

EXIM Bank of Bangladesh Limited (DSE: EXIMBANK)

Current Price (October 01, 2015)	8.9
Total Number of Share (Mn)	1,412.3
Free Float (%)	52.3%
Annualized PE* – EXIMBANK	19.3x
Trailing PE – EXIMBANK	5.9x
Annualized PE – BANK	7.5x

*Based on latest earning disclosure

Financials (BDT Mn)	2013	2014	HY, 2015** (Unaudited)
Net Investment Income	5,053	7,042	3,279
Comm., Ex. & Brokerage	2,045	2,043	979
Operating Income	8,284	10,315	4,787
Operating Profit	4,953	6,136	2,703
Total Provisions	1,714	1,725	2,221
NPAT	1,886	2,466	322
Total Deposits	165,392	200,009	216,934
Total Investments	145,002	179,166	193,856

**Year ends on December 31

YoY Growth (%)	2013	2014	HY, 2015
Operating Income	1.3%	24.5%	36.2%
Net Profit After Tax	-9.5%	30.8%	-51.1%

Per Share (BDT)	2013	2014	HY, 2015
Restated EPS	1.34	1.75	0.23
Book Value Per Share	14.52	16.27	16.50

Others (%)	2013	2014	HY, 2015
Capital Adequacy Ratio	13.2%	11.7%	-
Non-Performing Loan (NPL)	4.1%	4.5%	-
Return on Assets (ROA)	1.0%	1.2%	-
Return on Equity (ROE)	10.2%	11.3%	-
Stock Dividend	11.0%	10.0%	-
Cash Dividend	-	-	-

3 Years' CAGR	Peers			
	EXIMBANK	SIBL	ISLAMIBANK	SHAHJABANK
Op. Inc.	16.0%	17.9%	10.9%	1.8%
NPAT	6.9%	23.2%	-5.0%	-16.6%

Source: DSE, Annual Reports/Financial Statements of EXIMBANK, SIBL, ISLAMIBANK & SHAJABANK and Research, IDLC Investments Limited.

Terminologies

Free Float : % of total shares not owned by Sponsors/ Directors, and Govt.

Annualized PE: Based on Annualized Earnings of the latest declared quarter

Trailing PE: Based on Latest 12 Months Earnings

Company Profile

Export Import Bank of Bangladesh Limited (DSE: EXIMBANK) began its operations on June 02 1999 as a traditional commercial bank. The bank adopted the Shariah based Islamic operations on July 01 2004. Also during 2004, the company went public, listing its shares on both the DSE and the CSE.

EXIMBANK currently has 4 Subsidiaries, namely; EXIM Exchange Company (UK) Ltd., EXIM Exchange Company (Canada) Ltd, EXIM (USA) Inc. and EXIM Islami Investment Ltd. Of these, EXIM (USA) has officially discontinued its operation. However, all other formalities that are needed in order to close off the business are yet to be completed. Also, in 2014 the Bank closed down its branch in Australia, namely; EXIM Exchange (Australia) PTY Ltd. EXIM Bank also owns two off-shore banking units. Notably, the bank has 87 branches throughout the country.

Key Revenue Drivers & Company Insight

EXIM Bank demonstrated a healthy top line growth of 24.5% YoY during 2014. This was primarily attained through Funded Income, grew by 39.5% YoY which came from particularly hefty growth in General Investments by 24.1%. However, Non-Funded Income marginally cracked down, declining 3.1% YoY.

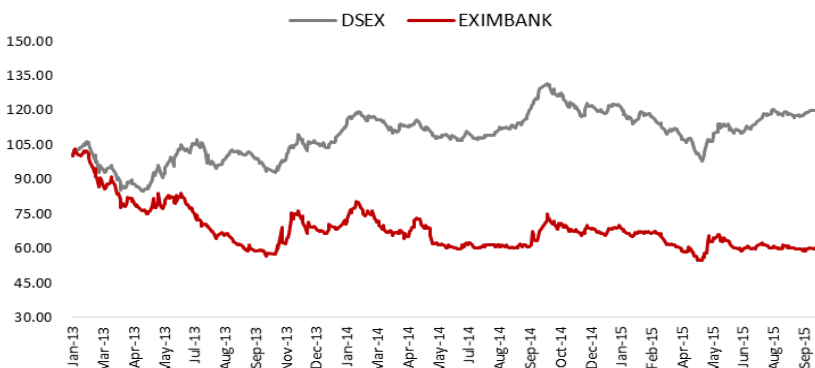
During 2014, Deposit basket crossed BDT 200 Bn level while Investments were close to BDT 180 Bn. However, Capital Adequacy Ratio (CAR) became 11.7% from that of 13.2% in last year. NPL ratio deteriorated further to 4.5%, which was 4.1% in 2013.

Financial Performance

2014 was fairly well for Exim Bank Ltd. The bank observed improvement in all the line items. Strong top line with stable provisions assisted the bank to maintain a robust NPAT of BDT 2,445.7 Mn. Accordingly, ROA and ROE improved to 1.2% and 11.3%, respectively.

During HY 2015, Net Investment Income amplified by 36.2% YoY supported by larger Investments Basket. This assisted Operating Income to grow by 17.5% YoY. However, the bank kept significant amount of provisions around BDT 2,221.5 Mn which finally hit bottom line, declining 51.1% YoY

As per un-audited six months' accounts (Jan'15 to Jun'15), consolidated net profit after tax was BDT 322.5 Mn with consolidated EPS of BDT 0.23 as against BDT 659.4 Mn and BDT 0.47, respectively for the same period of the previous year.



Source: DSE; Research, IDLC Investments Limited

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