitlement of the 25th AGM (27.04.2017) of EBL	20 March 2017
Corporate Disclosure for First Quarterly Financial Information (Un-Audited) ended on 31 March 2017	11 May 2017
Appointment of PWC (PricewaterhouseCoopers), Kolkata for ground support of getting the required approval for License from the Reserve Bank of India (RBI) to open and set up EBL Branches at Kolkata, West Bengal and at Guwahati, Assam in India subject to approval of all Regulatory Authorities at home and abroad (India).	7 June 2017
Selling out own plots of Land of EBL [(a) Plot 832/B, Block-I, Bashundhara R/A, Dhaka (b) Purbachal, Kaligonj, Gazipur (c) Palash Bari, Ashulia, Savar, Dhaka] at market price in compliance with Regulatory Guidelines.	22 June 2017

Particulars	Date of disclosure
Corporate Disclosure for Second Quarterly Financial Information (Un-Audited) ended on 30 June 2017	26 July 2017
Corporate Disclosure for Third Quarterly Financial Information (Un-Audited) ended on 30 September 2017	25 October 2017

Accessibility of Annual Report 2017


Annual Report 2017 and other information about EBL may be found on EBL's website www.ebl.com.bd. EBL provides copies of Annual Reports to the Securities and Exchange Commission, Bangladesh Bank, Dhaka Stock Exchange and Chittagong Stock Exchange for their reference. Respectable stakeholders may read them at their public reference room or library.

Officials of Investors' Relation Department

The Shareholders of Eastern Bank Limited (EBL) may contact/communicate to the Head of Share Department for Share related issues. The address of the Investors' Relation Department as follows:

Mr. Md. Joynal Abedin
Share Department

Head office, Jiban Bima Bhaban (1st Floor)
10, Dilkusha C/A
Dhaka-1000
Fax: 880-2-9562364
E-mail: abedinj@ebl-bd.com
Telephone: PABX -9556360 Ext-133
Mobile: +880 1814 2253 35









2018

Stakeholders' Information

As a values-driven financial brand of the country, we give highest priority in our strategy on issues of transparency in our accounting process and are committed to provide balanced and comprehensive review of financial and non-financial performance of the bank.

Our Engagement with Stakeholders

Stakeholders	Key concerns	Engagement mode	Frequency
 Shareholders/ Investors	Sustainable growth	Company website, annual report	Continuous process, annually
	Financial performance	Annual reports, quarterly financial statements	Quarterly, semi-annually, yearly
	Corporate governance	Annual report	Annually
	Risk management	Annual report	Annually
	Business expansion plan	Board meeting	As required
	Relationship	Meetings, periodic visits, mails/ telephone conversation	As necessary
 Employees	Company information	Website of EBL, annual report	Continuous process, annually
	Work life balance	Mails, cultural programs	As necessary
	Diversity and career progression	Different engagement programs	As required
	Performance evaluation and rewards	Letters , arranging programs for outstanding performers	Semiannually, annually
	Recruitment and retention	Exams, interview, training programs, financial and non-financial benefits	As required
 Customers	HR information	HR links (Intranet)	Continuous
	Quality service	Relationship managers	As required
	Privacy and information security	Mails, SMS, newsletter	As required
	Dispute resolution	Direct customer feedback	On a regular basis
	Product information	Website information updates, call center	Continuous
	Affordability and convenience	Different channels- Branches, call center, priority center, ATM Booth, Internet Banking, Skybanking and others	Continuous
 Regulatory Bodies and Government	Relationship with customers	Mails, meet up, arranging different programs for customers	On a regular basis
	Compliance with regulations	Submission of returns and status reports	Within the reporting date
	Awareness and knowledge	Training and workshops	As required
	Communication	Telephone conversations, emails, visits	On a regular basis
 Business partners	Addressing of key issues	Meetings and discussion with board and senior management	As necessary
	Relationship with suppliers	Meetings, telephone/mails/letters conversation, periodic visits	On a regular basis
	Performance of a contract	One to one meeting	As required
	Networking	Regular communication, periodic visits	Continuous
 Society	Future business opportunities	Meetings, on site visits	As required
	Financial inclusion	Interact through branches, social media, mail	As required
	Ethics and code of conduct	EBL website, annual report	Continuous process, annually
	Sustainability initiatives	EBL website, social media, annual report	On a regular basis, annually
	Community investment	Annual report, media advertisement	Annually, on demand

Financial Highlights

BDT in million

Particulars	Group			Bank		
	2018	2017	Change (%)	2018	2017	Change (%)
Performance During the Year						
Net interest income	7,611	5,879	29.47%	7,506	5,745	30.66%
Non interest income	6,004	6,985	-14.05%	5,633	6,656	-15.37%
Operating income	13,615	12,863	5.84%	13,139	12,401	5.96%
Operating profit	7,380	7,056	4.59%	7,144	6,796	5.13%
Profit after tax	3,111	2,428	28.11%	3,081	2,405	28.11%
Net operating cash flow	11,903	(6,797)	-275.12%	12,933	(3,076)	-520.47%
Net operating cash flow per share	16.13	(9.21)	-275.12%	17.52	(4.17)	-520.47%
Year End Financial Position						
Loans and advances	217,380	191,685	13.41%	209,306	184,027	13.74%
Investment	29,888	26,106	14.49%	27,720	24,361	13.79%
Deposits	199,156	166,959	19.28%	199,629	167,348	19.29%
Shareholders' equity	23,375	21,876	6.85%	22,966	21,586	6.40%
Total assets	285,500	256,002	11.52%	282,451	253,068	11.61%
Information Per Ordinary Share						
Earnings per share (BDT)	4.22	3.29	28.11%	4.17	3.26	28.11%
Price earning ratio (times)	8.54	15.53	-45.01%	8.62	15.68	-45.01%
Net asset value per share (BDT)	31.67	29.64	6.85%	31.12	29.25	6.40%
Market price per share (BDT)	36.00	51.10	-29.55%	36.00	51.10	-29.55%
Ratios(%)						
Capital to RWA ratio (CRAR) (as per Basel III)	12.02%	13.82%	-13.00%	12.16%	14.09%	-13.65%
Non performing loans	2.30%	2.41%	-4.66%	2.35%	2.50%	-5.85%
Cost to income ratio	45.80%	45.15%	1.43%	45.63%	45.20%	0.95%

Five-Year Financial Progression

BDT in million

Particulars	2018	2017	2016	2015	2014
Balance Sheet Metrics					
Authorised capital	12,000	12,000	12,000	12,000	12,000
Paid up capital	7,380	7,380	7,029	6,112	6,112
Shareholders' equity	22,966	21,586	20,572	20,496	20,087
Loans and advances	209,306	184,027	152,084	130,226	118,291
Deposits	199,629	167,348	140,284	127,990	116,792
Borrowing	46,732	50,998	39,061	30,543	26,021
Statutory liquidity ratio (SLR) (at close of the year)	13.79%	14.83%	14.81%	16.71%	22.23%
Cash reserve ratio (CRR) (at close of the year)	5.69%	7.33%	6.70%	6.42%	7.27%
Liabilities to shareholders' equity (times)	11.30	10.72	9.27	8.25	7.57
Investment	27,720	24,361	21,449	23,398	24,655

Particulars	2018	2017	2016	2015	2014
Fixed assets	6,637	5,923	5,940	5,943	7,087
Interest bearing assets	247,935	221,798	183,761	163,993	146,689
Total assets	282,451	253,068	211,185	189,563	172,124
Income Statement Metrics					
Net interest income (excluding investment income)	7,506	5,745	5,529	3,545	4,009
Non-interest income	5,633	6,656	5,952	6,351	5,980
Investment income	2,318	3,415	3,315	3,576	3,343
Non investment income (exchange, fees & charges)	3,315	3,241	2,636	2,774	2,637
Operating income	13,139	12,401	11,481	9,896	9,989
Operating expense	5,995	5,605	5,063	4,691	4,214
Operating profit (profit before provision and tax)	7,144	6,796	6,418	5,204	5,775
Provision for loans, investment and other assets	2,558	2,739	2,019	1,788	1,802
Profit before tax (PBT)	4,586	4,057	4,400	3,417	3,973
Profit after tax (PAT)	3,081	2,405	2,656	2,221	2,107
Capital Metrics					
Total risk weighted assets (RWA)	202,655	165,435	148,811	143,707	137,037
Common equity tier-1 capital	18,908	16,943	16,078	14,688	13,958
Tier-2 capital	5,740	6,358	6,394	5,776	4,163
Total regulatory capital (tier 1 and tier 2)	24,648	23,302	22,472	20,463	18,121
Capital to risk weighted assets ratio (CRAR)	12.16%	14.09%	15.10%	14.24%	13.22%
Common equity tier - 1 capital to RWA	9.33%	10.24%	10.80%	10.22%	10.19%
RWA to total assets	71.75%	65.37%	70.46%	75.81%	79.62%
Credit Quality					
Non performing /classified loans (NPLs)	4,926	4,600	4,096	4,263	5,157
Specific provision (cumulative)	4,118	4,379	3,475	2,821	2,409
General provision (cumulative)	3,290	2,960	2,546	2,160	1,916
NPL Ratio	2.35%	2.50%	2.69%	3.27%	4.36%
NPL coverage ratio (Specific provision + General Provision)/ Gross NPL	150.39%	159.52%	146.99%	116.84%	83.86%
Trade Business Metrics					
Export	128,235	98,493	91,834	84,302	77,452
Import (LC)	167,218	156,994	121,421	113,770	104,939
Guarantee	17,664	12,609	8,508	8,534	5,573
Efficiency / Productivity Ratios					
Return on average equity (ROE)	13.83%	11.41%	12.94%	10.95%	10.93%
Return on average assets (ROA)	1.15%	1.04%	1.33%	1.23%	1.28%
Cost to income ratio	45.63%	45.20%	44.10%	47.41%	42.18%
Weighted average interest rate of loan (year-end) (A)	10.44%	9.47%	9.98%	11.29%	12.43%
Weighted average interest rate of deposits (year-end) (B)	5.54%	5.06%	4.87%	6.12%	7.26%
Spread (C = A - B)	4.90%	4.41%	5.11%	5.17%	5.17%
Operating profit per employee	4.17	4.26	4.05	3.30	3.70
Operating profit per branch	84.05	80.90	78.27	65.06	75.99

Particulars	2018	2017	2016	2015	2014
Fixed assets	6,637	5,923	5,940	5,943	7,087
Interest bearing assets	247,935	221,798	183,761	163,993	146,689
Total assets	282,451	253,068	211,185	189,563	172,124
Income Statement Metrics					
Net interest income (excluding investment income)	7,506	5,745	5,529	3,545	4,009
Non-interest income	5,633	6,656	5,952	6,351	5,980
Investment income	2,318	3,415	3,315	3,576	3,343
Non investment income (exchange, fees & charges)	3,315	3,241	2,636	2,774	2,637
Operating income	13,139	12,401	11,481	9,896	9,989
Operating expense	5,995	5,605	5,063	4,691	4,214
Operating profit (profit before provision and tax)	7,144	6,796	6,418	5,204	5,775
Provision for loans, investment and other assets	2,558	2,739	2,019	1,788	1,802
Profit before tax (PBT)	4,586	4,057	4,400	3,417	3,973
Profit after tax (PAT)	3,081	2,405	2,656	2,221	2,107
Capital Metrics					
Total risk weighted assets (RWA)	202,655	165,435	148,811	143,707	137,037
Common equity tier-1 capital	18,908	16,943	16,078	14,688	13,958
Tier-2 capital	5,740	6,358	6,394	5,776	4,163
Total regulatory capital (tier 1 and tier 2)	24,648	23,302	22,472	20,463	18,121
Capital to risk weighted assets ratio (CRAR)	12.16%	14.09%	15.10%	14.24%	13.22%
Common equity tier - 1 capital to RWA	9.33%	10.24%	10.80%	10.22%	10.19%
RWA to total assets	71.75%	65.37%	70.46%	75.81%	79.62%
Credit Quality					
Non performing /classified loans (NPLs)	4,926	4,600	4,096	4,263	5,157
Specific provision (cumulative)	4,118	4,379	3,475	2,821	2,409
General provision (cumulative)	3,290	2,960	2,546	2,160	1,916
NPL Ratio	2.35%	2.50%	2.69%	3.27%	4.36%
NPL coverage ratio (Specific provision + General Provision)/ Gross NPL	150.39%	159.52%	146.99%	116.84%	83.86%
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Guarantee	17,664	12,609	8,508	8,534	5,573
Efficiency / Productivity Ratios					
Return on average equity (ROE)	13.83%	11.41%	12.94%	10.95%	10.93%
Return on average assets (ROA)	1.15%	1.04%	1.33%	1.23%	1.28%
Cost to income ratio	45.63%	45.20%	44.10%	47.41%	42.18%
Weighted average interest rate of loan (year-end) (A)	10.44%	9.47%	9.98%	11.29%	12.43%
Weighted average interest rate of deposits (year-end) (B)	5.54%	5.06%	4.87%	6.12%	7.26%
Spread (C = A - B)	4.90%	4.41%	5.11%	5.17%	5.17%
Operating profit per employee	4.17	4.26	4.05	3.30	3.70
Operating profit per branch	84.05	80.90	78.27	65.06	75.99

Particulars	2018	2017	2016	2015	2014
Share Based Metrics					
Earnings per share (EPS) in BDT (not restated)	4.17	3.26	3.78	3.63	3.45
Operating profit per share in BDT (not restated)	9.68	9.21	9.13	8.52	9.45
Price earning ratio (times)	8.62	15.68	7.67	7.87	7.89
Market price per share (BDT) as on close of the year at DSE	36.00	51.10	29.00	28.60	27.20
NAV (book value) per share in BDT (not restated)	31.12	29.25	29.27	33.54	32.87
Dividend cover ratio: (EPS/DPS)	1.39	1.63	1.51	1.04	1.72
Dividend (%)	30	20	25	35	20
Cash (%)	20	20	20	20	20
Stock (%)	10	-	5	15	-
Market capitalization (at close of year)	26,568	37,712	20,383	17,480	16,624
Market price to NAV per share (times)	1.16	1.75	0.99	0.85	0.83
Other Information (actual figure)					
Number of branches	85	84	82	80	76
Number of permanent employees	1,715	1,594	1,584	1,577	1,559
Number of deposit accounts	569,552	532,208	426,685	367,487	380,156
Number of loan accounts	180,548	222,986	305,611	234,185	179,328
Number of foreign correspondents	592	522	727	713	697
Number of ATM	200	200	202	197	191
Number of priority centers	19	14	13	15	14

Financial Goals and Performance (Bank)

Parameters	Goals 2019	Actual 2018	Actual 2017
Capital to risk weighted assets ratio (CRAR)	13% Plus	12.16%	14.09%
Return on average equity (ROE)	13% Plus	13.83%	11.41%
Return on average assets (ROA)	1.20% Plus	1.15%	1.04%
Cost to income ratio	Less than 45%	45.63%	45.20%
NPL (%)	Less than 2.3%	2.35%	2.50%
Year-end deposits (BDT million)	235,763	199,629	167,348
Year-end loans and advances (BDT million)	239,386	209,306	184,027

Market Value Added (MVA) Statement

As at 31 December

Particulars	2018	2017
Face value per share (BDT)	10.00	10.00
Market value per share (BDT)	36.00	51.10
Number of shares outstanding	737,999,589	737,999,589
Total market capitalization (BDT million)	26,568	37,712
Book value of paid up capital (BDT million)	7,380	7,380
Market value added (BDT million)	19,188	30,332

Stock Performance

Market price information of EBL share

Month	DSE			CSE			BDT in million	
	Month High	Month Low	Total Volume (Number)	Month High	Month Low	Total Volume (Number)	Total	Volume on DSE & CSE
Jan-18	51.50	43.00	6,197,861	53.00	43.10	1,913,685	8,111,546	
Feb-18	46.00	38.50	5,393,462	45.40	40.00	95,028	5,488,490	
Mar-18	44.00	36.10	2,349,915	44.00	36.00	30,588	2,380,503	
Apr-18	43.80	31.00	6,291,103	43.60	37.20	2,439,322	8,730,425	
May-18	38.50	33.10	9,601,520	37.50	33.50	1,119,577	10,721,097	
Jun-18	38.00	33.30	3,620,038	36.00	33.10	1,082,094	4,702,132	
Jul-18	34.00	30.50	5,793,549	34.00	29.70	44,192	5,837,741	
Aug-18	38.20	32.00	4,494,022	38.80	31.50	46,775	4,540,797	
Sep-18	37.10	33.20	1,612,765	37.50	29.70	3,190,464	4,803,229	
Oct-18	37.40	33.10	3,562,137	35.00	33.00	179,100	3,741,237	
Nov-18	35.70	30.70	2,254,332	35.20	33.50	58,950	2,313,282	
Dec-18	36.30	34.10	2,717,623	36.40	34.00	36,588	2,754,211	

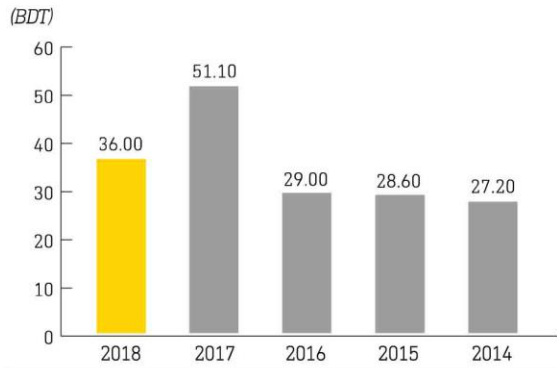
DSE Price-Volume Movement of EBL Share



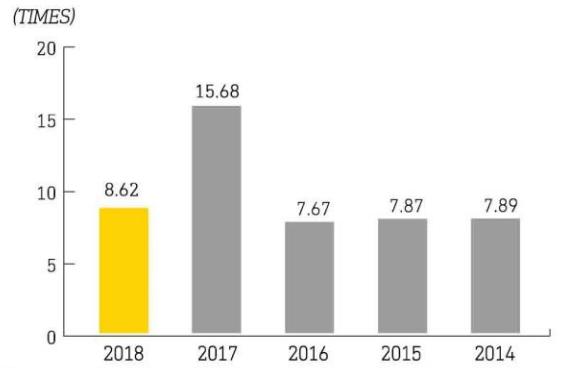
Graphical Presentation

Key Performance Indicators

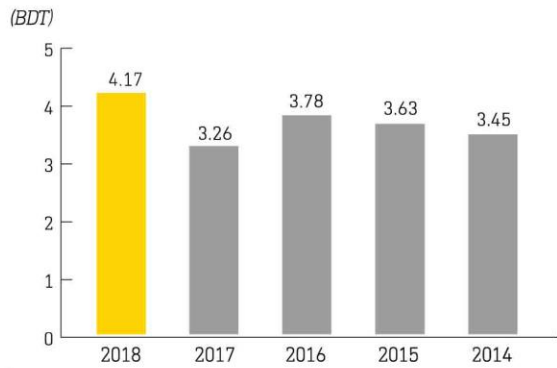
Market price per share



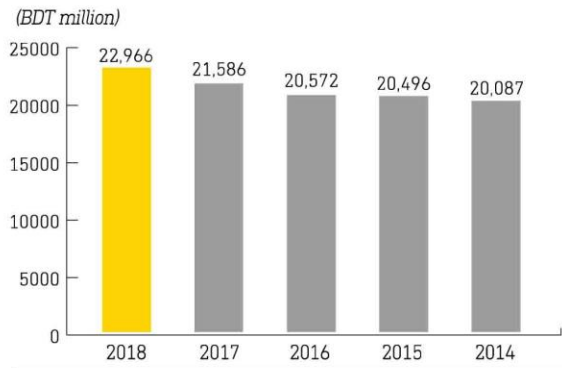
Price earning ratio



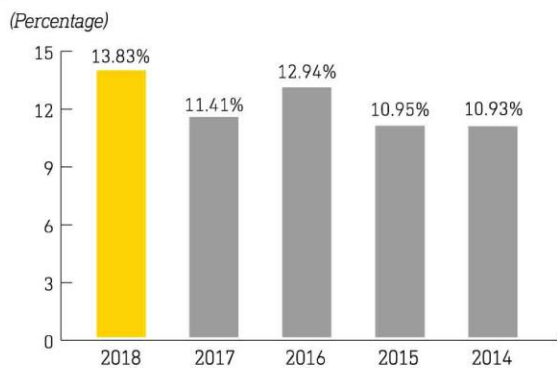
Earnings per share (not restated)



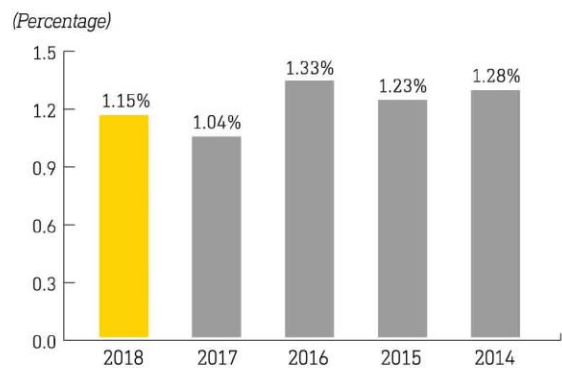
Shareholders' equity



Return on average equity



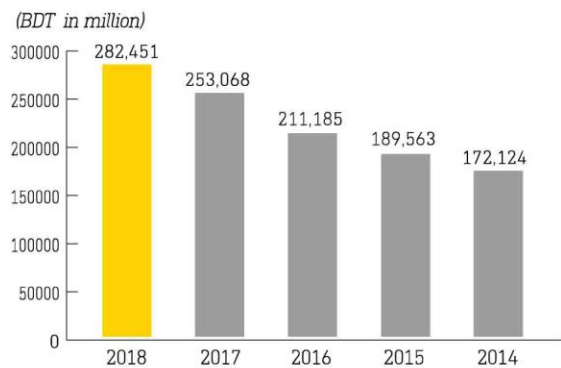
Return on average assets



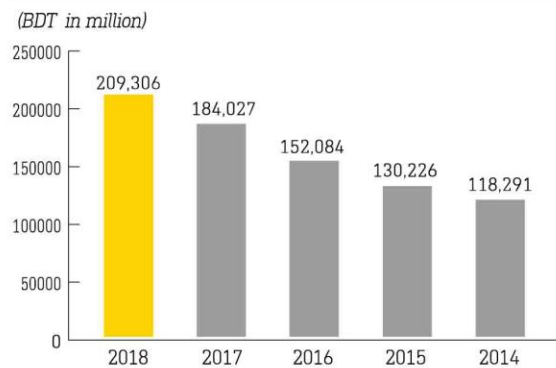
Graphical Presentation

Key Performance Indicators

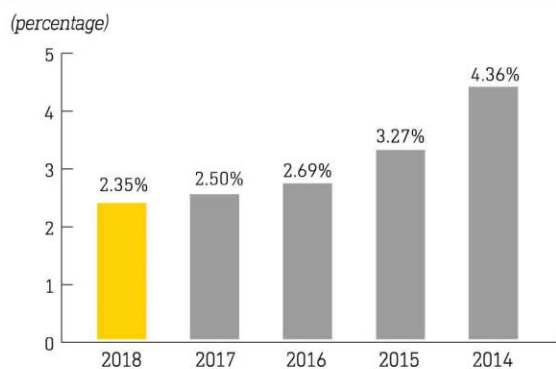
Total assets



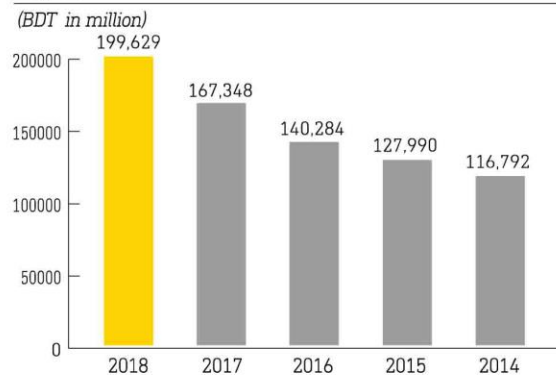
Loans and advances



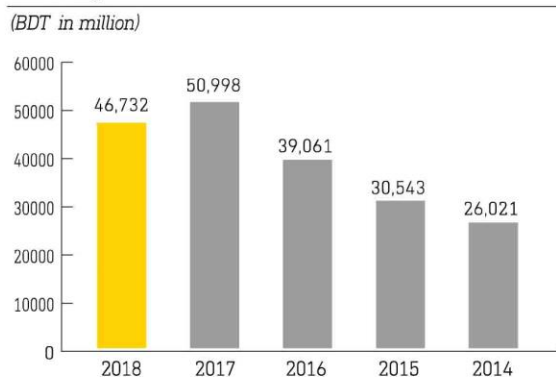
Non Performing Loan



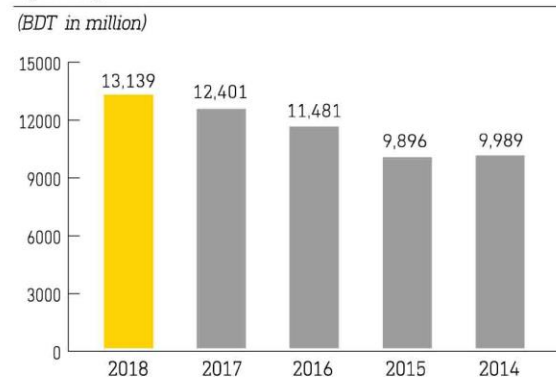
Deposits



Borrowing



Operating income

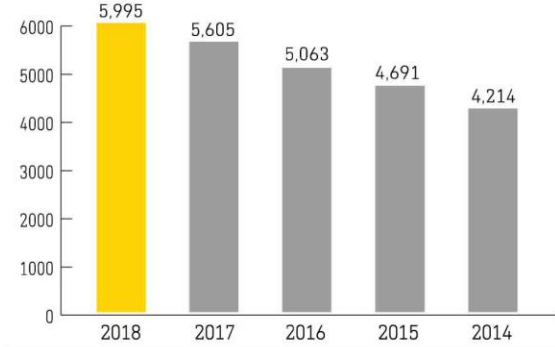


Graphical Presentation

Key Performance Indicators

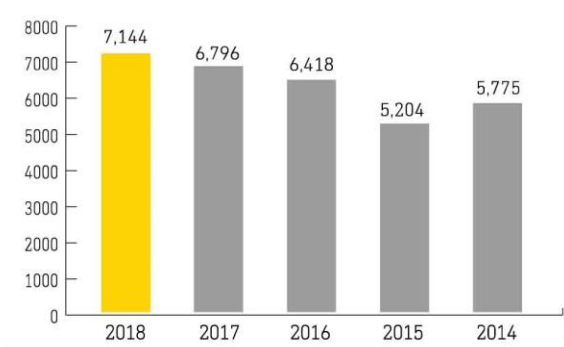
Operating expense

(BDT in million)



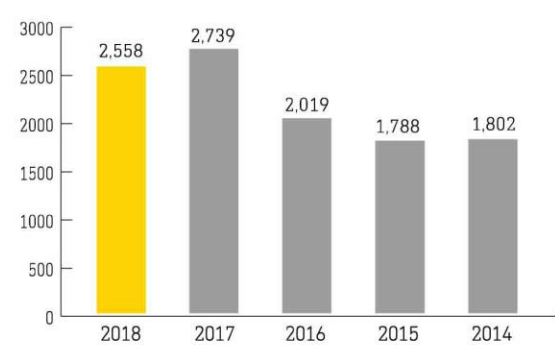
Operating profit

(BDT in million)



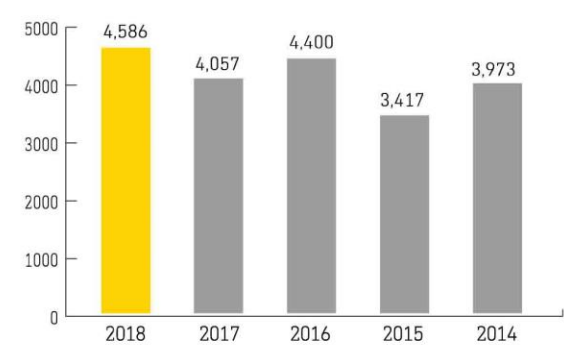
Total provision charged

(BDT in million)



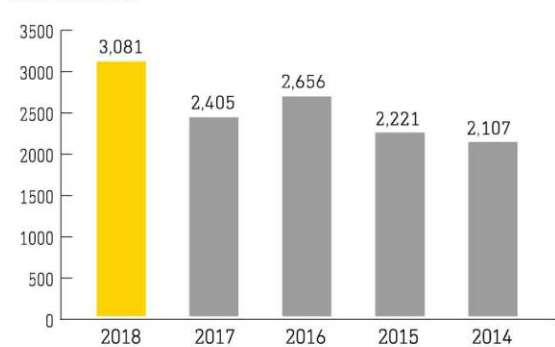
Profit before tax

(BDT in million)



Profit after Tax

(BDT in million)



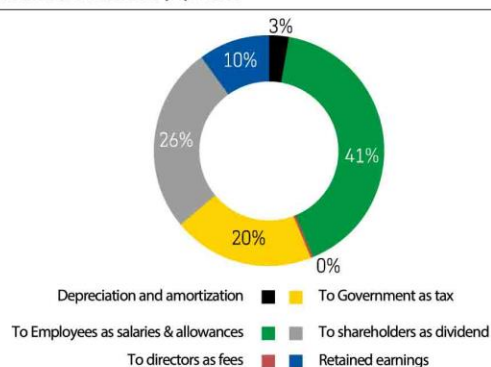
Statement of wealth creation & its distribution

Value added is the wealth accretion made by Eastern Bank Limited through providing banking and other financial services in 2018 for its employees, directors, government and shareholders in the form of salaries & allowances, remuneration, duties & taxes, net profit after tax respectively and also indicates value of use of fixed assets through depreciation.

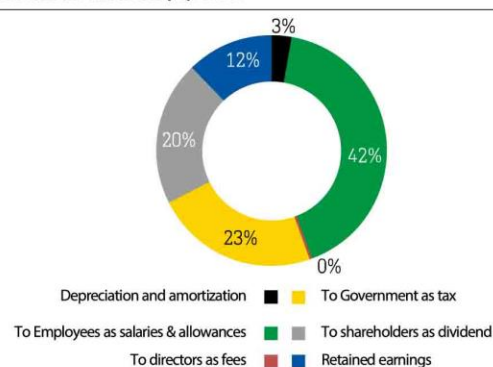
Value added for the year ended 31 December

Particulars	Figures in BDT	
	2018	2017
Wealth creation		
Revenue from banking services	19,821,280,127	14,399,103,828
Less: Cost of services & supplies	(14,428,775,835)	(10,789,006,402)
	5,392,504,292	3,610,097,426
Non-banking income	5,633,009,341	6,655,947,827
Provision for loans & other assets	(2,558,057,206)	(2,738,984,634)
Total wealth creation	8,467,456,427	7,527,060,619
Wealth distribution		
Employees & Directors		
Employees as salaries & allowances	3,466,200,108	3,119,165,228
Directors as fees	4,730,221	4,122,333
Government	1,654,484,819	1,745,023,836
Corporate tax	1,505,076,261	1,651,807,667
Service tax/ Value added tax	137,745,141	87,699,565
Municipalities/ local taxes	8,252,597	2,999,604
Excise duties	3,410,820	2,517,000
Shareholders		
Dividend to shareholders	2,213,998,767	1,475,999,178
Retention for future business growth		
Retained earnings	866,778,153	928,824,114
Depreciation and amortization	261,264,360	253,925,930
Total wealth distribution	8,467,456,427	7,527,060,619

Wealth distribution (%): 2018



Wealth distribution (%): 2017



Credit Rating

International (by Moody's)

As per Moody's Report EBL's long-term foreign currency deposit rating of B1 and long-term local currency deposit rating of Ba3 reflect the Bank's Baseline Credit Assessment (BCA) of b1 and our assumption of a moderate level of systemic support from the Government of Bangladesh (Ba3 stable). The support assumption is based on the Bank's relatively low market share, balanced against the government's track record of supporting the banking system.

EBL's BCA reflects the bank's (1) track record of strong asset quality, reflecting its prudent lending standards (2) moderate capitalization as a result of an aggressive growth strategy (3) modest profitability because of its concentration in low-yield corporate loans (4) relatively tight funding and liquidity, with refinancing risks mitigated because of the less-confidence sensitive funding from the local central bank - Bangladesh Bank, and multilateral institutions.'

Local (by CRISL)

Date of Rating : 28 June 2018	Valid up to: 27 June 2019	
	Long Term	Short Term
Surveillance Rating	AA+	ST-2
Outlook	Stable	

As per CRISL Report 'CRISL has reaffirmed the long term rating "AA+" and the short-term rating "ST-2" to EBL. The above ratings have been arrived at after an in-depth analysis of the operational and financial performance of the Bank along with all its relevant quantitative and qualitative information.

During the year, the Bank's financial performance, capital adequacy, non-funded business, operational network were sound reflecting strong position of the Bank. However, although the Bank is operating with comfortable adequacy at present, it needs to take care of increasing requirement of capital adequacy maintenance under Basel-III regime. At the same time, appropriate attention and regular monitoring is also needed to keep the asset quality under control which may have positive impact on keeping desired profitability.

Banks rated in this category are adjudged to be of high quality, offer higher safety and have high credit quality. This level of rating indicates a banking entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions. Short-term rating indicates high certainty of timely repayment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

CRISL also viewed the Bank with "Stable Outlook" and believes that Bank will be able to maintain its good fundamentals in the future.'

Financial Calendar

Quarterly results

Particulars	Submission date to BSEC
Un-audited consolidated results for the 1st Quarter ended 31 March 2018	10 May 2018
Un-audited consolidated results for the 2nd Quarter ended 30 June 2018	26 July 2018
Un-audited consolidated results for the 3rd Quarter ended 30 September 2018	28 October 2018

Dividend

26th Annual General Meeting	Notice Date	26 April 2018
Declared 20% Cash Dividend for the year ended 31 December 2017	Record Date	20 May 2018
26th Annual General Meeting	Held On	5 June 2018
Disbursement of Cash Dividend	Date of Disbursement	12 June 2018

Taxation on dividend income

Stock dividend is tax exempted. In case of cash dividend, following is the current rate for deduction of tax at source on dividend income as per current Finance Act:

- If the shareholder is a company, either resident or non-resident Bangladeshi, at the rate applicable to the company i.e. 20%.
- If the shareholder is a resident or non-resident Bangladeshi person, other than company, at the rate of 10% where the person receiving such dividend furnishes his 12 digit e-TIN to the payer or 15% the person receiving such dividend fails to furnish his 12 digit e-TIN to the payer.
- If the shareholder is a non-resident (other than Bangladeshi) person, other than company, at the rate of 30%.

Taxation arising from capital gain

Capital gain arising from transfer or sale of government securities is tax exempted. Capital gain arising from transfer or sale of securities of public companies listed with stock exchanges is taxable at the rate of 10%.

Stock details

Particulars	DSE	CSE
Stock symbol	EBL	EBL
Company code	148	22025
Listing year	1993	2004
Market category	A	A
Electronic share	Yes	Yes
Market lot (number)	1	1
Face value (taka)	10	10
Total number of securities (numbers)	737,999,589	737,999,589

Information sensitive to share price

Particulars	Date of disclosure
Corporate disclosure upon approval of financial statements 2017, recommendation of dividend, record date for dividend entitlement of the 26th AGM (05.06.2018).	24 April 2018
Corporate disclosure of first quarter (Jan to Mar 2018) financial information (un-audited).	9 May 2018
Corporate Disclosure for approval of US\$ 25.00 million required as regulatory capital and allocation of additional US\$10.00 million on need basis for establishing full-fledged branches in India subject to clearance from respective regulatory authorities.	12 July 2018
Corporate disclosure for second quarterly financial information (Un-Audited) of EBL ended on 30 June 2018.	25 July 2018

Particulars	Date of disclosure
Corporate disclosure for issuance of 2 nd Sub-ordinated Bond of EBL' up to BDT 500.00 Crore for 7 Years to enhance capital base of the Bank subject to compliance of regulatory authorities.	12 August 2018
Corporate disclosure of third quarter financial information (Un-audited) of EBL ended on 30 September 2018.	27 October 2018
Disclosure for appointment of a professionally qualified valuation firm to determine the current market value of all the plots of land owned by EBL	28 November 2018
Corporate disclosure: Consent from Bangladesh Securities & Exchange Commission for issuance of '2nd Sub-ordinated Bond of EBL' for raising 'Tier-II Capital' amounting to BDT 500.00 (Five hundred) crore.	12 December 2018
Corporate disclosure of results of revaluation of all the plots of land of EBL.	24 December 2018

Accessibility of annual report 2018

Annual Report 2018 and other information about EBL is available on EBL's website www.ebl.com.bd. EBL provides copies of Annual Reports to the Bangladesh Securities and Exchange Commission, Bangladesh Bank, Dhaka Stock Exchange and Chittagong Stock Exchange for their reference.

Officials at investors' relation department

Shareholders of EBL may contact/communicate to the Head of Share Department for share related issues. The address of the Investors' Relation Department is as follows:

Mr. Md. Joynal Abedin

Share Department

Eastern Bank Limited (EBL)

Uday Tower (Level-1)

57-57A Gulshan Avenue

Gulshan, Dhaka-1212.

Fax: 880-2-9892353

E-mail: joynal.abedin@ebl-bd.com

Telephone: 9892260 (Direct)

PABX NO : 8834328 Ext-208

STAKEHOLDERS' INFORMATION

As a values-driven financial brand of the country, we give highest priority on issues of transparency in our accounting process and are committed to providing balanced and comprehensive review of financial and non-financial performance of the bank.

2019



Engagement with Stakeholders

Stakeholders	Key concerns	Engagement mode	Frequency
 Shareholders/ Investors	Sustainable growth	Company website, annual report	Continuous process, annually
	Financial performance	Annual report, financial statements	Quarterly, semi-annually, yearly
	Corporate governance	Annual report	Annually
	Risk management	Annual report	Annually
	Business expansion plan	Board meeting	As required
	Relationship	Meetings, periodic visits, mails/telephone conversation	As required
	Company information	Website of EBL, annual report	Continuous process, annually
 Employees	Work life balance	Awareness mail, cultural programs, monitoring	As required
	Diversity and career progression	Different engagement programs	As required
	Performance evaluation and rewards	Letters , arranging programs	Quarterly, semi-annually, annually
	Recruitment and retention	Exams, interview, training programs, financial and non-financial benefits	As required
	HR information	HR links (Intranet)	Continuous
 Customers	Quality service	Relationship managers	Continuous
	Privacy and information security	Mails, SMS, newsletter	As required
	Dispute resolution	Direct customer feedback	On a regular basis
	Product information	Website , call center	Continuous
	Affordability and convenience	Different channels- Branches, sub-branches, agent banking, call center, priority center, ATM, Internet Banking, Skybanking and others	Continuous
	Relationship with customers	Mails, meet up, arranging different programs for customers	On a regular basis
 Regulatory Bodies and Government	Compliance with regulations	Submission of returns and reports	Within the prescribed deadline
	Awareness and knowledge	Training and workshops	As required
	Communication	Telephone conversations, emails, visits	on a regular basis
	Addressing of key issues	Meetings and discussions with senior management and respective regulators	As required
 Business partners	Relationship with suppliers	Meetings, telephone/mails/letters conversation, periodic visits	On a regular basis
	Networking	Regular communication, periodic visits	On a regular basis
	Future business opportunities	Meetings, on site visits	As required
 Society	Financial inclusion	Interact through branches, agent banking, sub-branches, internet banking, social media, mail	On a regular basis, annually
	Ethics and code of conduct	Website, annual report	On a regular basis, annually
	Sustainability initiatives	Website, social media, annual report	Annually, on demand
	Community investment	Annual report, media advertisement	

Financial Highlights

BDT in million

Particulars	Group			Bank		
	2019	2018	Change (%)	2019	2018	Change (%)
Performance during the year						
Net interest income	8,277	7,611	8.75%	8,159	7,506	8.69%
Non interest income	6,743	6,004	12.32%	6,439	5,633	14.30%
Operating income	15,020	13,615	10.32%	14,597	13,139	11.10%
Operating profit	8,378	7,380	13.53%	8,210	7,144	14.92%
Profit after tax	3,990	3,111	28.28%	4,008	3,081	30.10%
Net operating cash flow	19,191	11,903	61.23%	17,922	12,933	38.58%
Net operating cash flow per share (not restated)	23.64	16.13	46.57%	22.08	17.52	25.98%
Year-end financial position						
Loans and advances	239,095	217,380	9.99%	232,051	209,306	10.87%
Investment	42,066	29,888	40.75%	39,797	27,720	43.57%
Deposits	239,980	199,156	20.50%	240,164	199,629	20.31%
Shareholders' equity	25,962	23,375	11.06%	25,567	22,966	11.33%
Total assets	338,201	285,500	18.46%	335,163	282,451	18.66%
Information per ordinary share						
Earnings per share (BDT) (not restated)	4.92	4.22	16.61%	4.94	4.17	18.27%
Price earning ratio (times) (not restated)	6.75	8.54	-20.92%	6.72	8.62	-22.02%
Net asset value per share (BDT) (not restated)	31.98	31.67	0.97%	31.49	31.12	1.21%
Market price per share (BDT)	33.20	36.00	-7.78%	33.20	36.00	-7.78%
Ratios (%)						
Capital to RWA ratio (CRAR) (as per Basel III)	14.55%	12.02%	21.06%	14.74%	12.16%	21.16%
Non performing loans	3.36%	2.30%	45.92%	3.35%	2.35%	42.29%
Cost to income ratio	44.22%	45.80%	-3.44%	43.76%	45.63%	-4.10%

Five-Year Financial Progression

BDT in million

Particulars	2019	2018	2017	2016	2015
Balance sheet metrics					
Authorised capital	12,000	12,000	12,000	12,000	12,000
Paid up capital	8,118	7,380	7,380	7,029	6,112
Shareholders' equity	25,567	22,966	21,586	20,572	20,496
Loans and advances	232,051	209,306	184,027	152,084	130,226
Deposits	240,164	199,629	167,348	140,284	127,990
Borrowing	50,821	46,732	50,998	39,061	30,543
Statutory liquidity reserve ratio (SLR) (at close of the year)	13.97%	13.79%	14.83%	14.81%	16.71%
Cash reserve ratio (CRR) (at close of the year)	5.63%	5.69%	7.33%	6.70%	6.42%
Liabilities to shareholders' equity (times)	12.11	11.30	10.72	9.27	8.25
Investment	39,797	27,720	24,361	21,449	23,398
Fixed assets	7,349	6,637	5,923	5,940	5,943
Interest bearing assets	292,905	247,935	221,798	183,761	163,993
Total assets	335,163	282,451	253,068	211,185	189,563
Income statement metrics					
Net interest income (excluding investment income)	8,159	7,506	5,745	5,529	3,545
Non-interest income	6,439	5,633	6,656	5,952	6,351
Investment income	2,752	2,318	3,415	3,315	3,576
Non investment income (exchange, fees & charges)	3,687	3,315	3,241	2,636	2,774
Operating income	14,597	13,139	12,401	11,481	9,896
Operating expense	6,387	5,995	5,605	5,063	4,691

BDT in million

Particulars	2019	2018	2017	2016	2015
Operating profit (profit before provision and tax)	8,210	7,144	6,796	6,418	5,204
Provision for loans, investment and other assets (net off w/off recovery)	1,954	2,558	2,739	2,019	1,788
Profit before tax (PBT)	6,256	4,586	4,057	4,400	3,417
Profit after tax (PAT)	4,008	3,081	2,405	2,656	2,221
Capital metrics					
Total Risk weighted assets (RWA)	207,437	202,655	165,435	148,811	143,707
Common Equity Tier-1 Capital	20,719	18,908	16,943	16,078	14,688
Tier-2 Capital	9,850	5,740	6,358	6,394	5,776
Total Regulatory capital (Tier 1 and Tier 2)	30,569	24,648	23,302	22,472	20,463
Capital to risk weighted assets ratio (CRAR)	14.74%	12.16%	14.09%	15.10%	14.24%
Common Equity Tier - 1 Capital to RWA	9.99%	9.33%	10.24%	10.80%	10.22%
RWA to total assets	61.89%	71.75%	65.37%	70.46%	75.81%
Credit quality					
Non performing /classified loans (NPLs)	7,771	4,926	4,600	4,096	4,263
Specific provision (cumulative)	6,009	4,118	4,379	3,475	2,821
General provision (cumulative)	3,350	3,290	2,960	2,546	2,160
NPL Ratio	3.35%	2.35%	2.50%	2.69%	3.27%
NPL coverage ratio (Specific provision + General Provision) / Gross NPL	120.42%	150.39%	159.52%	146.99%	116.84%
Trade business metrics					
Export	137,379	128,235	98,493	91,834	84,302
Import (LC)	160,011	167,218	156,994	121,421	113,770
Guarantee	7,572	17,664	12,609	8,508	8,534
Efficiency / productivity ratios					
Return on average equity (ROE)	16.52%	13.83%	11.41%	12.94%	10.95%
Return on average assets (ROA)	1.30%	1.15%	1.04%	1.33%	1.23%
Cost to income ratio	43.76%	45.63%	45.20%	44.10%	47.41%
Weighted average interest rate of loan (year-end) (A)	10.83%	10.44%	9.47%	9.98%	11.29%
Weighted average interest rate of deposits (year-end) (B)	6.16%	5.54%	5.06%	4.87%	6.12%
Spread (C = A - B)	4.67%	4.90%	4.41%	5.11%	5.17%
Operating profit per employee	4.34	4.17	4.26	4.05	3.30
Operating profit per branch	96.59	84.05	80.90	78.27	65.06
Share based metrics					
Earnings per share (EPS) in BDT (not restated)	4.94	4.17	3.26	3.78	3.63
Operating profit per share in BDT (not restated)	10.11	9.68	9.21	9.13	8.52
Price earning ratio (times)	6.72	8.62	15.68	7.67	7.87
Market price per share (BDT) as on close of the year at DSE	33.20	36.00	51.10	29.00	28.60
NAV (book value) per share in BDT (not restated)	31.49	31.12	29.25	29.27	33.54
Dividend coverage ratio: (EPS / DPS)*	1.97	1.39	1.63	1.51	1.04
Dividend (%)*	25	30	20	25	35
-Cash (%)	25	20	20	20	20
-Stock (%)	-	10	-	5	15
Market capitalization (at close of year)	26,952	26,568	37,712	20,383	17,480
Market price to NAV per share (times)	1.05	1.16	1.75	0.99	0.85
Other information (actual figure)					
Number of branches	85	85	84	82	80
Number of permanent employees	1,892	1,715	1,594	1,584	1,577
Number of deposit accounts	620,793	569,552	532,208	426,685	367,487
Number of loan Accounts	163,795	180,548	222,986	305,611	234,185
Number of foreign correspondents	489	592	522	727	713
Number of ATMs	207	200	200	202	197

*Board recommended 25% cash dividend for the year 2019 on 05 April 2020. Subsequently Bangladesh Bank has set a cap on dividend (Total: 30%; cash 15%) vide DOS Circular No. 03 dated 11 May 2020. However, final dividend decision will be taken by the shareholders at the 28th AGM in compliance with respective rules and regulations.

Financial Goals and Performance (Bank)

Financial goals and performance (Bank)	Goals 2020	Actual 2019	Actual 2018
Capital to risk weighted assets ratio (CRAR)	14% Plus	14.74%	12.16%
Return on average equity (ROE)	11% Plus	16.52%	13.83%
Return on average assets (ROA)	1% Plus	1.30%	1.15%
Cost to income ratio	Less than 45%	43.76%	45.63%
NPL (%)	Less than 3.50%	3.35%	2.35%
Year-end deposits (BDT in million)	2,64,180	2,40,164	1,99,629
Year-end loans and advances (BDT in million)	2,50,615	2,32,051	2,09,306

Market Value Added (MVA) Statement

Particulars	2019	2018
Face value per share (BDT)	10.00	10.00
Market value per share (BDT)	33.20	36.00
Number of shares outstanding	811,799,547	737,999,589
Total market capitalization (BDT in million)	26,952	26,568
Book value of paid up capital (BDT in million)	8,118	7,380
Market value added (BDT in million)	18,834	19,188

Credit Rating of EBL

Local (by CRISL)

Date of rating : 26 June 2019	Valid up to: 25 June 2020	
	Long Term	Short Term
Surveillance rating	AA+	ST-1
Outlook	Stable	

Rationale

CRISL has reaffirmed the long term rating "AA+" and upgraded the short-term rating to "ST-1" to EBL. This has been done based on the operational and financial performance of the Bank along with all its relevant quantitative and qualitative information and other prevailing factors upto the date of rating.

The above ratings have been assigned in consideration of its fundamentals such as good profitability, good liquidity, good market image, sound IT infrastructure, experienced top management etc. Besides, EBL has been carrying out its operations with good liquidity where all the liquidity related indicators were found good.

Over the years, EBL has established itself as one of the leading private commercial banks in the country with established leadership in corporate banking with growing focus on small, emerging corporate and consumer business. CRISL also viewed the Bank with "Stable Outlook" and believes that Bank will be able to maintain its good fundamentals in the future.

International (by Moody's)

EBL is the first company in the country rated by Moody's, a renowned global rating agency in March 2016. The Bank has been assigned B1 rating in November 2019 with stable outlook that reflects the Bank's track record of stable asset quality.

Value Added Statement

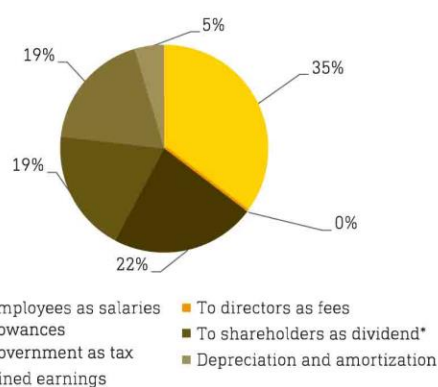
Value added is the wealth accretion made by Eastern Bank Limited through providing banking and other financial services in 2019 for its employees, directors, government and shareholders in the form of salaries & allowances, remuneration, duties & taxes, net profit after tax respectively and also indicates value of use of fixed assets through depreciation.

Value added for the year ended 31 December

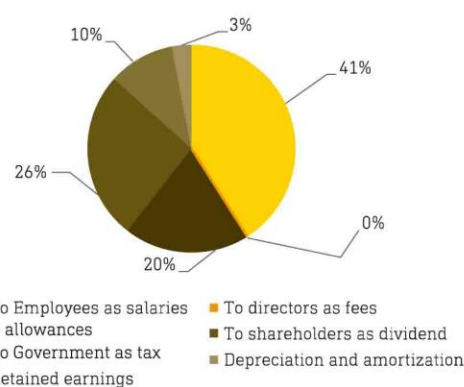
Figures in BDT

Particulars	2019	2018
Wealth creation		
Interest income	23,163,605,820	19,821,280,127
Less: Interest & other operating expenses	(16,982,834,924)	(14,428,775,835)
	6,180,770,896	5,392,504,293
Non-interest income	6,438,662,983	5,633,009,341
Provision for loans & other assets	(1,953,796,686)	(2,558,057,206)
Total wealth creation	10,665,637,192	8,467,456,428
Wealth distribution		
Employees & Directors		
Employees as salaries & allowances	3,763,697,782	3,466,200,108
Directors as fees	4,956,529	4,730,221
Government	2,394,903,187	1,654,484,820
Corporate tax	2,248,022,955	1,505,076,262
Service tax/ Value added tax	136,851,397	137,745,141
Municipalities/ local taxes	6,864,335	8,252,597
Excise duties	3,164,500	3,410,820
Shareholders		
Dividend to shareholders*	2,029,498,868	2,213,998,767
Retention for future business growth		
Retained earnings	1,978,643,257	866,778,153
Depreciation and amortization	493,937,570	261,264,360
Total wealth distribution	10,665,637,192	8,467,456,428

Wealth distribution (%) : 2019



Wealth distribution (%) : 2018



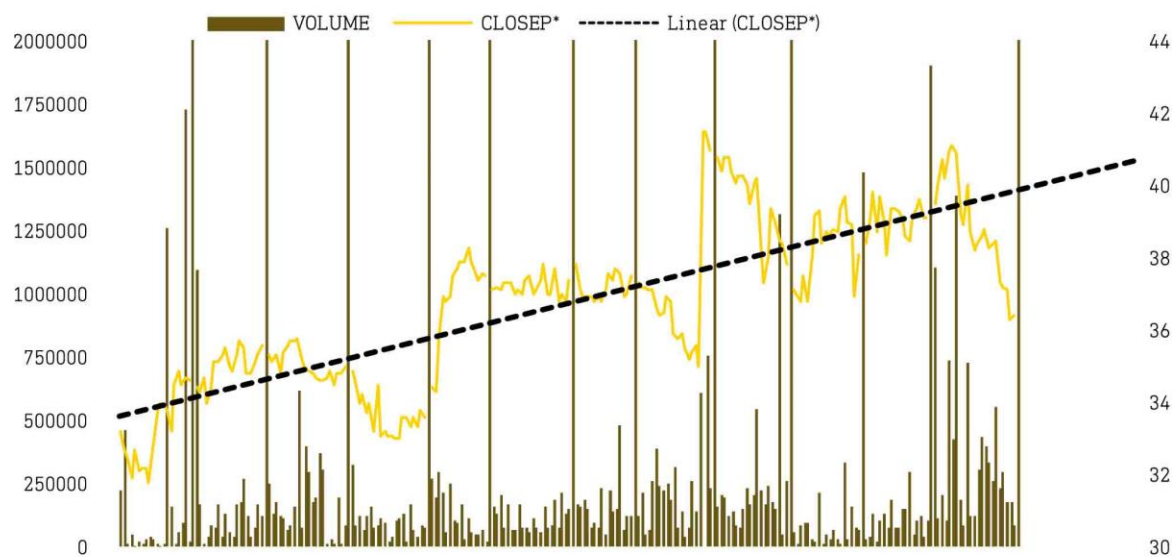
*Board recommended 25% cash dividend for the year 2019 on 05 April 2020. Subsequently Bangladesh Bank has set a cap on dividend (Total: 30%; cash 15%) vide DOS Circular No. 03 dated 11 May 2020. However, final dividend decision will be taken by the shareholders at the 28th AGM in compliance with respective rules and regulations.

Stock Performance

Market price information of EBL share

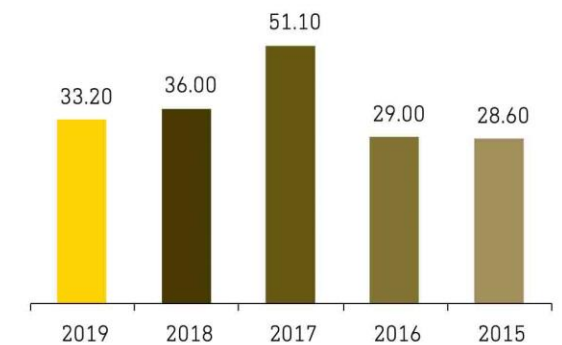
Month	DSE			CSE			Total Volume on DSE & CSE
	Month High	Month Low	Total Volume (Number)	Month High	Month Low	Total Volume (Number)	
Jan-19	43.90	36.00	8,578,780	41.70	35.50	102,728	8,681,508
Feb-19	40.10	37.00	1,907,328	39.80	38.00	32,298	1,939,626
Mar-19	40.10	34.70	1,478,584	39.00	36.00	10,971	1,489,555
Apr-19	43.50	36.20	4,867,972	41.70	36.50	107,419	4,975,391
May-19	42.50	34.60	4,630,321	42.00	35.00	219,831	4,850,152
Jun-19	38.50	35.90	2,496,305	39.00	36.00	1,163,075	3,659,380
Jul-19	38.30	36.50	2,586,877	39.50	36.00	339,941	2,926,818
Aug-19	38.60	34.00	2,041,275	40.00	34.00	225,017	2,266,292
Sep-19	35.00	32.80	2,122,830	37.50	32.40	219,643	2,342,473
Oct-19	36.60	33.30	3,893,011	36.00	33.70	150,098	4,043,109
Nov-19	35.90	33.90	3,054,205	39.00	34.00	8,900,681	11,954,886
Dec-19	35.70	31.10	4,253,279	34.40	31.10	89,145	4,342,424

DSE price-volume movement of EBL share

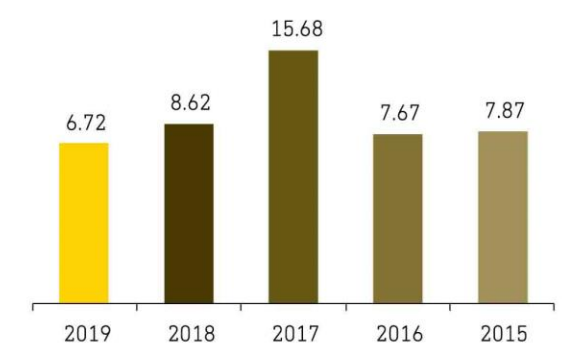


Graphical Presentation

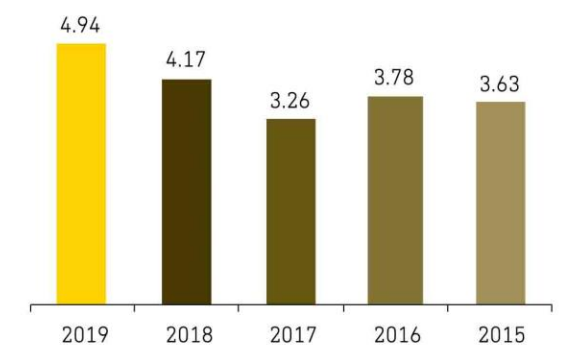
Market price per share (BDT)



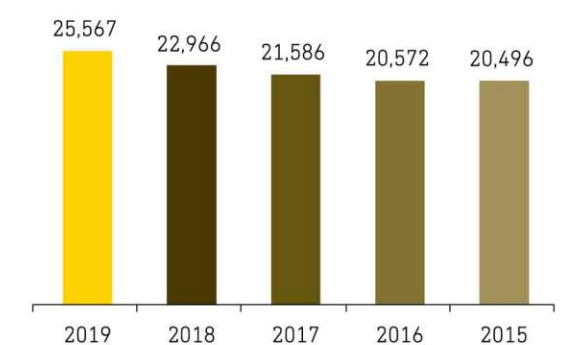
Price earning ratio (Times)



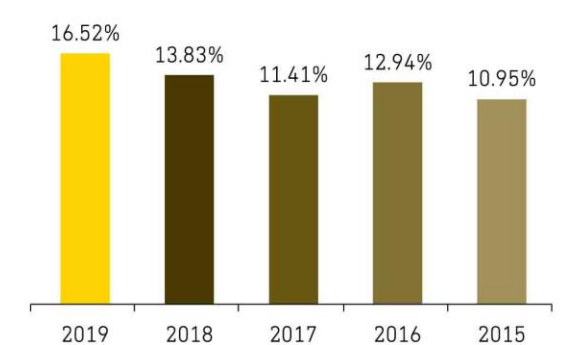
Earnings per share (BDT)



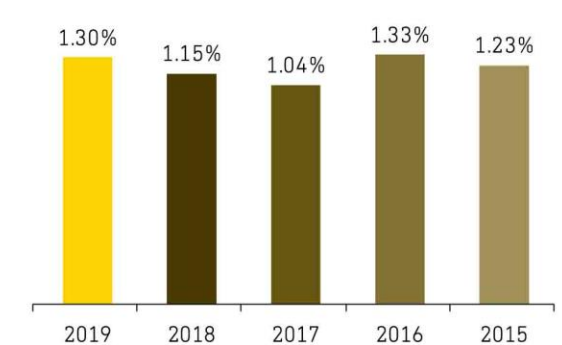
Shareholders' equity (BDT in million)



Return on average equity (Percentage)

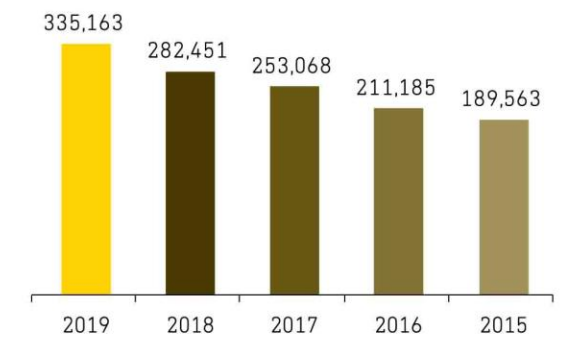


Return on average assets (Percentage)

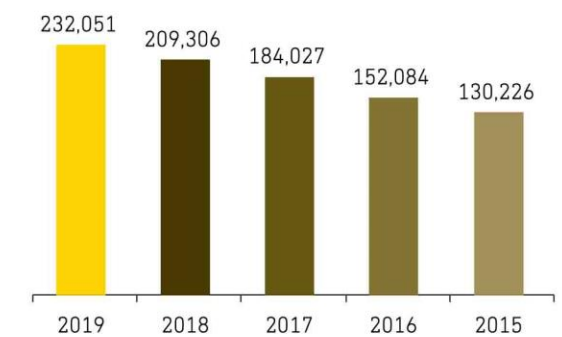


Graphical Presentation

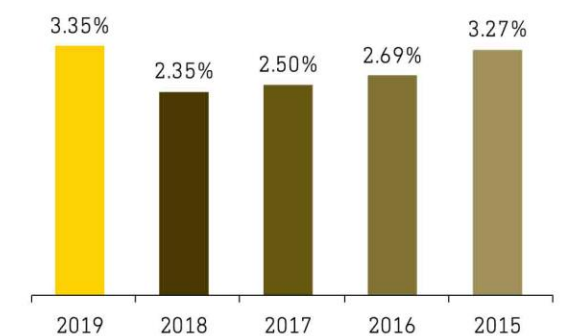
Total assets (BDT in million)



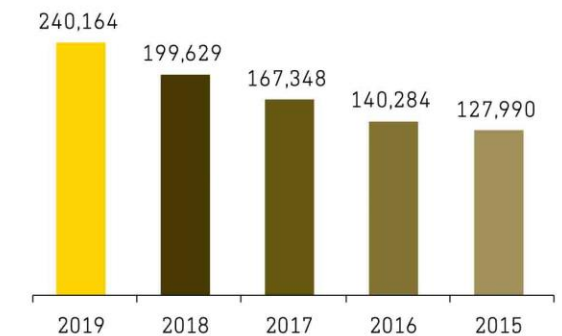
Loans and advances (BDT in million)



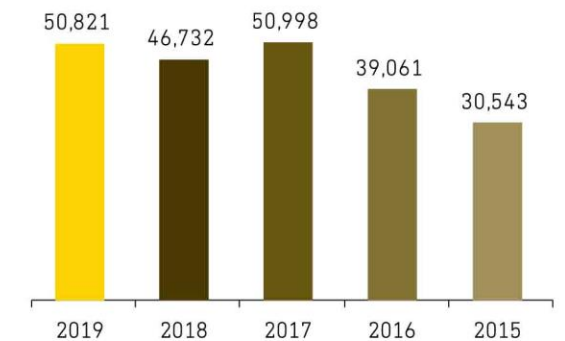
Non-performing loan (percentage)



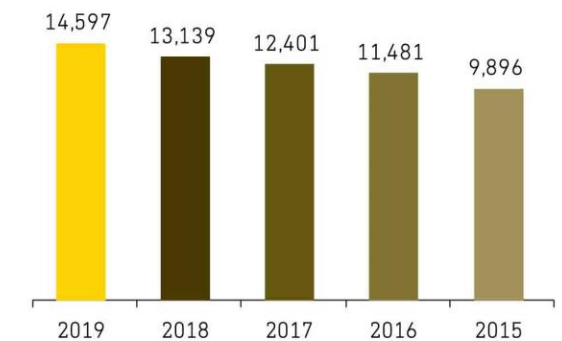
Deposits (BDT in million)



Borrowing (BDT in million)

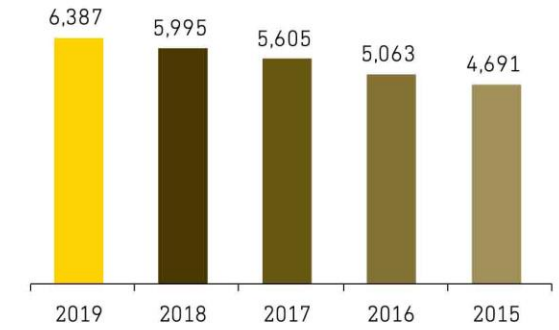


Operating income (BDT in million)

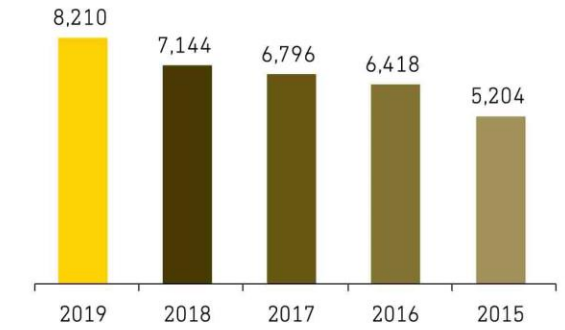


Graphical Presentation

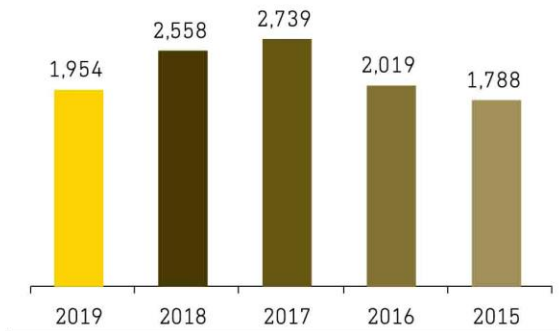
Operating expense (BDT in million)



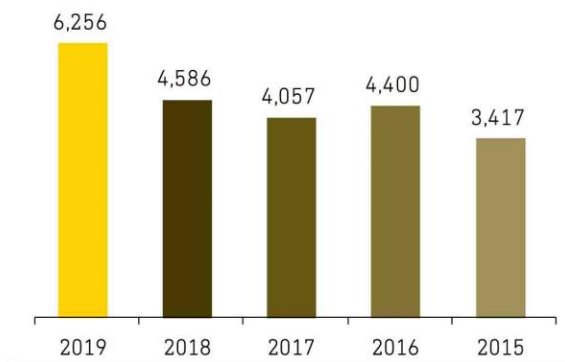
Operating profit (BDT in million)



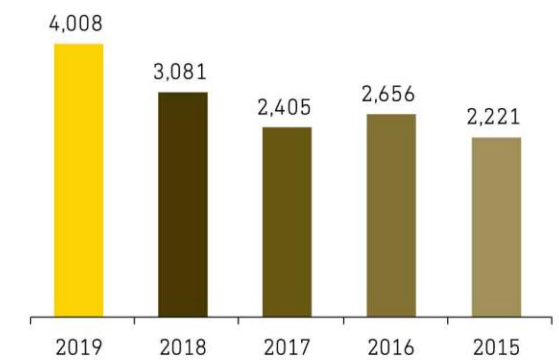
Total provision charged (BDT in million)



Profit before tax (BDT in million)



Profit after tax (BDT in million)



Financial Calendar

Quarterly results

Particulars	Submission Date to BSEC
Un-audited financial information for the 1st Quarter ended 31 March 2019	9 May 2019
Un-audited financial information for the 2nd Quarter ended 30 June 2019	30 July 2019
Un-audited financial information for the 3rd Quarter ended 30 September 2019	27 October 2019

Dividend

27 th Annual General Meeting	Notice date	16 April 2019
Declared 20% Cash Dividend and 10% Stock Dividend for the year ended 31 December 2018	Record date	6 May 2019
27 th Annual General Meeting	Held on	23 May 2019
Disbursement of Cash Dividend	Date of disbursement	26 May 2019

Taxation on dividend income

Stock dividend is tax exempted. In case of cash dividend, following is the current rate for deduction of tax at source on dividend income as per current Finance Act:

- If the shareholder is a company, either resident or non-resident Bangladeshi, at the rate applicable to the company i.e. 20%.
- If the shareholder is a resident or non-resident Bangladeshi person, other than company, at the rate of 10% where the person receiving such dividend furnishes his 12 digit e-TIN to the payer or 15% if the person receiving such dividend fails to furnish his 12 digit e-TIN to the payer.
- If the shareholder is a non-resident (other than Bangladeshi) person, other than company, at the rate of 30%.

Taxation arising from capital gain

Capital gain arising from transfer or sale of government securities is tax exempted. Capital gain arising from transfer or sale of securities of public companies listed with stock exchanges is taxable at the rate of 10%.

Stock details

Particulars	DSE	CSE
Stock symbol	EBL	EBL
Company code	148	22025
Listing year	1993	2004
Market category	A	A
Electronic share	Yes	Yes
Market lot (number)	1	1
Face value (taka)	10	10
Total number of securities (numbers)	811,799,547	811,799,547

Information sensitive to share price

Particulars	Date of disclosure
Corporate disclosure upon approval of financial statements 2018, recommendation of dividend, record date for dividend entitlement of the 27 th AGM (23.05.2019) of EBL.	10 April 2019
Corporate disclosure for first quarterly financial information (un-audited) of EBL ended on 31 March 2019.	8 May 2019
Corporate disclosure for second quarterly financial information (un-audited) of EBL ended on 30 June 2019.	29 July 2019
Corporate disclosure for third quarterly financial information (un-audited) of EBL ended on 30 September 2019.	23 October 2019

Officials at investors' relation department

Shareholders of Eastern Bank Limited (EBL) may contact/communicate to the Head of Share Department for share related issues. The address of the Investors' Relation Department is as follows:

Md. Joynal Abedin

Share Department

Eastern Bank Limited (EBL)
Z Tower (6th Floor)
Holding No.04, Road No. 132
Gulshan-1, Dhaka-1212.
Fax: 880-2-9892353
E-mail: joynal.abedin@ebl-bd.com
Telephone: 9892260 (Direct)
Mobile No. 01814-225335

Accessibility of annual report 2019

Annual Report 2019 and other information about EBL is available on EBL's website www.ebl.com.bd. EBL provides copies of Annual Reports to the Bangladesh Securities and Exchange Commission, Bangladesh Bank, Dhaka Stock Exchange and Chittagong Stock Exchange for their reference.

Chapter: 04

Findings, Recommendations &

Conclusion

Findings & Analysis

In terms of financial state, it is difficult to get the exact picture of the company as the banks are established in different times and are well performing in different sector. The financial data are important to judge a company's overall performance therefore here the following concluding statements are assumptions of how the picture might be. This comparison is very limited in nature as few important financial details have been focused.

We see that Eastern Bank Ltd has BDT 12,000 million authorized capital though City Bank Ltd has highest authorized capital in 2015 among three banks. Regarding investment Eastern Bank Ltd has 2nd highest amount in 2015.

Profitability shows a company's overall efficiency and performance. In recent year BRAC Bank has highest operating profit in compare to all three banks. EBL has lower operating profit which means that bank's core business is less profitable than others bank. Eastern Bank Ltd paid highest dividend among three banks in recent years. This bank has lowest no of branches and ATM booths but highest bills payment machine.

If we look only Eastern Bank Ltd's FY- 2015 the ROA and ROE is lower rather than previous years that means bank did not earn more money on its assets and could not offer a profitable investment to the equity holders. The cost to income ratio also high that means the bank did not efficiently run the business. The EBL shareholders' earned 3.63 taka per share which is lower than previous period except 2014.

Recommendations

- There are a lot of banks now in Bangladesh and customers now have lots of options. So a bank should do everything possible for them to do to retain its customers.
- In the branches of EBL there should be more number of service stations for withdrawing and depositing money so that it reduces the customer waiting time.
- There should be more efficient capital management and investment analysts appointed so that idle money does not remain in the bank.
- They should frequently keep their conscious observation to monitor that the ATM machines in all the booths are usable and adequate cash is there.
- They should increase their ATM booths substantially in order to compete with its competitors.
- EBL should increase the space in the branch offices as their client size is increasing day by day and also introduce new branches in various places of the country for expansion.
- In order to remain as the market leading company they should emphasize much on retain the existing customer base and also should try to attract new customers.
- Some customers said that the service charges of Eastern Bank Ltd are comparatively higher than other bank so it should be reduced if possible. Otherwise it can be a threat for the bank in future.

Conclusion

Eastern Bank is one of the pioneer private banks in the country. It is one of the front line banks due to its specialized and sophisticated banking services rendered to its customers. In order to remain competitive in the market it constantly looks for ways and means to improve productivity. Use of information technology remains its mainstay. EBL is playing significant role in various field of economy such as industry, agriculture, trade and commerce, transportation and many other fields. It is playing a crucial role in human resource development and in creating new employment opportunities. It is also undertaking various welfare activities for the betterment of the society.

According to the study the performance of this bank is satisfactory. In this study to evaluate the financial performance of this bank various financial parameters were considered and Eastern Bank was found as a fast-growing bank and simultaneously performing well in almost all the areas. To keep with this pace of growth and improvement they now should more vigilant on what their customers want and should be more vigilant while giving loans to the clients in order to reduce the defaulter rate.

The reliability of the customers on EBL is increased promptly day by day. In EBL all the staffs are performing sincerely serving the customers untiringly. EBL keeps itself busy to serve the society, to improve the lifestyle of the people, to develop the business environment.