



EASTERN BANK LIMITED AND ITS SUBSIDIARIES Consolidated Balance Sheet (Unaudited) As at 30 September 2013

	As at 30 September 2013	As at 31 December 2012
	Taka	Taka
PROPERTY AND ASSETS		
Cash		
Cash in hand (including foreign currencies)	1,174,822,326	1,097,923,927
Balances with Bangladesh Bank and its agent bank(s) (including foreign currencies)	7,255,736,787	9,699,237,183
	8,430,559,114	10,797,161,110
Balances with other Banks and Financial Institutions		
In Bangladesh	8,763,270,461	7,653,914,011
Outside Bangladesh	534,464,890	1,369,531,149
	9,297,735,352	9,023,445,160
Money at call and short notice	290,000,000	100,000,000
Investments		
Government	15,542,037,306	17,789,164,429
Others	3,832,229,437	3,865,532,147
	19,374,266,743	21,654,696,576
Loans and advances		
Loans, Cash Credits, Overdraft etc.	95,365,660,552	87,537,630,678
Bills discounted and purchased	9,180,402,965	9,356,540,473
	104,546,063,517	96,894,171,151
Fixed assets including land, building, furniture and fixtures	6,555,982,719	5,777,805,402
Other assets	2,802,336,221	2,579,426,148
Non banking assets	217,733,000	217,733,000
TOTAL ASSETS	151,514,676,665	147,044,438,547
LIABILITIES AND CAPITAL		
Liabilities		
Borrowing from other banks, financial institutions and agents	22,702,590,685	31,158,073,038
Deposits and other accounts		
Current deposits & other accounts, etc.	10,167,080,479	9,828,621,635
Savings bank deposits	15,937,510,667	14,080,165,001
Fixed deposits	76,508,976,457	66,659,786,106
Bills payable	845,098,184	866,317,963
	103,458,665,786	91,434,890,705
Other liabilities	8,327,345,234	7,201,928,608
TOTAL LIABILITIES	134,488,601,704	129,794,892,351
SHAREHOLDERS' EQUITY		
Share Capital-Paid up capital	6,111,797,850	6,111,797,850
Statutory reserve	4,395,274,232	4,395,274,232
General reserve	130,000,000	160,000,000
Dividend equalisation reserve	356,040,000	356,040,000
Reserve against pre takeover loss	1,554,759,750	1,554,759,750
Pre takeover loss	(981,377,877)	(952,794,812)
Asset revaluation reserve	3,689,495,550	3,689,495,550
Reserve for amortization of treasury securities (HTM)	98,740	98,740
Reserve for revaluation of treasury securities (HFT)	5,445,340	13,754,631
Reserve for non banking assets	204,427,796	204,427,796
Foreign currency translation gain/(loss)	(10,949,179)	(5,418,843)
Profit & loss account -retained earnings	1,571,062,758	1,722,111,302
TOTAL SHAREHOLDERS' EQUITY	17,026,074,960	17,249,546,196
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	151,514,676,665	147,044,438,547
OFF BALANCE SHEET ITEMS		
Contingent liabilities		
Acceptance and endorsements	26,972,489,138	26,450,629,146
Irrevocable Letters of Credit	16,567,863,327	12,329,127,919
Letter of Guarantees	11,758,352,057	10,054,243,019
Bills for Collection	4,437,259,644	4,199,088,283
	59,735,964,165	53,033,088,367
Other memorandum items		
Value of travelers' cheques on hand	-	-
Value of Bangladesh Sanchaya Patra on hand	672,676,100	661,328,100
	672,676,100	661,328,100
Other commitments		
Documentary credits and short term trade-related transactions	-	-
Forward assets purchased and forward deposits placed	11,574,688,762	6,657,310,819
Undrawn note issuance and revolving facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
	11,574,688,762	6,657,310,819
Claims against the Bank not acknowledged as debt	-	-
TOTAL OFF-BALANCE SHEET ITEMS	71,983,329,026	60,351,727,286

Masudul Hoque Sardar
Head of Finance

Dhaka, 22 October 2013

Ali Reza Iftekhar
Managing Director & CEO

EASTERN BANK LIMITED AND ITS SUBSIDIARIES Consolidated Profit & Loss Account (Unaudited) For the period ended 30 September 2013

Particulars	01 January '13 to 30 September '13	01 January '12 to 30 September '12	01 July '13 to 30 September '13	01 July '12 to 30 September '12
	Taka	Taka	Taka	Taka
Interest Income	11,021,485,793	10,091,936,052	3,733,038,487	3,466,653,553
Less: Interest paid on deposits and borrowings	7,360,958,345	6,388,303,170	2,547,308,246	2,252,287,550
Net Interest Income	3,660,527,449	3,703,632,882	1,185,730,242	1,214,366,003
Income from investments	1,402,273,209	951,831,723	547,095,272	268,721,856
Commission, exchange and brokerage	1,771,684,504	1,717,906,612	595,358,071	608,026,787
Other operating income	116,602,039	84,728,070	38,169,159	31,596,597
Total operating income	6,951,087,201	6,496,098,287	2,366,352,744	2,122,711,243
Salary & allowances	1,327,774,760	1,188,090,485	501,250,209	451,316,358
Rent, taxes, insurance, utilities etc.	317,089,579	262,459,638	107,558,422	111,422,835
Legal & professional expenses	38,146,357	27,666,578	16,041,339	7,493,290
Postage, stamp, telecommunication etc.	62,781,098	48,704,812	10,759,151	4,181,193
Stationery, printing, advertisement, etc.	159,920,603	143,706,172	56,205,558	47,058,023
Chief Executive's salary and fees	10,620,930	10,848,717	4,108,770	4,743,117
Directors' Fees & Expenses	2,363,825	1,887,411	676,699	434,385
Auditor's fees	91,347	-	-	-
Charges on loan losses	-	940	-	940
Repairs, maintenance and depreciation	310,946,908	287,750,569	93,347,013	89,773,332
Other office operating expenses	322,264,346	257,928,255	111,201,115	79,711,511
Total operating expenses	2,551,999,753	2,229,043,577	901,148,276	796,134,984
Other non operating income	-	103,476,010	-	103,476,010
Profit before provisions	4,399,087,448	4,332,531,720	1,465,204,468	1,430,052,269
Provision for loans and advances				
General provision	83,762,722	289,858,906	38,950,285	119,914,149
Specific provision	1,094,333,538	774,717,639	486,794,120	520,497,817
Provision against loss on revaluation of shares (net)	264,604,828	280,408,120	261,651,256	(133,091,966)
Other provisions	136,489	8,540,000	136,489	8,540,000
Total provisions	1,442,837,577	1,353,524,665	787,532,150	515,860,000
Profit after tax for the period	2,956,249,872	2,979,007,055	677,672,319	914,192,269
Provision for tax made for the period	1,914,938,848	1,752,033,847	612,061,144	569,925,845
Profit after tax for the period	1,041,311,024	1,226,973,208	65,611,175	344,266,424
Earnings per share (EPS)	1.70	2.01	0.11	0.56

Masudul Hoque Sardar
Head of Finance

Dhaka, 22 October 2013

Ali Reza Iftekhar
Managing Director & CEO

EASTERN BANK LIMITED AND ITS SUBSIDIARIES Consolidated Cash Flow Statement (Unaudited) For the period ended 30 September 2013

Particulars	01 January 2013 to 30 September 2013	01 January 2012 to 30 September 2012
	Taka	Taka
A) Cash flows from operating activities		
Interest received	10,718,551,075	9,523,265,227
Interest paid	(7,327,883,440)	(5,759,352,529)
Dividend received	62,887,465	47,785,490
Fees and commission received	1,771,684,504	1,717,906,612
Income from investment	1,339,385,744	904,046,233
Recovery of loans previously written off	82,725,201	103,254,745
Cash paid to employees (including directors)	(1,340,759,515)	(1,200,826,613)
Cash paid to suppliers	(714,683,226)	(482,537,201)
Income taxes paid	(749,971,321)	(1,694,339,441)
Received from other operating activities	116,602,039	84,728,069
Paid for other operating activities	(322,264,346)	(397,116,134)
Operating cash flow before changes in operating assets and liabilities	3,636,274,181	2,846,814,457
Increase/(decrease) in Operating Assets & Liabilities		
Changes in trading securities	(3,360,371,136)	1,597,730,846
Loans and advances to customers (other than banks)	(7,348,957,648)	(10,110,275,903)
Other assets	(222,910,073)	732,526,893
Recovery/(Payment) from/for BCCI assets/liabilities	(28,583,064)	(165,590,574)
Deposits from other Banks	3,942,962,574	3,950,600
Deposits from customers (other than banks)	8,047,737,602	9,827,995,371
Other liability/tax	(1,164,967,527)	(57,694,407)
Other liability/provision	(1,525,562,777)	(1,456,779,410)
Other liabilities	1,125,325,279	338,039,520
Foreign currency translation difference	(5,530,336)	(15,692,270)
Net Cash received from operating activities	3,095,417,075	3,541,025,122
B) Cash flows from investing activities		
Changes in non-trading securities	5,631,783,579	(331,535,323)
Purchase of property, plant and equipment	(952,795,965)	(361,277,958)
Sales proceeds of fixed assets	417,329	3,658,013
Investment in Subsidiary-EBL Finance (HK) Limited	-	(4,198,035)
Non controlling Interest	-	(141,721,847)
Net cash used in investing activities	4,679,404,943	(835,075,151)
C) Cash flows from financing activities		
Borrowings from other banks, financial institutions and agents	(8,455,482,353)	(10,033,667)
Dividend paid (cash dividend)	(1,222,359,570)	-
Net cash received from financing activities	(9,677,841,923)	(10,033,667)
D) Net (decrease) / increase in cash (A+B+C)	(1,903,019,905)	2,695,916,304
E) Opening cash and cash-equivalents	19,924,110,070	12,357,018,214
F) Closing cash and cash-equivalents (D+E)*	18,021,090,165	15,052,934,518
*Closing cash and cash-equivalents		
Cash in hand (including foreign currencies)	1,174,822,326	1,470,793,723
Balances with Bangladesh Bank and its agent bank (s)	7,255,736,787	6,834,191,165
Balances with other Banks and Financial Institutions	9,297,735,352	5,835,002,130
Money at call and short notice	290,000,000	910,000,000
Prize bonds	2,795,700	2,947,500
	18,021,090,165	15,052,934,518

Masudul Hoque Sardar
Head of Finance

Dhaka, 22 October 2013

Ali Reza Iftekhar
Managing Director & CEO

EASTERN BANK LIMITED Balance Sheet (Unaudited) As at 30 September 2013

	As at 30 September 2013	As at 31 December 2012
	Taka	Taka
PROPERTY AND ASSETS		
Cash		
Cash in hand (including foreign currencies)	1,174,779,237	1,097,919,688
Balances with Bangladesh Bank and its agent bank(s) (including foreign currencies)	7,255,736,787	9,699,237,183
	8,430,516,025	10,797,156,871
Balances with other Banks and Financial Institutions		
In Bangladesh	8,374,677,120	7,616,918,267
Outside Bangladesh	652,918,133	1,369,531,149
	9,027,595,254	8,986,449,416
Money at call and short notice	290,000,000	100,000,000
Investments		
Government	15,542,037,306	17,789,164,429
Others	3,721,008,173	3,865,510,224
	19,263,045,479	21,654,674,653
Loans and advances		
Loans, Cash Credits, Overdraft etc.	95,291,403,499	87,363,196,058
Bills discounted and purchased	9,058,146,494	9,356,540,473
	104,349,549,993	96,719,736,531
Fixed assets including land, building, furniture and fixtures	6,544,897,196	5,768,259,820
Other assets	3,194,387,159	2,904,324,025
Non banking assets	217,733,000	217,733,000
TOTAL ASSETS	151,317,724,106	147,148,334,316
LIABILITIES AND CAPITAL		
Liabilities		
Borrowing from other banks, financial institutions and agents	22,702,590,685	31,158,073,038
Deposits and other accounts		
Current deposits & other accounts, etc.	10,167,082,111	9,828,621,635
Savings bank deposits	15,937,510,667	14,080,165,001
Fixed deposits	76,554,877,496	67,005,863,858
Bills payable	845,098,184	866,317,963
	103,504,568,457	91,780,968,457
Other liabilities	8,226,526,066	7,099,953,349
TOTAL LIABILITIES	134,433,685,208	130,038,994,844
SHAREHOLDERS' EQUITY		
Share Capital-Paid up capital	6,111,797,850	6,111,797,850
Statutory reserve	4,395,274,232	4,395,274,232
General reserve	130,000,000	160,000,000
Dividend equalisation reserve	356,040,000	356,040,000
Reserve against pre takeover loss	1,554,759,750	1,554,759,750
Pre takeover loss	(981,377,877)	(952,794,812)
Asset revaluation reserve	3,689,495,550	3,689,495,550
Reserve for amortization of treasury securities (HTM)	98,740	98,740
Reserve for revaluation of treasury securities (HFT)	5,445,340	13,754,631
Reserve for non banking assets	204,427,796	204,427,796
Foreign currency translation gain/(loss)	(10,913,072)	(5,418,843)



EASTERN BANK LIMITED Profit & Loss Account (Unaudited) For the period ended 30 September 2013

Particulars	01 January	01 January	01 July	01 July
	'13 to 30	'12 to 30	'13 to 30	'12 to 30
	September	September	September	September
	'13	'12	'13	'12
	Taka	Taka	Taka	Taka
Interest Income	10,967,875,536	10,062,554,529	3,709,019,892	3,454,198,776
Less: Interest paid on deposits and borrowings	7,372,240,576	6,407,010,268	2,547,712,475	2,258,619,337
Net Interest Income	3,595,634,960	3,655,544,261	1,161,307,417	1,195,579,439
Income from investments	1,434,951,775	951,895,035	541,998,332	268,721,856
Commission, exchange and brokerage	1,721,557,716	1,669,492,815	567,550,929	594,291,182
Other operating income	113,153,040	82,626,640	35,099,225	29,589,967
Total operating income	6,865,297,491	6,359,558,751	2,305,955,903	2,088,182,444
Salary & allowances	1,306,778,702	1,174,399,441	491,261,502	446,082,689
Rent, taxes, insurance, utilities etc.	306,316,051	256,397,313	104,890,248	110,327,407
Legal & professional expenses	38,078,857	27,377,238	15,976,339	7,493,290
Postage, stamp, telecommunication etc.	61,358,806	47,693,257	9,971,090	3,169,638
Stationery, printing, advertisement, etc.	159,358,317	143,571,805	56,087,033	47,026,258
Chief Executive's salary and fees	10,620,930	10,848,717	4,108,770	4,743,117
Directors' Fees & Expenses	2,309,825	1,866,411	650,899	434,385
Auditor's fees	-	-	-	-
Charges on loan losses	-	940	-	940
Repairs, maintenance and depreciation	306,143,582	284,878,368	91,931,612	88,907,616
Other office operating expenses	313,336,489	249,961,365	106,886,249	78,096,875
Total operating expenses	2,504,301,559	2,196,994,855	881,763,742	786,282,215
Profit before provisions	4,360,995,931	4,162,563,896	1,424,192,160	1,301,900,229
Provision for loans and advances				
General provision	83,762,722	289,858,906	38,950,285	119,914,149
Specific provision	1,094,333,538	774,717,639	486,794,120	520,497,817
Provision against loss on revaluation of shares (net)	254,736,122	280,408,120	254,736,122	(133,091,966)
Other provisions	136,489	8,540,000	136,489	8,540,000
Total provisions	1,432,968,871	1,353,524,665	780,617,016	515,860,000
Profit before tax for the period	2,928,027,061	2,809,039,231	643,575,145	786,040,229
Provision for tax made for the period	1,888,581,481	1,728,524,159	601,139,045	561,041,368
Profit after tax for the period	1,039,445,580	1,080,515,072	42,436,100	224,998,861
Earnings per share (EPS)	1.70	1.77	0.07	0.37

Masudul Hoque Sardar
Head of Finance

Ali Reza Iftekhar
Managing Director & CEO

Dhaka, 22 October 2013

EASTERN BANK LIMITED Cash Flow Statement (Unaudited) For the period ended 30 September 2013

Particulars	01 January	01 January
	2013 to 30	2012 to 30
	September	September
	2013	2012
	Taka	Taka
A) Cash flows from operating activities		
Interest received	10,678,043,206	9,493,883,705
Interest paid	(7,339,165,671)	(5,778,059,627)
Dividend received	62,887,465	47,785,490
Fees and commission received	1,721,557,716	1,669,492,815
Income from investment	1,372,064,310	904,109,545
Recovery of loans previously written off	82,725,201	103,254,745
Cash paid to employees (including directors)	(1,319,709,457)	(1,187,114,569)
Cash paid to suppliers	(699,864,486)	(475,039,614)
Income taxes paid	(733,360,763)	(1,665,594,194)
Received from other operating activities	113,153,040	82,626,640
Paid for other operating activities	(313,336,489)	(388,457,449)
Operating cash flow before changes in operating assets and liabilities	3,624,994,072	2,806,887,486
Increase/(decrease) in Operating Assets & Liabilities		
Changes in trading securities	(3,249,171,795)	1,597,416,046
Loans and advances to customers (other than banks)	(7,339,981,133)	(10,018,974,353)
Other assets	(184,551,258)	1,267,481,735
Recovery/Payment from/for BCCI assets/liabilities	(28,583,064)	(165,590,574)
Deposits from other Banks	3,942,962,574	3,950,600
Deposits from customers (other than banks)	7,747,562,521	9,838,221,482
Other liability/tax	(1,155,220,718)	(62,929,965)
Other liability/provision	(1,515,694,071)	(1,456,779,410)
Other liabilities	1,126,572,717	155,783,606
Foreign currency translation difference	(5,494,229)	(15,692,270)
Net Cash received from operating activities	2,963,395,615	3,949,774,382
B) Cash flows from investing activities		
Changes in non-trading securities	5,631,783,579	(331,535,323)
Purchase of property, plant and equipment	(948,445,832)	(361,148,494)
Sales proceeds of fixed assets	417,329	3,658,013
Investment in Subsidiary-EBL Securities Limited	(100,000,000)	(551,400,000)
Investment in Subsidiary-EBL Finance (HK) Limited	(5,511,876)	(4,198,035)
Net cash used in investing activities	4,578,243,199	(1,244,623,840)
C) Cash flows from financing activities		
Borrowings from other banks, financial institutions and agents	(8,455,482,353)	(10,033,668)
Dividend paid (cash dividend)	(1,222,359,570)	-
Net cash received from financing activities	(9,677,841,923)	(10,033,668)
D) Net (decrease) / increase in cash (A+B+C)	(2,136,203,109)	2,695,116,874
E) Opening cash and cash-equivalents	19,887,110,087	12,206,182,906
F) Closing cash and cash-equivalents (D+E)*	17,750,906,978	14,901,299,780
*Closing cash and cash-equivalents		
Cash in hand (including foreign currencies)	1,174,779,237	1,470,785,562
Balances with Bangladesh Bank and its agent bank (s)	7,255,736,787	6,834,191,165
Balances with other Banks and Financial Institutions	9,027,595,254	5,683,375,553
Money at call and short notice	290,000,000	910,000,000
Prize bonds	2,795,700	2,947,500
	17,750,906,978	14,901,299,780

Masudul Hoque Sardar
Head of Finance

Ali Reza Iftekhar
Managing Director & CEO

Dhaka, 22 October 2013

EASTERN BANK LIMITED Selected explanatory notes as at and for the period ended 30 September 2013

1 Activities of the Bank

1.1 Incorporated in Bangladesh, Eastern Bank Limited ("the Bank") was formed as a public limited company with primary objective to carry out all kind of banking businesses inside and outside Bangladesh. The Bank took over the businesses, assets, liabilities and losses of erstwhile Bank of Credit & Commerce International (Overseas) Limited (hereinafter called BCCI) with effect from 16 August 1992 as they stood after reduction or adjustments in accordance with the provisions of the Bank of Credit & Commerce International (Overseas) Limited (Reconstruction) Scheme, 1992. The Bank commenced operations from 16 August 1992 with 4 branches and on the reporting date it had 68 branches all over Bangladesh. Shares of the Bank is listed with both Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The registered office of the Bank is located at Jiban Bima Bhaban, 10 Dilkusha C/A, Dhaka-1000.

The principal activities of the Bank are to provide a comprehensive range of financial products (loans & deposits), personal and commercial banking, trade services, cash management, treasury, securities and custody services.

1.2 Offshore Banking Unit

Off shore Banking Unit (OBU) is a separate business unit of Eastern Bank Limited, governed under the Rules and Guidelines of Bangladesh Bank. The Bank obtained permission for OBU operations vide Bangladesh Bank's letter no. BRPD(P)744/(89)/2004-303 dated 25 January 2004. It gives loans (on and off -balance sheet exposures) and takes deposits only in freely convertible foreign currencies to and from non-resident person/institutions, fully foreign owned EPZ companies etc. The unit commenced its operation from 19 May 2004 and its office is located at Jiban Bima Bhaban, 10 Dilkusha C/A (1st floor), Dhaka.

1.3 Subsidiaries of the Bank

As on the reporting date, Eastern Bank Limited had four fully owned subsidiaries among which financial statements of three of them were consolidated. These are: EBL Securities Ltd, a securities brokerage firm, 'EBL Investments Limited', a merchant bank (License obtained during the period) and 'EBL Finance (HK) Limited', a foreign subsidiary for trade finance & offshore banking business in Hong Kong. The subscription and commencement of businesses of another fully owned subsidiary i.e. EBL Asset Management Company Ltd. is yet to be completed.

2 Basis of Preparation and Significant Accounting Policies

2.1 Statement of compliance

The consolidated financial statements of the Group and the financial statements of the Bank as at and for the period ended 30 September 2013 have been prepared under the historical cost convention and in accordance with Bangladesh Financial Reporting Standards (BFRS), the "First Schedule" (section 38) of the Bank Companies Act 1991, as amended by the BRPD Circular no. 14 dated 25 June 2003, the Bank Companies (Amendment) Act 2013, other Bangladesh Bank Circulars, the Companies Act 1994, the Bangladesh Securities and Exchange Rules 1987, Dhaka and Chittagong Stock Exchange's listing regulations and other laws and rules applicable in Bangladesh. In case the requirement of provisions and Circulars issued by Bangladesh Bank differ with those of other regulatory authorities and accounting standards, the provisions and Circulars issued by Bangladesh Bank shall prevail.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items:

- Government Treasury Bills and Bonds designated as 'Held for Trading (HFT)' are revalued on 'mark to market' basis with gain credited to revaluation reserve but loss charged to Profit and Loss Account.
- Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' at present value using amortisation concept.
- Land is recognised at cost at the time of acquisition and subsequently measured at fair value as per BAS-16 "Property Plant & Equipment."
- Acquired assets and liabilities of subsidiary (EBL Securities Ltd.) are recognized at their acquisition date fair value as per BFRS-3.

2.3 Use of estimates and judgements

The preparation of the financial statements of the Group and the Bank requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected.

Significant accounting policies
The accounting policies set out have been applied consistently to all periods presented in these financial statements, and have been applied consistently by group entities.

Certain comparative amounts in the financial statements have been rearranged to conform to the current period's presentation.

2.4 Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity, so as to obtain economic benefits from its activities.

The consolidated financial statements incorporate the financial statements of Eastern Bank Limited and the financial statements of subsidiary companies from the date that control commences until the date that control ceases. The financial statements of such subsidiary companies are incorporated on a line by line basis and the investments held by the bank is eliminated against the corresponding share capital or equity of subsidiaries in the consolidated financial statements.

The financial statements are consolidated with those of the Bank following Bangladesh Accounting Standards (BAS) 27 & Bangladesh Financial Reporting Standards (BFRS) 3. Intra-group balances and transactions, and any incomes and expenses arising from intra-group transactions are eliminated while preparing the consolidated financial statements.

2.5 Functional and presentation currency

These consolidated financial statements of the Group and the financial statements of the Bank are presented in BDT which is the Group's and the Bank's functional currency except OBU & EBL Finance (HK) Ltd. where functional currency is US Dollar (USD) & Hong Kong Dollar (HKD) respectively. All financial information presented in BDT has been rounded to the nearest integer, except when otherwise indicated.

2.6 Investments

All investments (other than government treasury bills and bonds) are initially recognised at cost, including acquisition charges associated with the investment. Premiums are amortised and discount accreted, using the effective or historical yield method. Accounting treatment of government treasury securities (categorized as HFT or/and HTM) is made following Bangladesh Bank BRPD circular letter no 05, dated 26-05-2008 and its subsequent clarifications.

Investments are stated as per following bases:

Investment class	Initial recognition	Measurement after initial recognition	Recording of changes
Govt. T-bills/bonds (HFT)	Cost	Fair value	Loss to Profit & Loss Account, gain to Revaluation Reserve through Profit & Loss Account.
Govt. T-bills/bonds (HTM)	Cost	Amortised cost	Increase or decrease in value to equity.
Debenture/Bond	Face value	None	None
Shares *	Cost	Lower of cost or market value	Loss (net) to Profit & Loss Account but no unrealized gain booking.
Prize bond	Cost	None	None

* Provision has been made on unrealized loss (gain net off) according to DOS circular no. 4 dated 24 November 2011.

2.7 Loans and advances

Loans and advances are stated at gross amount. General provisions on unclassified loans and contingent assets, specific provisions for classified loans and interest suspense account thereon are shown under other liabilities. Provision against classified loans and advances is made on the basis of quarter end review by the management and instructions contained in BRPD Circular no. 14, dated 23 September 2012, BRPD Circular no. 19, dated 27 December 2012 and BRPD Circular no. 05, dated 29 May 2013.

2.8 Fixed assets and depreciation

- Fixed assets except land are stated at cost less accumulated depreciation as per BAS-16 "Property, Plant and Equipment". Acquisition cost of an asset comprises the purchase price and any directly attributable cost of bringing the asset to working condition for its intended use. Lands are recognized at cost at the time of acquisition and subsequently measured at revalued amounts which is the fair value at the time of revaluation done by independent valuers and any surplus on revaluation is shown as equity component until the disposal of the asset.
- Depreciation is charged on all fixed assets on the basis of estimated useful lives as determined by the management. In all cases depreciation is calculated on the straight line method. Depreciation of the assets is charged from the month of acquisition (for full month) and no depreciation is charged for the month when the assets are disposed.
- Repairs and maintenance are charged to profit and loss account as expense when incurred.

2.9 Revenue Recognition

The revenue during the period is recognised following all conditions of revenue recognition as prescribed by BAS - 18 "Revenue".

2.10 Earnings per share

Earnings per share (EPS) has been computed by dividing the profit after tax (PAT) by the weighted average number of ordinary shares outstanding as on 30 September 2013 as per BAS- 33 "Earnings Per Share". Diluted earnings per share was not required to calculate as there were no dilution possibilities during the period.

	30-Sep-13	30-Sep-12
A Weighted average number of shares :		
Number of shares outstanding in 2012	-	611,179,785
Number of shares outstanding in 2013	611,179,785	-
Weighted average number of shares	611,179,785	611,179,785
B Earnings Per Share (EPS) :		
Profit attributable to the shareholders of EBL for the period (Bank)	1,039,445,580	1,080,515,072
Profit attributable to the shareholders of EBL for the period (Consolidated)	1,041,311,024	1,226,973,208
Weighted average number of shares (A)	611,179,785	611,179,785
Earnings per share (EPS) - (Bank)	1.70	1.77
Earnings per share (EPS) - (Consolidated)	1.70	2.01

2.11 Cash Flow Statement

Cash Flow Statement is prepared in accordance with Bangladesh Accounting Standard (BAS) 7 "Cash Flow Statement" and under the guideline of Bangladesh Bank BRPD Circular No.14 dated 25 June 2003. The Statement shows the Structure of Changes in cash and cash equivalents during the period.

2.12 Statement of Changes in Equity

Statement of changes in Equity is prepared in accordance with Bangladesh Accounting Standard (BAS) 1 "Presentation of Financial Statements" and relevant guidelines of Bangladesh Bank.

2.13 General

Reporting Period
The reporting period of these financial statements of the Group and the bank is 1 January 2013 to 30 September 2013.

Review of the Financial Statements
These financial statements were reviewed by the Audit Committee of the Board of EBL in its 53 meeting held on 23 October 2013 and was subsequently approved by the Board in its 519 meeting held on the same date.

EASTERN BANK LIMITED Statement of Changes in Equity (Unaudited) For the period ended 30 September 2013

Particulars	Paid up capital	Statutory reserve	General reserve	Dividend equalisation reserve	Reserve against pre takeover loss	Pre take over loss	Asset revaluation reserve	Reserve for amortization of treasury securities (HTM)	Reserve for revaluation of treasury securities (HFT)	Reserve for non banking assets	Foreign currency translation gain/(loss)	Retained earnings	Total
Balance as at 1 January 2013	6,111,797,850	4,395,274,232	160,000,000	356,040,000	1,554,759,750	(952,794,812)	3,689,495,550	98,740	13,754,631	204,427,796	(5,418,843)	1,581,904,578	17,109,339,472
Net profit for the period after tax	-	-	-	-	-	-	-	-	-	-	-	1,039,445,580	1,039,445,580
Dividend paid in cash	-	-	-	-	-	-	-	-	-	-	-	(1,222,359,570)	(1,222,359,570)
Reserve/Adjustment for revaluation of treasury securities (HFT)	-	-	-	-	-	-	-	-	(8,309,291)	-	-	-	(8,309,291)
Recovery/(Payment) of pre-takeover loss	-	-	-	-	-	(28,583,064)	-	-	-	-	-	-	(28,583,064)
Transfer to General Reserve	-	-	(30,000,000)	-	-	-	-	-	-	-	-	30,000,000	-
Currency translation difference	-	-	-	-	-	-	-	-	-	-	(5,494,229)	-	(5,494,229)
Balance as at 30 September 2013	6,111,797												