

Key Statistics

Latest Close	35.8
52-week Price Range	29-46.6
NOS Outstanding (Mn)	385
Market Capitalization (BDT Bn)	13,800
Holding Structure	
Public	25%
Institution	23%
Sponsors	50%
Foreign	1%
52-week Avg. Turnover	11.0
EPS Forward	1.81
P/E Forward	19.7
Sector P/E Forward	9.7
NAVPS	25.05
P/NAVPS	1.43
Sector P/NAVPS	1.17
Beta	0.81

Company Profile: BRAC Bank Ltd started its operation on 4th July'01 in an attempt to serve the marginal level people of Bangladesh. It has the largest and widest online distribution network with 151 branches, 293 ATMs, 30 CDMs, 12 Alternate Banking Centers, Internet Banking, SMS banking service for subscribers of four (out of six) telecom operators, a state-of-the-art Call Center service and 12 ATMs under co-branded partnership with Rupali Bank. Brac Bank has four subsidiaries namely: Brac EPL Investments Ltd., Brac EPL Brokerage Ltd., Brac Saajan Exchange Ltd. and bKash and one associate company named Brac Asset Management Company Ltd.

Description of Business: The key revenue driver of Brac Bank is Net Interest Income, which is 53 percent of operating income in 2011; experienced a positive growth for last five years. The quarter earnings of 2012 also followed the up trend. The investment income, 15 per cent of operating income fell significantly in 2011 for unsatisfactory performance of capital market. Income from commission, Exchange and Brokerage, 29 percent of operating income increased throughout the five years, but it fell in 2012 as Bangladesh Bank discouraged Bank's to open LC to lessen the import growth. SME is the leading sector in Brac Bank, which grew significantly in 2011.

Key Financials (In MN BDT)	2010	2011	Q1, 2012	Q2, 2012	Q3, 2012
Loans and advances	86,573.9	97,478.4	102,502.7	106,091.4	108,930.6
Deposits and other accounts	88,154.9	103,648.7	112,321.1	112,839.4	122,376.0
Investment					
Govt.	9,667.9	10,292.0	10,800.8	10,371.4	12,480.6
Others	3,457.6	4,383.0	4,045.8	3,767.2	3,589.6
Total Shareholders equity	9,852.5	10,160.2	10,534.3	11,492.5	11,795.9
Paid up capital	2,677.0	3,212.4	3,212.4	3,854.8	3,854.8
Total Contingent Liabilities (OBS)	23,976.0	22,799.4	20,755.5	16,534.6	21,913.5
Interest income	11,028.5	14,283.1	3,783.2	4,212.8	4,594.7
Interest paid on deposits and borrowings	5,886.8	8,645.1	2,352.4	2,536.3	2,680.3
Net interest	5,141.6	5,638.0	1,430.9	1,676.5	1,914.3
Investments income	2,259.3	1,640.3	393.9	344.5	351.6
Commission, exchange and brokerage	2,771.3	3,151.4	797.9	710.6	710.5
Operating profit	10,399.5	10,795.8	2,704.8	2,842.4	3,058.3
Profit before tax	3,466.1	3,214.1	691.5	756.9	816.7
Net profit	2,073.1	1,812.4	379.6	449.9	436.1
Key Performance Indicators (Quarterly)	Q3-11	Q4-11	Q1-12	Q2-12	Q3-12
NIM growth	-11.3%	162.6%	-44.9%	17.2%	14.2%
OP growth	5.5%	22.4%	-15.9%	3.7%	13.2%
Total Provision growth	-25.1%	39.3%	5.9%	-3.5%	20.8%
Net Interest Margin (NIM) % of Interest Income	26.4%	70.7%	37.8%	39.8%	41.7%
OP % of Interest Income	32.3%	40.4%	33.0%	30.7%	31.9%
Current Deposit growth	-1.3%	-9.6%	20.4%	-2.6%	6.6%
Savings Deposit growth	24.8%	-10.1%	-5.1%	1.9%	1.2%
Term Deposit growth	-0.2%	13.4%	4.9%	3.2%	11.6%

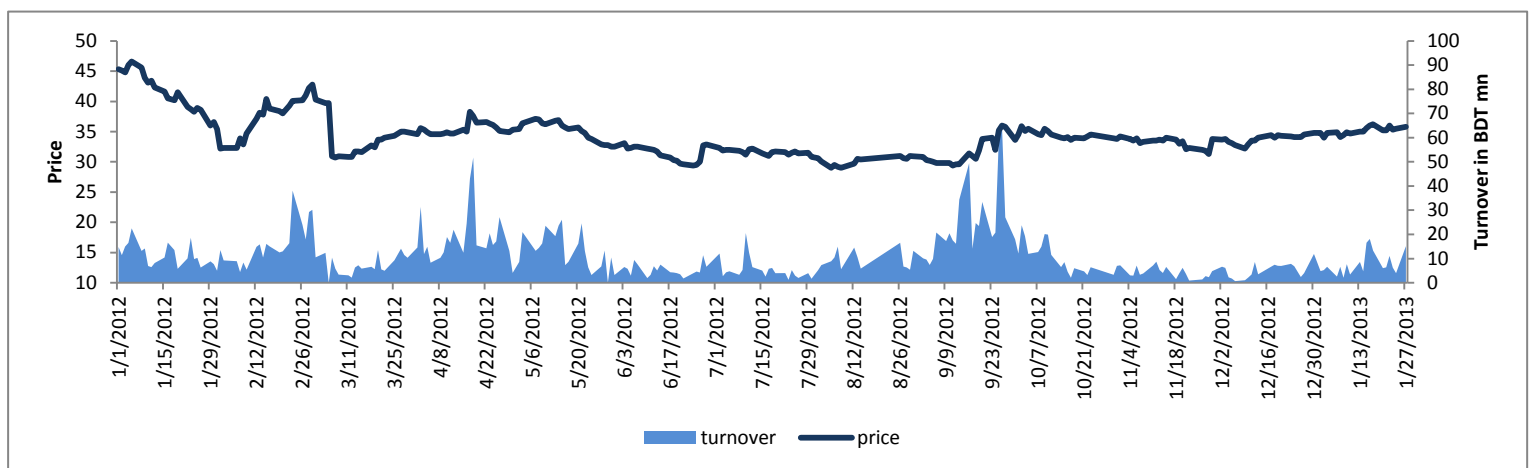
Analysis of Performance:

Net interest income increased by 93 percent in Q3, 2012 compared to the same period of the previous year. Income from investments decreased by 55 percent in Q3, 2012 followe the last year down trend. Non-funded income increased in 2012, but decreased in the Q3, 2012. NPAT decreased by 5 per cent in Q3, 2012 compared to the same period of the previous year.

Total operating expenses increased by 14 percent and total provisioning against loans and advances increased by 72 percent in Q3, 2012 compared to the same period of the previous year. Total asset increased by 19 percent with the key contributor loans and advances growth of 11 percent in Q3, 2012. Deposit increased by 19 percent in Q3, 2012. Cost income ratio was 52 percent in Q3, 2012 decreased by 1.43 percent from the same period of the previous year.

ROA(Return on Asset) and ROE(Return on Equity) were 1.36 and 17.9 per cent respectively in 2011.The NPL (non-performing loan) ratio of the bank was 5.38 percent in 2011 which was 0.31 per cent lower than the previous year. CAR (Capital adequacy ratio) was 11.6 per cent in 2011. per cent in 2011, the required amount was 10 per cent.

Stock Performance



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