

### Key Statistics

Latest Close	36.6
52-week Price Range	32.8-78
NOS Outstanding (Mn)	331
Market Capitalization (BDT Bn)	12,102
<b>Holding Structure</b>	
Public	81%
Institution	9%
Sponsors	10%
Foreign	0%
52-week Avg. Turnover	20.4
EPS Forward	3.58
P/E Forward	10.2
Sector P/E Forward	9.7
NAVPS	31.83
P/NAVPS	1.15
Sector P/NAVPS	1.17
Beta	0.77

**Company Profile:** Uttara Bank was formed in 1972 as a scheduled bank with assets and liabilities of the Eastern Banking Corporation, set up in East Pakistan on 28 January 1965. It has 215 branches and more than 600 foreign correspondents worldwide. CRAB has rated its long term rating as "AA3" and Short Term rating as "ST-2" for the year 2011. The bank performs all traditional commercial banking functions. The bank floated Wage Earners' Development Bond and established Wage Earners Investment Cell for bangladeshi wage earners abroad.

**Description of Business:** Major revenue source of Uttara Bank Limited is income from the interest, which was positively increased last five years except 2011 due to the liquidity crisis of the banking sector. But the quarterly earnings of 2012 was increasing smoothly. Another main resource of revenue is income from the investment, which experienced a positive growth for last five years and quarterly performance in 2012 was also increased. Income from commission, Exchange and Brokerage followed a positive trend except 2011, but it increased in 2012 after analyzing the quarterly performance of Uttara Bank Limited.

Key Financials (In MN BDT)	2010	2011	Q1, 2012	Q2, 2012	Q3, 2012
Loans and advances	48,672.7	54,010.3	52,506.6	56,357.6	56,224.5
Deposits and other accounts	65,768.0	72,045.8	79,536.7	83,594.9	88,795.7
Investment					
Govt.	18,429.3	22,735.9	28,352.1	24,767.4	36,698.6
Others	161.8	158.9	160.9	160.9	160.9
Total Shareholders equity	8,610.8	9,638.6	9,007.7	8,936.2	9,117.4
Paid up capital	2,396.0	2,875.2	2,875.2	3,306.4	3,306.4
Total Contingent Liabilities (OBS)	9,377.6	9,860.0	9,442.1	11,239.0	10,892.4
Interest income	4,841.9	6,604.2	1,933.7	1,978.3	2,069.3
Interest paid on deposits and borrowings	2,959.9	4,138.8	1,376.1	1,538.4	1,693.0
Net interest	1,881.9	2,465.4	557.5	439.9	376.3
Investments income	2,206.6	2,204.3	855.0	918.0	760.3
Commision, exchange and brokerage	939.1	987.1	196.0	259.4	210.6
Operating profit	5,808.3	6,528.4	1,807.1	1,747.7	1,416.0
Profit before tax	2,801.9	3,007.7	351.4	858.8	390.6
Net profit	1,551.9	1,655.0	200.3	507.5	179.4
Key Performance Indicators	Q3-11	Q4-11	Q1-12	Q2-12	Q3-12
NIM growth	-82.9%	847.3%	-46.2%	-21.1%	-14.4%
OP growth	-23.9%	6.4%	-36.3%	101.3%	-34.8%
Total Provision growth	NA	-200.0%	-210.0%	-36.4%	207.1%
Net Interest Margin (NIM) % of Interest Income	6.5%	57.5%	28.8%	22.2%	18.2%
OP % of Interest Income	40.6%	40.1%	23.9%	47.0%	29.3%
Current Deposit growth	3.0%	2.3%	3.6%	7.2%	8.2%
Savings Deposit growth	0.2%	0.8%	-4.0%	0.2%	2.7%
Term Deposit growth	31.3%	-1.7%	39.2%	7.0%	9.1%

## Analysis of Performance:

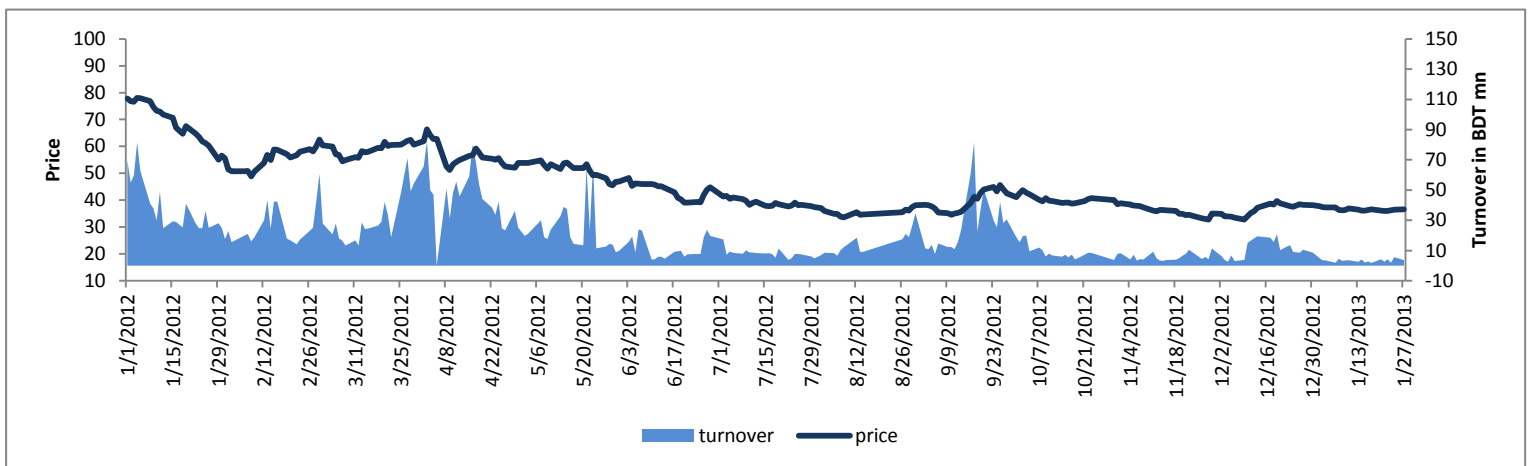
Net interest income growth was 2.44 per cent in Q3, 2012 compared to the same period of the previous year. Investment income decreased by 29.45 per cent and income from commission, exchange and brokerage increased by 11.73 per cent in Q3.2012. The bottom line profit NPAT decreased by 38 per cent .

Total operating expenses decreased by 11 per cent while provisioning for loans and advances increased by 115 per cent to comply with the provisioning requirement of Bangladesh Bank.

Total asset growth was 22 per cent with its main contributor loans and advances growth of 13 per cent in Q3, 2012. Cost income ratio was 57 per cent , below from 1 bps from the same period of the previous year.

ROA and ROE was 1.85 per cent and 18.14 per cent respectively in 2011. NPL was 5.22 per cent in 2011, 0.28 per cent lower from the previous year. Capital adequacy ratio was 13.28 per cent in 2011, the required amount was 10 per cent.

## Stock Performance



## Analyst Team

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