



EASTERN BANK LIMITED PROFIT AND LOSS ACCOUNT (UNAUDITED) for the first quarter ended 31 March 2020

Particulars	Amount in BDT	
	01 January 2020 to 31 March 2020	01 January 2019 to 31 March 2019
Interest Income	5,969,388,204	5,301,206,677
Less: Interest paid on deposits and borrowings	4,043,235,012	3,222,328,399
Net Interest Income	1,926,153,191	2,078,878,277
Income from investments	1,086,730,807	518,677,427
Fees, commission and brokerage	813,618,417	899,894,194
Other operating income	51,889,301	49,426,574
	1,952,238,526	1,467,998,195
Total operating income	3,878,391,717	3,546,876,472
Salary & allowances (except those of MD)	1,022,038,670	964,788,371
Rent, taxes, insurance, utilities etc.	137,622,397	187,851,777
Legal & professional expenses	25,682,857	17,334,582
Postage, stamp, telecommunication etc.	34,708,627	30,690,963
Stationery, printing, advertisement, bp etc.	105,638,451	80,902,004
Managing director's salary and allowances (Bank only)	7,143,571	6,687,571
Directors' fees & expenses	1,038,602	1,138,333
Depreciation and repair of bank's assets	191,146,415	129,125,331
Other operating expenses	182,761,809	133,875,133
Total operating expenses	1,707,781,401	1,552,394,066
Profit before provisions	2,170,610,316	1,994,482,407
Provision for loans and off-balance sheet exposures		
Specific provision (net of w/off recovery)	297,060,913	562,330,700
General provision	75,452,205	(107,671,114)
	372,513,118	454,659,586
Other provisions	159,567,689	26,250,813
Total provisions	532,080,807	480,910,399
Profit before tax for the period	1,638,529,509	1,513,572,008
Provision for tax made for the period	804,970,574	831,868,147
Deferred tax income (net)	-	(120,403,333)
Total tax provision	804,970,574	711,464,813
Profit after tax for the period	833,558,936	802,107,194
Earnings per share (EPS) (restated)	1.03	0.99

Chief Financial Officer: 
 Company Secretary: 
 Managing Director & CEO: 
 Director: 
 Dhaka, 13 May 2020

EASTERN BANK LIMITED CASH FLOW STATEMENT (UNAUDITED) for the first quarter ended 31 March 2020

Particulars	Amount in BDT	
	01 January 2020 to 31 March 2020	01 January 2019 to 31 March 2019
A) Cash flows from operating activities		
Interest received	5,705,099,586	4,970,859,377
Interest paid	(3,562,691,738)	(2,685,535,783)
Dividend received	22,309,604	29,105,494
Fees and commission received	848,871,072	899,894,194
Income from investment (other than dividend received)	597,749,090	451,117,871
Recovery of loans previously written off	73,974,405	90,959,732
Cash paid to employees (including directors)	(940,220,843)	(902,614,276)
Cash paid to suppliers	(352,532,300)	(361,471,867)
Income taxes paid	(456,412,585)	(411,854,204)
Received from other operating activities	51,889,301	49,426,574
Paid for other operating activities	(182,761,809)	(133,875,133)
Operating cash flow before changes in operating assets and liabilities	1,805,273,784	1,996,011,980
Increase/(decrease) in Operating Assets & Liabilities		
Sale / (Purchase) of trading securities	210,606,277	(3,996,031,242)
Loans and advances to customers (other than banks)	466,511,001	4,515,655,607
Other assets	(1,606,084,259)	(262,354,295)
Deposits from other Banks	(873,735,354)	(4,404,726,095)
Deposits from customers (other than banks)	2,338,111,242	14,963,691,681
Liability for tax	(348,557,989)	(299,610,610)
Liabilities for provision	(606,055,212)	(571,870,131)
Other liabilities	1,815,608,670	1,253,382,306
Net cash received from operating activities	3,201,678,160	13,194,149,201
B) Cash flows from investing activities		
Sale (net) of non-trading securities	(13,297,430,425)	4,161,888,352
(Net purchase) of property, plant and equipment	(226,206,338)	(49,636,175)
Net cash received from investing activities	(13,523,636,763)	4,112,252,177
C) Cash flows from financing activities		
(Repayment)/borrowing from other banks, financial institutions and agents	2,307,290,196	(8,051,754,550)
Net cash (used in)/received from financing activities	2,307,290,196	(8,051,754,550)
D) Net increase in cash (A+B+C)	(8,014,668,407)	9,254,646,828
E) Effects of exchange rate changes on cash and cash equivalents	253,704	1,361,859
F) Opening cash and cash-equivalents	49,245,781,566	33,300,174,418
G) Closing cash and cash-equivalents (D+E+F)*	41,231,366,863	42,556,183,105
*Closing cash and cash-equivalents		
Cash in hand (including foreign currencies)	3,748,007,691	3,023,611,932
Balances with bangladesh bank and its agent bank (s)	18,393,890,603	15,756,854,127
Balances with other banks and financial institutions	18,235,407,770	22,121,617,546
Money at call and short notice	849,500,000	1,650,000,000
Prize bonds	4,560,800	4,099,500
	41,231,366,863	42,556,183,105

Chief Financial Officer: 
 Company Secretary: 
 Managing Director & CEO: 
 Director: 
 Dhaka, 13 May 2020

EASTERN BANK LIMITED AND ITS SUBSIDIARIES SELECTED EXPLANATORY NOTES as at and for the first quarter ended from 1 January 2020 to 31 March 2020

- Activities of the Bank**
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.
The Bank does have a separate Off shore Banking Unit (OBU) which started its operation on 19 May 2004. The activities of the unit is to give loans (on and off-balance sheet exposures) and take deposits only in freely convertible foreign currencies to and from non-resident person/institutions, fully foreign owned EPZ companies etc.
- Subsidiaries of the Bank**
The Bank has four fully owned subsidiaries which has been in full fledged business operations. These are: EBL Securities Ltd, a securities brokerage firm, 'EBL Investments Limited', a merchant bank, 'EBL Finance (HK) Limited', a foreign subsidiary for trade finance & offshore banking business in Hong Kong, and 'EBL Asset Management Limited', an asset management company for fund management, capital market operation, equity investment etc.
- Basis of Preparation and Significant Accounting Policies**
Basis of preparation, accounting policies and estimates applied in these financial statements as at and for the first quarter ended 31 March 2020 are same as those applied in the audited annual financial statements for the year ended 31 December 2019. Certain selected explanatory notes are given below:
Basis of Preparation
2.01 Statement of compliance
The consolidated financial statements of the group (parent and its subsidiaries) and the separate financial statements of the Bank (parent company) as at and for the first quarter ended 31 March 2020 have been prepared under the historical cost convention except land which gets revalued fulfilling BB & BSEC requirements and Govt treasury securities (bills/bonds) classified as held for trading (HFT) which are measured at fair value, and in accordance with International Financial Reporting Standards (IFRSs), the "First Schedule" (section 38) of the Banking Companies Act 1991 (as amendment up to date), BRPD Circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, the Companies Act 1994, the Securities and Exchange Rules 1997, 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.
2.02 Functional and presentation currency
These consolidated financial statements of the group and the separate 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.
2.03 Use of estimates and judgements
The preparation of the consolidated financial statements of the Group and the separate financial statements of the Bank in conformity with IFRSs require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expense. Actual results 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, except otherwise instructed by the Central Bank as prime regulator. The financial statements of subsidiaries which are included in Consolidated Financial Statements of the Group have been prepared using uniform accounting policies of the Bank (Parent) for transactions and other events in similar nature. Certain comparative amounts in these financial statements have been reclassified and rearranged to conform to the current period's presentation.
2.04 Revenue Recognition
The revenue during the period is recognised following all conditions of revenue recognition as prescribed by IFRS - 15.
2.05 Cash Flow Statement
Cash Flow Statement is prepared in accordance with International Accounting Standard (IAS) 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.
2.06 Statement of Changes in Equity
Statement of changes in equity is prepared in accordance with International Accounting Standard (IAS) 1 'Presentation of Financial Statements' and relevant guidelines of Bangladesh Bank.
2.07 Earnings per share
Earnings per share (EPS) has been computed by dividing the profit after tax (PAT) by the number of ordinary shares outstanding as on 31 March 2020 as per IAS- 33 'Earnings Per Share'. Diluted earnings per share was not required to calculate as there were no dilution possibilities during the period.
2.08 Credit Rating of the Bank
As per BRPD circular no. 6 dated 5 July 2006, the bank has done its credit rating by Credit Rating Information and Services Limited (CRISL) based on the financial statements as at and for the year ended 31 December 2018. The following ratings have been awarded:

Periods	Date of Rating	Surveillance Rating		Outlook
		Long Term	Short Term	
January to December 2018	26-Jun-19	AA+	ST-1	Stable
January to December 2017	28-Jun-18	AA+	ST-2	Stable
January to December 2016	29-Jun-17	AA+	ST-2	Stable

- General Reporting Period**
The reporting period of these financial statements of the Group and the Bank cover from 1 January 2020 to 31 March 2020.
Review of the Financial Statements
These financial statements were reviewed by the Audit Committee of the Board of EBL in its 124 meeting held on 13 May 2020 and was subsequently approved by the Board in its 669 meeting held on the same date.
- Additional Disclosure in compliance with BSEC notification dated 20 June 2018:**
Significant deviation between two quarterly periods and reasons therefor: Figures are in BDT Crore

Particulars	Consolidated		Increase/ (Decrease)	Reasons
	January to March 2020	January to March 2019		
Income from investments	109.88	53.46	56.43	Income from investments (both interest and gain) has increased in Jan-Mar, 2020 compared to that of Jan-Mar, 2019 mainly due to increase of investment in Treasury Bills and Bonds by the bank.
Specific provision (expense)	30.40	56.23	(25.83)	As per BRPD circular no. 04 dated 19 March 2020, no loans and advances has been downgraded during the period Jan-Mar, 2020, hence specific provision charged to profit and loss account during the period is lesser than that of Jan-Mar, 2019.
General provision (expense)	7.54	(10.77)	18.31	General provision has increased in Jan-Mar, 2020 mainly for increase of outstanding balance of Off-balance sheet items from that of year-end 2019. On the contrary, in Jan-Mar, 2019, outstanding balance of both Loans, and Off-balance sheet items were lower than the year-end balance of 2018.
Other provision	18.38	4.95	13.42	DSEX index significantly dropped in March, 2020 compared to that of year-end 2019. As a result, a significant amount of provision is charged on Solo basis against diminution of value of quoted securities and other assets.
Total tax provision	82.27	74.19	8.08	Total tax provision includes current tax and deferred tax. Current tax expense has decreased mainly for lower taxable income of both EBL and subsidiaries. Deferred tax income has not been charged as there is no down gradation of loans and advances as BL during the period Jan-Mar, 2020.

Number of ordinary shares with face value and date of issues:
Number of ordinary shares as on 31 March 2020 was 811,799,547 with a face value BDT 10 per share. However, details history of raising capital and number of shares issued are available in the Annual Report 2019.
Calculation of NAV per share:

Particulars	Group		Bank	
	31-Mar-20	31-Dec-19	31-Mar-20	31-Dec-19
Net Assets Value (NAV) in crore	2,685.70	2,596.18	2,646.19	2,556.75
Net Assets Value per share in BDT	33.08	31.98	32.60	31.49

Calculation of NAVPS: Net Asset Value / No of shares outstanding

Particulars	Group		Bank	
	Jan to Mar. 2020	Jan to Mar. 2019	Jan to Mar. 2020	Jan to Mar. 2019
Earnings Per Share (EPS) in BDT	1.03	1.06	1.03	0.99
Net Operating Cash Flow per share (NOCFPS) in BDT	5.24	17.33	3.94	16.25

Calculation of EPS: Profit After Tax / No of shares outstanding
Calculation of NOCFPS: Net Operating Cash Flow / No of shares outstanding

EASTERN BANK LIMITED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) for the first quarter ended 31 March 2020

Particulars	Amount in BDT							
	Paid up capital	Statutory reserve	Dividend equalisation reserve	Asset revaluation reserve (land and other assets)	General reserve	Foreign currency translation difference	Retained earnings	Total equity
Balance as on 1 January 2020	8,117,995,470	8,117,995,470	356,040,000	2,672,667,161	603,493,370	2,050,701	5,697,244,179	25,567,486,351
Net profit for the period after tax	-	-	-	-	-	-	833,558,936	833,558,936
Reserve for revaluation of treasury securities (HFT)	-	-	-	85,225,183	-	-	-	85,225,183
Adjustment of HTM securities	-	-	-	(24,666,308)	-	-	-	(24,666,308)
Currency translation difference	-	-	-	-	-	253,706	-	253,706
Balance as at 31 March 2020	8,117,995,470	8,117,995,470	356,040,000	2,733,226,037	603,493,370	2,304,407	6,530,803,115	26,461,857,868
Balance as at 31 March 2019	7,379,995,890	7,379,995,890	356,040,000	2,605,871,319	603,493,370	2,862,131	5,439,665,128	23,767,923,730

Chief Financial Officer: 
 Company Secretary: 
 Managing Director & CEO: 
 Director: 
 Dhaka, 13 May 2020