



Eastern Bank Ltd.

Quarterly Financial Statements (Unaudited) First Quarter 2012

EASTERN BANK LIMITED AND ITS SUBSIDIARIES Consolidated Balance Sheet (Unaudited)

As at 31 March 2012

	As at 31 March 2012 Taka	As at 31 December 2011 Taka
PROPERTY AND ASSETS		
Cash		
Cash in hand (including foreign currencies)	1,282,658,789	1,095,803,828
Balances with Bangladesh Bank and its agent bank(s) (including foreign currencies)	6,038,128,530	4,926,961,943
	7,320,787,319	6,022,765,771
Balances with other Banks and Financial Institutions		
In Bangladesh	4,471,350,208	3,580,408,080
Outside Bangladesh	1,388,376,882	101,735,964
	5,859,727,090	3,682,144,044
Money at call and short notice	1,330,000,000	2,650,000,000
Investments		
Government	9,157,855,548	12,841,220,762
Others	4,187,701,580	4,069,307,226
	13,345,557,127	16,910,527,988
Loans and advances		
Loans, Cash Credits, Overdraft etc.	77,552,261,294	79,428,684,505
Bills discounted and purchased	1,622,777,249	1,629,238,257
	79,175,038,543	81,057,922,762
Fixed assets including land, building, furniture and fixtures	4,523,718,240	4,465,566,721
Other assets	2,533,981,863	2,527,515,446
Non banking assets	247,878,000	247,878,000
TOTAL ASSETS	114,336,688,183	117,564,320,732
LIABILITIES AND CAPITAL		
Liabilities		
Borrowing from other banks, financial institutions and agents	13,661,846,531	21,652,484,276
Deposits and other accounts		
Current deposits & other accounts, etc.	8,650,280,896	7,464,670,557
Savings bank deposits	13,006,089,640	13,159,045,299
Fixed deposits	57,920,072,950	53,743,327,289
Bills payable	398,941,828	814,170,727
Bearer certificates of deposits	22,250,000	22,250,000
	79,997,635,313	75,203,463,872
Other liabilities	6,246,273,047	6,116,169,992
TOTAL LIABILITIES	99,905,754,892	102,972,118,140
SHAREHOLDERS' EQUITY		
Share Capital-Paid up capital	6,111,797,850	4,527,257,670
Statutory reserve	3,551,351,414	3,551,351,414
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	(954,249,813)	(787,204,238)
Asset revaluation reserve	2,651,941,750	2,651,941,750
Reserve for amortization of treasury securities (HTM)	-	3,793
Reserve for revaluation of treasury securities (HFT)	-	409,033,635
General reserve	160,000,000	160,000,000
Reserve for non banking assets	233,527,796	233,527,796
Foreign currency translation gain/(loss)	(382,885)	15,073,031
Retained earnings	612,270,697	1,769,737,547
Attributable to equity holders	14,277,056,558	14,441,522,148
Non controlling interest	153,876,733	150,680,444
TOTAL SHAREHOLDERS' EQUITY	14,430,933,292	14,592,202,592
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	114,336,688,183	117,564,320,732
OFF BALANCE SHEET ITEMS		
Contingent liabilities		
Acceptance and endorsements	17,698,580,248	23,317,616,877
Irrevocable Letters of Credit	14,299,152,554	12,006,716,532
Letter of Guarantees	8,209,755,332	6,725,466,917
Bills for Collection	978,690,567	1,204,574,500
	41,186,178,701	43,254,374,826
Other contingent liabilities		
Value of Bangladesh Sanchaya Patra on hand	753,494,100	812,479,100
Total contingent liabilities	753,494,100	812,479,100
Other commitments		
Documentary credits and short term trade-related transactions	-	-
Forward assets purchased and forward deposits placed	15,560,845,001	11,445,066,858
Undrawn note issuance and revolving facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
	15,560,845,001	11,445,066,858
Claims against the Bank not acknowledged as debt	-	-
TOTAL OFF-BALANCE SHEET ITEMS	57,500,517,801	55,511,920,784

Muhammad Maniruzzaman FCMA
VP & Acting Head of Finance

Dated: Dhaka, 08 May 2012

Ali Reza Iftakhar
Managing Director & CEO

EASTERN BANK LIMITED AND ITS SUBSIDIARIES Consolidated Profit & Loss Account (Unaudited)

For the period ended 31 March 2012

PARTICULARS	01 January 2012 to 31 March 2012 Taka	01 January 2011 to 31 March 2011 Taka
Interest Income	3,221,212,811	1,966,398,533
Less: Interest paid on deposits and borrowings	2,093,980,309	1,243,983,887
Net Interest Income	1,127,232,502	722,414,646
Income from investments	336,978,230	479,956,482
Fees, commission, exchange and brokerage	539,311,375	410,084,748
Other operating income	31,483,918	114,215,083
Total operating income	2,035,006,025	1,726,670,960
Salary & allowances	356,463,402	300,105,019
Rent, taxes, insurance, electricity etc.	79,307,409	49,181,279
Legal & professional expenses	5,602,212	13,493,681
Postage, stamp, telecommunication etc.	7,726,434	7,063,458
Stationery, printing, advertisement, etc.	36,481,146	37,249,970
Managing Director's salary and allowances	3,052,800	2,868,000
Directors' Fees & Expenses	690,584	447,883
Charges on loan losses	-	228,595
Repairs, maintenance and depreciation	100,792,952	60,662,995
Other office operating expenses	73,775,682	50,087,574
Total operating expenses	663,892,622	521,388,453
Other non operating income	-	-
Profit before provisions	1,371,113,404	1,205,282,507
Provision for loans and advances		
General provision	2,983,691	117,766,367
Specific provision	195,136,601	64,439,800
Provision against loss on revaluation of shares	222,305,889	112,299,813
Total provisions	420,426,181	294,505,980
Profit before tax for the period	950,687,222	910,776,527
Provision for tax made for the period	520,417,604	418,442,644
Profit after tax for the period	430,269,618	492,333,883
Attributable to Shareholders of EBL	427,073,329	487,034,630
Non controlling interest	3,196,289	5,299,253
Earnings per share (EPS)	0.70	0.80

EASTERN BANK LIMITED AND ITS SUBSIDIARIES Consolidated Cash Flow Statement (Unaudited)

For the period ended 31 March 2012

	01 January 2012 to 31 March 2012 Taka	01 January 2011 to 31 March 2011 Taka
A. Cash flows from operating activities		
Interest received	3,040,873,423	1,928,406,120
Interest paid	(1,790,718,147)	(787,870,546)
Dividend received	2,615,464	5,629,707
Fees and commission received	539,311,375	410,084,748
Income from investment	334,362,766	474,326,775
Recovery of loans previously written off	-	106,826,535
Cash paid to employees (including directors)	(360,206,786)	(303,420,902)
Cash paid to suppliers	(129,117,202)	(106,988,388)
Income taxes paid	335,127,554	(343,597,233)
Received from other operating activities	31,483,918	7,388,548
Paid for other operating activities	(127,122,931)	(73,677,241)
Operating cash flow before changes in operating assets and liabilities	1,876,609,435	1,317,108,125
Increase/(decrease) in Operating Assets & Liabilities		
Changes in trading securities	3,150,987,027	(882,190,231)
Loans and advances to customers (other than banks)	1,896,178,031	(3,323,863,997)
Other assets	(6,466,417)	(23,872,140)
Deposits from other Banks	1,503,683,999	3,461,762
Deposits from customers (other than banks)	2,987,225,280	8,707,575,621
Other liability/tax	(855,545,158)	(74,845,411)
Other liability/provision	(420,426,181)	(294,505,980)
Foreign currency translation gain/(loss)	(15,455,916)	-
Other liabilities	130,103,056	707,869,193
Net Cash received from operating activities	10,246,893,155	6,136,736,942
B. Cash flows from investing activities		
Changes in non-trading securities	4,996,207	5,000,000
Purchase of property, plant and equipment	(109,089,450)	(50,505,902)
Sales proceeds of fixed assets	3,492,227	-
Net cash used in investing activities	(100,601,016)	(45,505,902)
C. Cash flows from financing activities		
Borrowings from other banks, financial institutions and agents	(7,990,637,744)	1,049,714,554
Dividend paid (cash dividend)	-	-
Received from issue of right share	-	-
Net cash received from financing activities	(7,990,637,744)	1,049,714,554
D. Net (decrease) / increase in cash (A+B+C)	2,155,654,395	7,140,945,594
E. Opening cash and cash-equivalents	12,357,018,215	8,371,841,291
F. Closing cash and cash-equivalents (D+E)	14,512,672,610	15,512,786,884
*Closing cash and cash-equivalents		
Cash in hand (including foreign currencies)	1,282,658,790	810,948,612
Balances with Bangladesh Bank and its agent bank(s)	6,038,128,530	4,371,623,601
Balances with other Banks and Financial Institutions	5,859,727,090	6,436,310,369
Money at call and short notice	1,330,000,000	3,890,000,000
Prize bonds	2,158,200	3,904,300
	14,512,672,610	15,512,786,884

Muhammad Maniruzzaman FCMA
VP & Acting Head of Finance

Dated: Dhaka, 08 May 2012

Ali Reza Iftakhar
Managing Director & CEO

EASTERN BANK LIMITED Balance Sheet (Unaudited)

As at 31 March 2012

	As at 31 March 2012 Taka	As at 31 December 2011 Taka
PROPERTY AND ASSETS		
Cash		
Cash in hand (including foreign currencies)	1,282,652,153	1,095,795,193
Balances with Bangladesh Bank and its agent bank(s) (including foreign currencies)	6,038,128,530	4,926,961,943
	7,320,780,683	6,022,757,136
Balances with other Banks and Financial Institutions		
In Bangladesh	4,352,793,775	3,429,581,406
Outside Bangladesh	1,388,376,882	101,735,964
	5,741,170,657	3,531,317,370
Money at call and short notice	1,330,000,000	2,650,000,000
Investments		
Government	9,157,855,548	12,841,220,762
Others	4,187,679,657	4,069,307,226
	13,345,535,204	16,910,527,988
Loans and advances		
Loans, Cash Credits, Overdraft etc.	78,221,041,055	80,144,671,921
Bills discounted and purchased	1,622,777,249	1,629,238,257
	79,843,818,304	81,773,910,178
Fixed assets including land, building, furniture and fixtures	4,511,608,603	4,453,286,336
Other assets	2,015,365,213	1,991,379,197
Non banking assets	247,878,000	247,878,000
TOTAL ASSETS	114,356,156,665	117,580,719,482
LIABILITIES AND CAPITAL		
Liabilities		
Borrowing from other banks, financial institutions and agents	13,661,846,531	21,652,484,276
Deposits and other accounts		
Current deposits & other accounts, etc.	8,652,820,133	7,464,670,557
Savings bank deposits	13,006,089,640	13,159,045,299
Fixed deposits	58,249,993,588	54,075,610,120
Bills payable	398,941,828	814,170,727
Bearer certificates of deposits	22,250,000	22,250,000
	80,330,095,188	75,535,746,703
Other liabilities	6,129,986,010	5,985,437,034
TOTAL LIABILITIES	100,121,927,730	103,173,668,013
SHAREHOLDERS' EQUITY		
Share Capital-Paid up capital	6,111,797,850	4,527,257,670
Statutory reserve	3,551,351,414	3,551,351,414
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	(954,249,813)	(787,204,238)
Asset revaluation reserve	2,651,941,750	2,651,941,750
Reserve for amortization of treasury securities (HTM)	-	3,793
Reserve for revaluation of treasury securities (HFT)	-	409,033,635
General reserve	160,000,000	160,000,000
Reserve for non banking assets	233,527,796	233,527,796
Foreign currency translation gain/(loss)	(382,885)	15,073,031
Retained earnings	569,443,074	1,735,266,868
TOTAL SHAREHOLDERS' EQUITY	14,234,228,935	14,407,051,469
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	114,356,156,665	117,580,719,482
OFF BALANCE SHEET ITEMS		
Contingent liabilities		
Acceptances and endorsements	17,698,580,248	23,317,616,877
Irrevocable Letters of Credit	14,299,152,554	12,006,716,532
Letter of Guarantees	8,209,755,332	6,725,466,917
Bills for Collection	978,690,567	1,204,574,500
	41,186,178,701	43,254,374,826
Other contingent liabilities		
Value of Bangladesh Sanchaya Patra on hand	753,494,100	812,479,100
Total contingent liabilities	753,494,100	812,479,100
Other commitments		
Documentary credits and short term trade-related transactions	-	-
Forward assets purchased and forward deposits placed	15,560,845,001	11,445,066,858
Undrawn note issuance and revolving facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
	15,560,845,001	11,445,066,858
Claims against the Bank not acknowledged as debt	-	-
TOTAL OFF-BALANCE SHEET ITEMS	57,500,517,801	55,511,920,784

Muhammad Maniruzzaman FCMA
VP & Acting Head of Finance



Eastern Bank Ltd.

Quarterly Financial Statements (Unaudited) First Quarter 2012

EASTERN BANK LIMITED Profit & Loss Account (Unaudited) For the period ended 31 March 2012

	01 January 2012 to 31 March 2012	01 January 2011 to 31 March 2011
	Taka	Taka
PARTICULARS		
Interest Income	3,206,959,555	1,939,987,918
Less: Interest paid on deposits and borrowings	2,093,980,309	1,231,183,503
Net Interest Income	1,112,979,246	708,804,415
Income from investments	337,041,542	479,956,482
Fees, commission, exchange and brokerage	524,810,797	386,608,623
Other operating income	31,451,418	112,730,583
Total operating income	2,006,283,003	1,688,100,103
Salary & allowances	352,379,361	296,848,330
Rent, taxes, insurance, electricity etc.	77,884,997	47,292,208
Legal & professional expenses	5,574,122	7,455,279
Postage, stamp, telecommunication etc.	7,726,434	7,010,637
Stationery, printing, advertisement, etc.	36,298,662	37,196,039
Managing Director's salary and allowances	3,052,800	2,868,000
Directors' Fees & Expenses	681,584	447,883
Charges on loan losses	-	228,595
Repairs, maintenance and depreciation	99,467,993	59,938,661
Other office operating expenses	71,255,018	48,804,451
Total operating expenses	654,320,971	508,090,082
Other non operating income	-	-
Profit before provisions	1,351,962,032	1,180,010,021
Provision for loans and advances		
General provision	2,983,691	117,766,367
Specific provision	195,136,601	64,439,800
Provision against loss on revaluation of shares	222,305,889	112,299,813
Total provisions	420,426,181	294,505,980
Profit before tax for the period	931,535,850	885,504,041
Provision for tax made for the period	512,819,465	410,136,912
Profit after tax for the period	418,716,386	475,367,129
Earnings per share (EPS)	0.69	0.78

Muhammad Maniruzzaman FCMA
VP & Acting Head of Finance
Dated: Dhaka, 08 May 2012

Ali Reza Iftekhar
Managing Director & CEO

EASTERN BANK LIMITED Cash Flow Statement (Unaudited) For the period ended 31 March 2012

	01 January 2012 to 31 March 2012	01 January 2011 to 31 March 2011
	Taka	Taka
A. Cash flows from operating activities		
Interest received	3,026,620,167	1,901,995,505
Interest paid	(1,790,718,147)	(775,070,162)
Dividend received	2,615,376	5,629,707
Fees and commission received	524,810,797	386,608,623
Income from investment	334,426,166	474,326,775
Recovery of loans previously written off	-	106,826,535
Cash paid to employees (including directors)	(356,113,745)	(300,164,213)
Cash paid to suppliers	(127,484,216)	(98,954,163)
Income taxes paid	335,127,554	(340,502,026)
Received from other operating activities	31,451,418	5,904,048
Paid for other operating activities	(123,964,957)	(72,226,006)
Operating cash flow before changes in operating assets and liabilities	1,856,770,414	1,294,374,625
Increase/(decrease) in Operating Assets & Liabilities		
Changes in trading securities	3,150,672,227	(882,190,231)
Loans and advances to customers (other than banks)	1,943,385,686	(3,323,863,997)
Other assets	(23,986,016)	116,880,186
Deposits from other Banks	1,503,683,999	3,461,762
Deposits from customers (other than banks)	2,987,402,324	8,713,055,505
Other liability/tax	(847,947,018)	(69,634,886)
Other liability/provision	(420,426,181)	(294,505,980)
Foreign currency translation gain/(loss)	(15,455,916)	-
Other liabilities	144,548,975	547,168,424
Net Cash received from operating activities	10,278,648,494	6,104,745,407
B. Cash flows from investing activities		
Changes in non-trading securities	4,996,207	5,000,000
Purchase of property, plant and equipment	(108,572,551)	(49,427,375)
Sales proceeds of fixed assets	3,492,227	-
Net cash used in investing activities	(100,084,117)	(44,427,375)
C. Cash flows from financing activities		
Borrowings from other banks, financial institutions and agents	(7,990,637,741)	1,049,714,555
Dividend paid (cash dividend)	-	-
Received from issue of right share	-	-
Net cash received from financing activities	(7,990,637,741)	1,049,714,555
D. Net (decrease) / increase in cash (A+B+C)	2,187,926,634	7,110,032,587
E. Opening cash and cash-equivalents	12,206,182,906	8,238,097,105
F. Closing cash and cash-equivalents (D+E)*	14,394,109,540	15,348,129,691
*Closing cash and cash-equivalents		
Cash in hand (including foreign currencies)	1,282,652,153	810,948,523
Balances with Bangladesh Bank and its agent bank (s)	6,038,128,530	4,371,623,601
Balances with other Banks and Financial Institutions	5,741,170,657	6,271,653,265
Money at call and short notice	1,330,000,000	3,890,000,000
Prize bonds	2,158,200	3,904,300
	14,394,109,540	15,348,129,691

Muhammad Maniruzzaman FCMA
VP & Acting Head of Finance
Dated: Dhaka, 08 May 2012

Ali Reza Iftekhar
Managing Director & CEO

EASTERN BANK LIMITED Statement of Changes in Equity (Unaudited)

For the period ended 31 March 2012

Particulars	Paid up capital	Statutory 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)	General reserve	Reserve for non banking assets	Foreign currency translation gain/(loss)	Retained earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as on 1 January 2012	4,527,257,670	3,551,351,414	356,040,000	1,554,759,750	(787,204,238)	2,651,941,750	3,793	409,033,635	160,000,000	233,527,796	15,073,031	1,735,266,868	14,407,051,469
Net profit for the period after tax	-	-	-	-	-	-	-	-	-	-	-	418,716,386	418,716,386
Bonus share issued	1,584,540,180	-	-	-	-	-	-	-	-	-	-	(1,584,540,180)	-
Reserve for revaluation of treasury securities (HFT)	-	-	-	-	-	-	-	(409,033,635)	-	-	-	-	(409,033,635)
Adjustment of HTM securities	-	-	-	-	-	-	(3,793)	-	-	-	-	-	(3,793)
Recovery of pre-takeover loss	-	-	-	-	(167,045,575)	-	-	-	-	-	-	-	(167,045,575)
Currency translation difference	-	-	-	-	-	-	-	-	-	-	(15,455,916)	-	(15,455,916)
Balance as at 31 March 2012	6,111,797,850	3,551,351,414	356,040,000	1,554,759,750	(954,249,813)	2,651,941,750	-	-	160,000,000	233,527,796	(382,885)	569,443,074	14,234,228,935
Balance as at 31 March 2011	4,527,257,670	2,725,521,942	356,040,000	1,554,759,750	(789,138,238)	2,651,941,750	-	736,783,694	160,000,000	233,527,796	-	515,759,053	12,672,453,417

Muhammad Maniruzzaman FCMA
VP & Acting Head of Finance

Ali Reza Iftekhar
Managing Director & CEO

EASTERN BANK LIMITED AND ITS SUBSIDIARIES Selected explanatory notes

as at and for the period ended 31 March 2012

1 Activities of the Bank

1.1 The principal activities of Eastern Bank Limited "the Bank" are to provide a comprehensive range of financial services; personal and commercial banking; trade services; cash management; treasury, securities and custody services.

1.2 Subsidiaries of the Bank

As on the reporting date, Eastern Bank Limited had four subsidiaries among which financial statements of two subsidiaries were consolidated. These are: EBL Securities Ltd (60% share), a securities brokerage firm and 'EBL Investments Limited', a fully owned subsidiary to do merchant banking operations. The latter was incorporated on 30 December 2009, applied for merchant banking license to SEC but yet to receive and commence business.

Rest two fully owned subsidiaries i.e. EBL Asset Management Company Ltd. and EBL Finance (HK) Ltd. have been incorporated but yet to commence businesses.

2 Significant Accounting Policies and bases of preparation

2.1 Statement of compliance

The financial statements of the Group and the Bank as at and for the period ended 31 March 2012 have been prepared under the historical cost convention except investments and in accordance with the "First Schedule" (section 38) of the Bank Companies Act 1991, as amended by the BRPD Circular 14 dated 25 June 2003, other Bangladesh Bank Circulars, Bangladesh Financial Reporting Standards, the Companies Act 1994, the Securities and Exchange Rules 1987 and other relevant laws and rules applicable in Bangladesh.

2.2 Functional and presentation currency

The financial statements of the Group and the Bank are presented in Taka which is the functional currency of the Group/Bank except Off-shore Banking Unit (OBU) where the functional currency is US Dollar (USD). All financial information presented in Taka has been rounded to the nearest integer, except when otherwise indicated.

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 reclassified and rearranged to conform to the current period's presentation.

2.4 Basis of consolidation

The financial statements of these two subsidiaries have been consolidated with those of the Bank following BAS 27 & BFRS 3. The consolidated financial statements of such subsidiaries are incorporated on a line by line basis with the Group and the investments held by the bank is eliminated against the corresponding share capital of those subsidiaries.

All intra-group transactions, balances, incomes and expenses are eliminated fully in preparing the consolidated financial statements.

2.5 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 accredited, 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/amendments.

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 P & L account, gain to Revaluation Reserve through P & L.
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 to P & L 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.

2.6 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 instruction contained in BCD Circular no.12 dated 4 September 1995, BRPD circular no. 16 dated 6 December 1998, BRPD circular no. 9 dated 14 May 2001, BRPD circular no.02 dated 15 February 2005, BRPD circular no. 05 dated 27 April 2005 and BRPD Circular No. 32 dated 27 October 2010.

2.7 Fixed assets and depreciation

i. 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.

ii. Depreciation is charged on all fixed assets using straight line method throughout the estimated useful lives as determined as per fixed asset policy of the Bank. Charges commence from the month of acquisition (for full month) and no depreciation is charged for the month when the assets are disposed off.

2.8 Revenue Recognition

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

2.9 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 31 March 2012 as per BAS- 33 "Earnings Per Share". Bonus share issued during 2012 has been treated as if they had been in issue from the beginning of 2011 as per BAS-33. Diluted earnings per share was not required to calculate as there were no dilution possibilities during the year.

	31 March 2012	31 March 2011
A Weighted average number of shares :		
Number of shares in 2011 before bonus share issued		292,081,140
Bonus share issued in 2011		160,644,627
Number of shares in 2012 before bonus share issued	452,725,767	-
Bonus share issued in 2012	158,454,018	158,454,018
Weighted average number of shares	611,779,785	611,779,785

B Earnings Per Share (EPS) :

	31 March 2012	31 March 2011
Profit attributable to the shareholders' of EBL for the first quarter (Bank)	418,716,386	475,367,129
Profit attributable to the shareholders' of EBL for the first quarter (Consolidated)	427,073,329	487,034,630
Weighted average number of shares (A)	611,779,785	611,779,785
Earnings per share (EPS) - (Bank)	0.69	0.78
Earnings per share (EPS) - (Consolidated)	0.70	0.80

2.10 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.

2.11 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.

2.12 General Reporting Period

The reporting period of these financial statements of the Group and the bank cover from 1 January 2012 to 31 March 2012.