

### Key Statistics

Latest Close	21.5
52-week Price Range	19.3-38.2
NOS Outstanding (Mn)	631
Market Capitalization (BDT Bn)	13,557
<b>Holding Structure</b>	
Public	25%
Institution	23%
Sponsors	52%
Foreign	0%
52-week Avg. Turnover	7.56
EPS Forward	1.35
P/E Forward	15.93
Sector P/E Forward	9.68
NAVPS	20.41
P/NAVPS	1.05
Sector P/NAVPS	1.17
Beta	0.62

**Company Profile:** Bank Asia was incorporated on September 28, 1999 and came to operation on November 27, 1999. It is the Only Bangladeshi Bank to acquire (Purchase) operations of 02 (two) foreign banks namely: Bank of Nova Scotia of Canada and Muslim Commercial Bank of Pakistan. It has 70+ outlets in all over the bangladesh. It has Credit Rating for Long Term: AA2 and for Short Term: ST1.

**Description of business:** The key revenue driver of Bank Asia is the Net Interest Income, which was 52 per cent of the operating income experienced a positive growth for last five years. The quarterly earnings of 2012 followed the up trend. The investment income of 1st three quarter of 2012 already crossed that of 2011. Income from commission, Exchange and Brokerage increased throughout the five years, but it slowed down in 2012 as Bangladesh Bank decouraged Bank's to open LC to lessen the import growth.

Key Financials (In MN BDT)	2010	2011	Q1, 2012	Q2, 2012	Q3, 2012
Loans and advances	79,504.2	83,343.1	82,949.6	89,111.9	91,093.7
Deposits and other accounts	86,365.6	95,113.5	96,510.5	101,553.7	104,805.3
Investment					
Govt.	10,418.1	11,386.3	12,233.7	12,057.1	12,308.2
Others	2,157.6	4,721.3	2,929.1	4,281.8	3,909.1
Total Shareholders equity	7,059.9	12,606.0	12,515.7	12,973.5	12,505.9
Paid up capital	3,002.7	5,254.8	6,305.7	6,305.7	6,305.7
Total Contingent Liabilities (OBS)	48,974.7	47,457.2	45,435.6	49,409.4	56,481.6
Interest income	8,381.4	11,409.8	3,267.4	3,538.2	3,373.3
Interest paid on deposits and borrowings	5,420.6	8,583.7	2,369.4	2,461.1	2,625.5
Net interest	2,960.8	2,826.1	898.0	1,077.1	747.8
Investments income	1,163.5	1,445.0	775.7	400.5	424.8
Commision, exchange and brokerage	2,141.5	2,258.8	464.6	405.0	418.4
Operating profit	6,671.0	6,830.1	2,219.6	2,022.0	1,685.0
Profit before tax	3,579.3	3,614.1	725.1	990.2	(75.4)
Net profit	1,929.4	2,043.3	272.0	508.6	(468.1)
Key Performance Indicators (Quarterly)	Q3-11	Q4-11	Q1-12	Q2-12	Q3-12
NIM growth	5.7%	33.1%	-3.2%	19.9%	-30.6%
OP growth	-11.9%	14.4%	9.3%	7.3%	-25.4%
Total Provision growth	71.5%	-22.3%	257.1%	-35.1%	224.9%
Net Interest Margin (NIM) % of Interest Income	23.7%	29.7%	27.5%	30.4%	22.2%
OP % of Interest Income	33.3%	36.0%	37.5%	37.2%	29.1%
Current Deposit growth	16.6%	-1.9%	6.2%	7.8%	2.1%
Savings Deposit growth	5.7%	8.3%	2.2%	6.9%	1.6%
Term Deposit growth	3.5%	5.4%	0.3%	4.9%	3.3%

## Analysis of Performance:

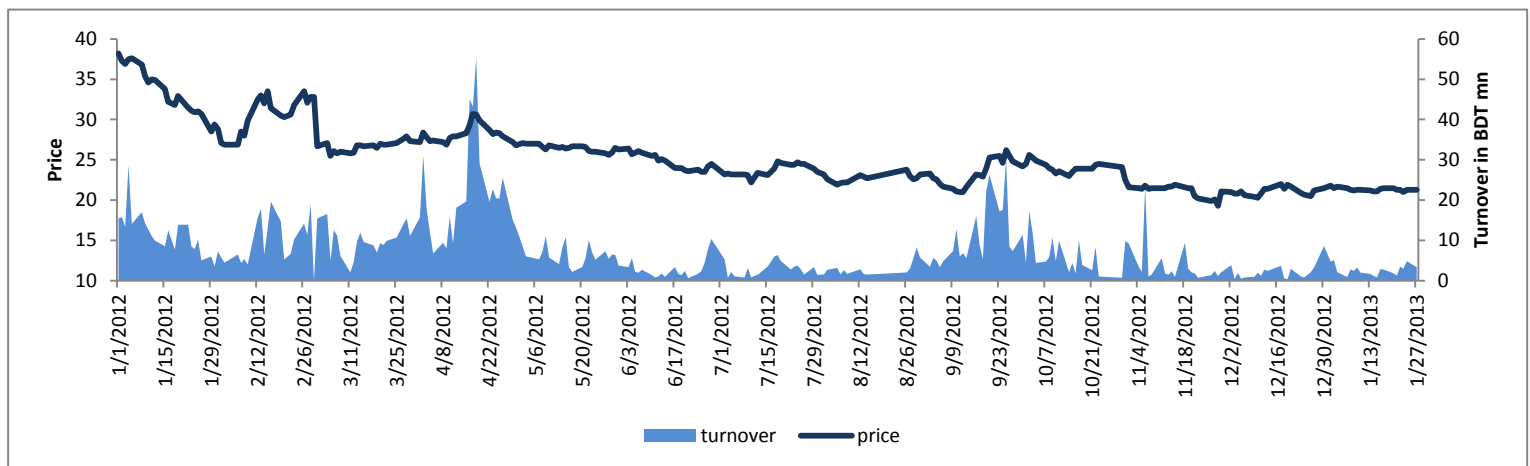
Net interest income growth was 7.35 per cent in Q3, compared to the same period of the previous year. This is the reflection of improved deposit mix, higher yield on loans and advances and higher yield on money market. Income from investment increased significantly by 74.14 percent and income from commission, exchange and brokerage decreased by 20.11 per cent in Q3, 2012. NPAT decreased by 211.40 per cent due to fulfil the higher provisioning requirement of Bangladesh Bank.

Total operating expenses increased by 22.18 percent in Q3, 2012 as Bank was expanding its business, launching new products like Hajj Card, installing new ATM booths, introducing mobile banking, expanding new SME centres. Total provisioning for loans and advances increased significantly by 485.26 per cent in Q3, 2012 comparing to the same period of the previous year.

Total Asset increased by 17.53 per cent with its main contributor loans and advances increased by 20.44 percent. Total deposit increased by 14.95 percent in Q3, 2012. Cost income ratio was 41.75 per cent in Q3, 2012 increased by 4.75 percent from the previous year as interest expenses increased and income from commission, exchange and brokerage decreased at the same time.

ROA of the bank was 1.83 per cent and ROE was 20.78 per cent in 2011. The NPL(non-performing loan) ratio was 2.99 per cent in 2011 which was 1.29 per cent in 2010. Bank maintained 14.21 per cent capital adequacy ratio, the required amount was 10 per cent.

## Stock Performance



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