

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
	Company information	Website of EBL, annual report	Continuous process, annually
 Employees	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
	HR information	HR links (Intranet)	Continuous
 Customers	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
	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 status reports	Within the reporting date
	Awareness and knowledge	Training and workshops	As required
	Communication	Telephone conversations, emails, visits	On a regular basis
	Addressing of key issues	Meetings and discussion with board and senior management	As necessary
 Business partners	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
	Future business opportunities	Meetings, on site visits	As required
 Society	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
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	

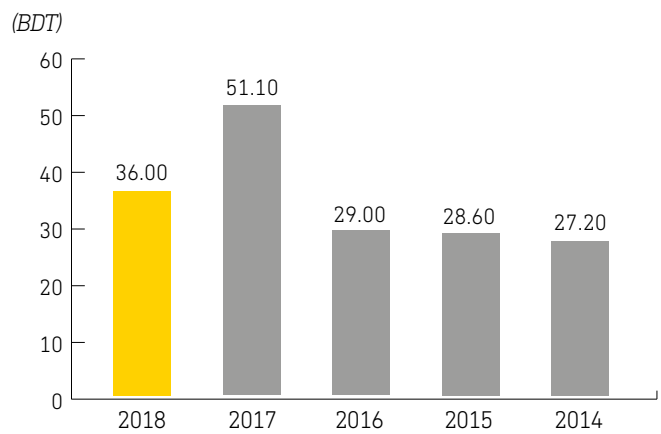
DSE Price-Volume Movement of EBL Share



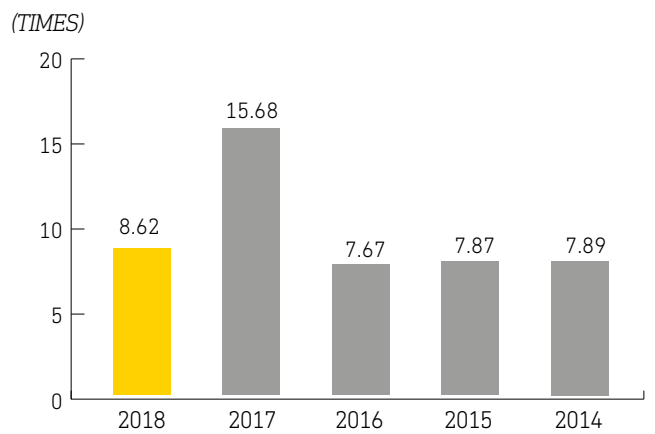
Graphical Presentation

Key Performance Indicators

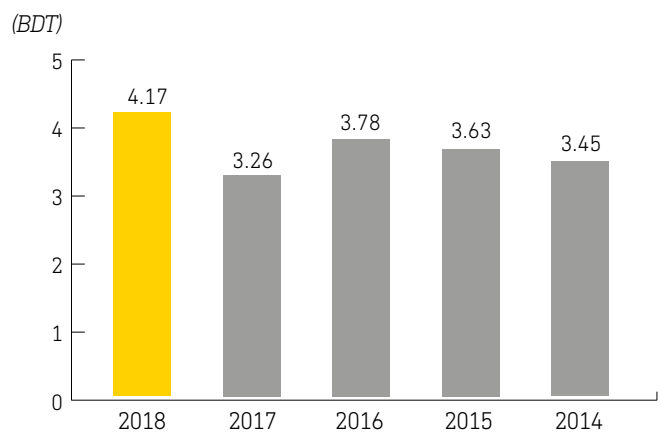
Market price per share



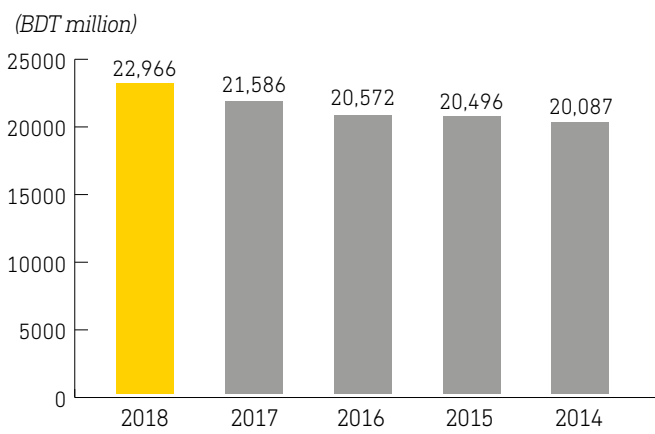
Price earning ratio



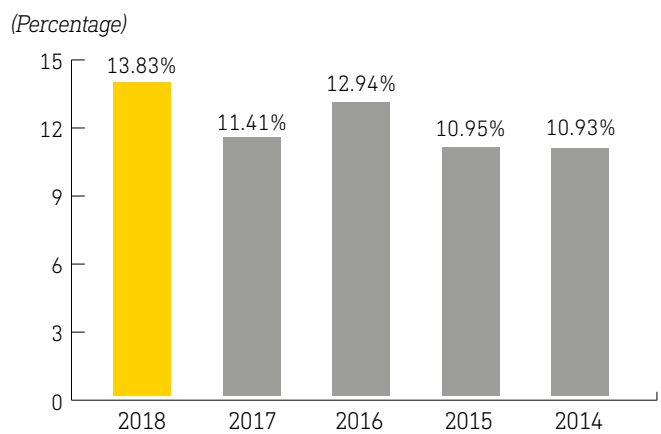
Earnings per share (not restated)



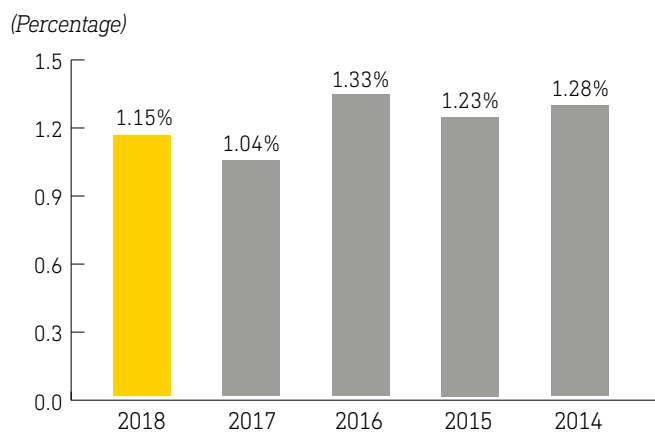
Shareholders' equity



Return on average equity



Return on average assets

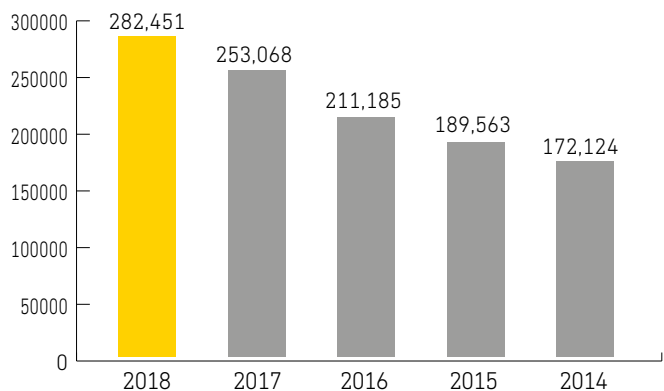


Graphical Presentation

Key Performance Indicators

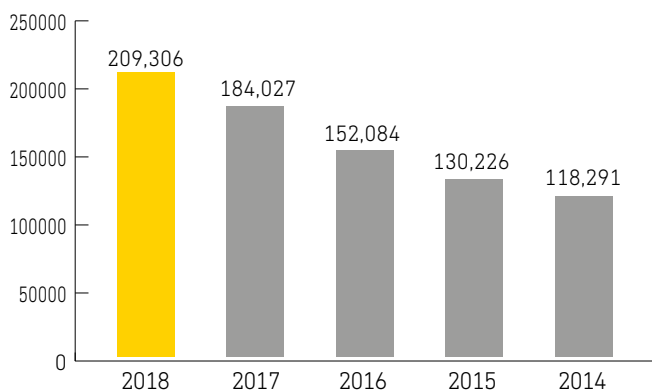
Total assets

(BDT in million)



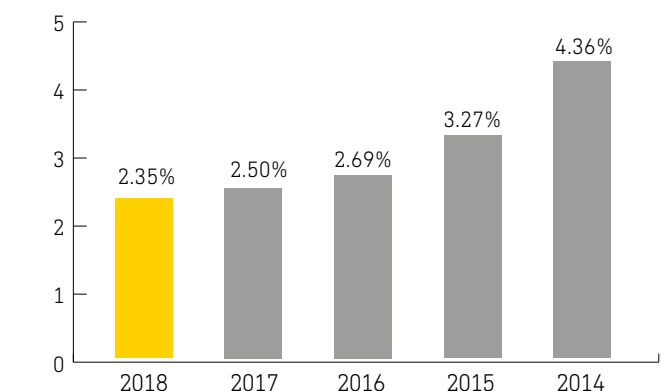
Loans and advances

(BDT in million)



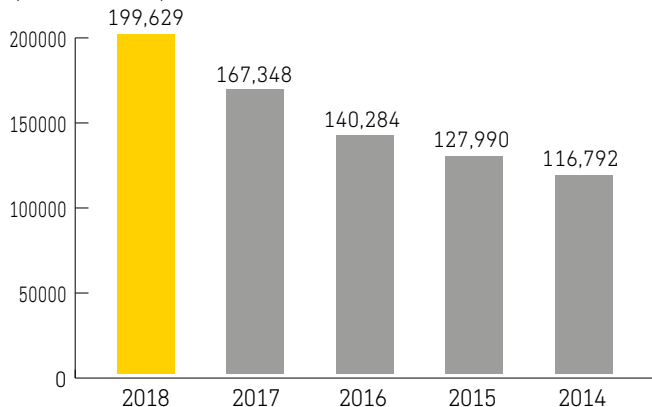
Non Performing Loan

(percentage)



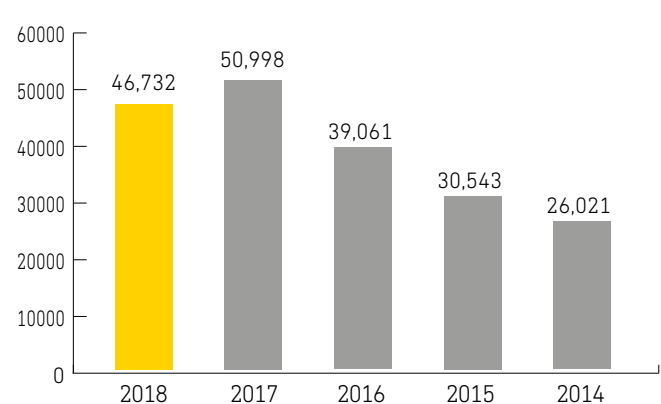
Deposits

(BDT in million)



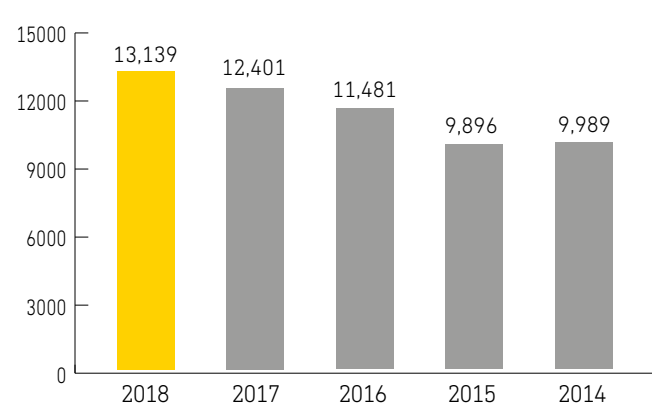
Borrowing

(BDT in million)



Operating income

(BDT in million)

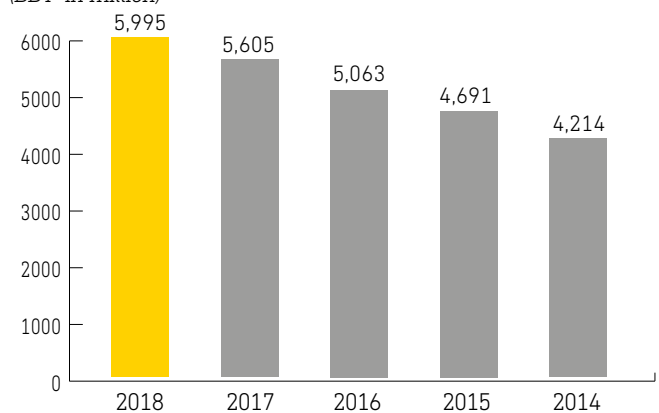


Graphical Presentation

Key Performance Indicators

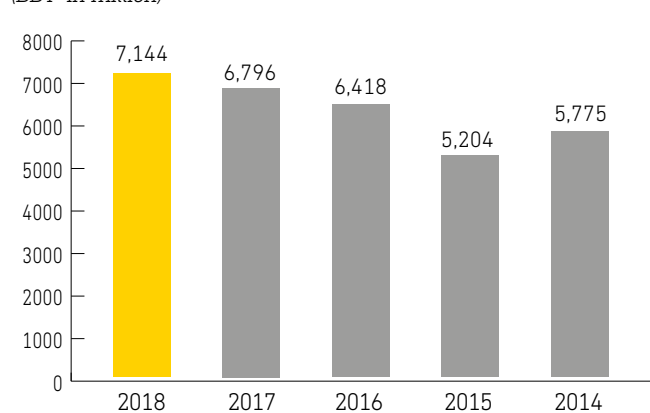
Operating expense

(BDT in million)



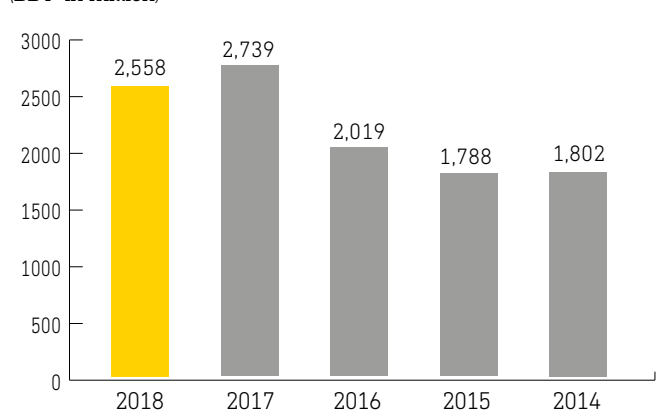
Operating profit

(BDT in million)



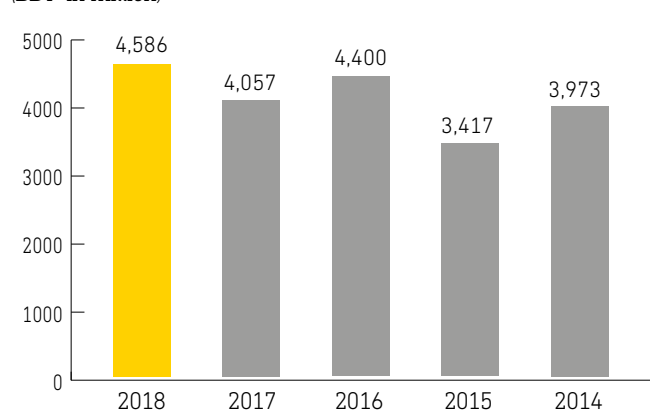
Total provision charged

(BDT in million)



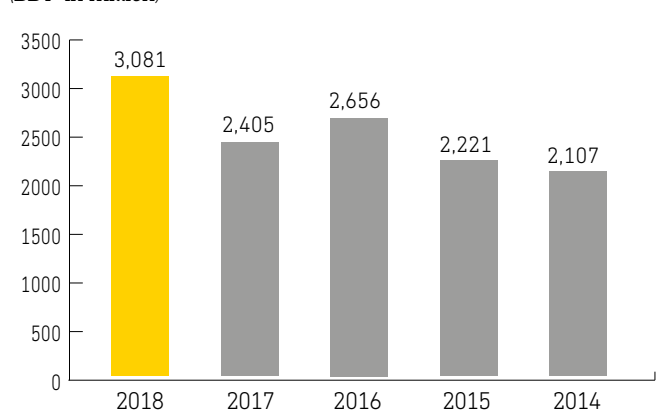
Profit before tax

(BDT in million)



Profit after Tax

(BDT in million)



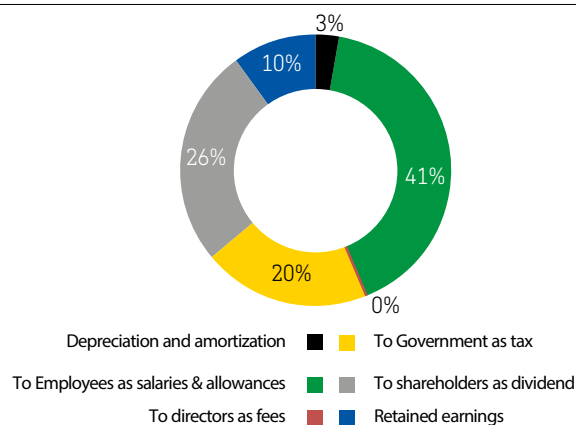
Statement of wealth creation & its distribution

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.

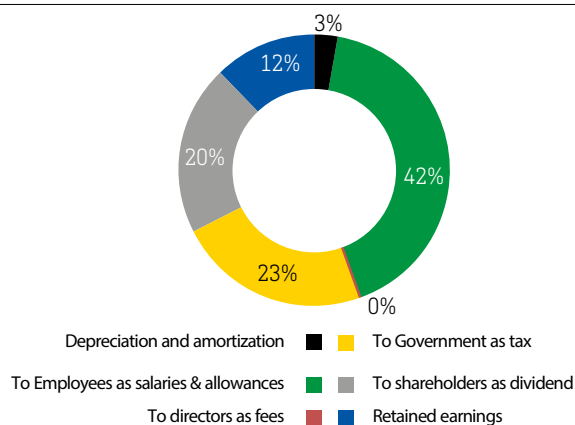
Value added for the year ended 31 December

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.'