



## CHAIRPERSON'S MESSAGE

Bismillahir Rahmanir Rahim

**Respected Shareholders,**

Assalamu A'laikum.

I, on behalf of the Board of Directors would like to share the success of National Bank Limited during 2008.1 warmly welcome you to the 26th Annual General Meeting of the Bank.

Starting the journey on March 23, 1983, the Bank within a span of 26 years, has turned into one of the biggest private sector banks in the country having 106 branches and assets over Tk. 72,212 milion. This is the result of the prudent policies and farsighted decisions taken by the board, active support from shareholders, depositors, borrowers, other clients and well-wishers, a strong regulatory framework and team work by the efficient executives.

During the year, the Bank has not only made good profit, but also it has enhanced its image further. NBL has now established itself as a local financial institution with international corporate culture, state-of-the art systems, flawless process, superior business ethics, strong control & compliance, good governance, visionary & dynamic leadership, commendable market & product depth and strong financials. NBL is now regarded as a local brand having regional and global potential. Our customers are increasingly placing their trust on us. This would not have been possible without the strong commitment of our personnel who have set a very high standard of service, which goes to promote our image with our customers as well as the entire business community.

The world economy that registered an unprecedented average growth of 5 percent a year for consecutive four years is now entering a major downturn in the face of the most severe shock in mature financial markets since 1930. The major advanced economies are already in recession while a number of emerging and developing countries are under inflationary pressure. Despite such difficult conditions, the Bank had another excellent year of successful performance.

The Bank earned a profit before tax of Tk. 2,828.80 milion for 2008, a growth of Tk. 793.70 milion or 39 percent, over the normalized profit before tax for 2007. The Bank's profit after tax and provision for 2008, at Tk. 1,517.40 milion reflected an even stronger growth of 22.51 percent or Tk. 1,238.10 milion, over the normalized profit after tax for 2007. In 2008

Bank's revenue was Tk. 8,893.10 milion, which was up by Tk. 1,710.50 milion or 23.81 percent. The bank's total loans and advances portfolio was Tk.49,665.10 milion at the end of December 2008 compared to Tk.36,475.70 milion at the end of December 2007. The deposit base of the bank registered a growth of 25.51 percent in the reporting year over the last year and stood at Tk. 60,195.20 milion in December 2008. This was achieved with better management of interest margins in volatile market conditions and adequate Balance Sheet growth during the period. Being a regular tax payer, we have made a direct contribution to Government Exchequer of Tk. 761.70 milion in the calendar year 2008 against Tk. 449.70 milion in previous year registering a staggering growth of 69.38 percent.

The measures we are using to siege the market share comprises of shifting towards developing and expanding the SME financing, Any Branch Banking, Off-shore Banking facilities, etc. In addition we are further expanding our presence through opening new branches. In 2008, we have opened 5 new branches and plan to open 15 new branches and 10 SME centers in 2009.

National Bank, has now acquired strength and expertise to support the banking needs of the foreign investors. NBL stepped into a new arena of business and opened its Off Shore Banking Unit at Mohakhali to serve the wage earners and the foreign investors better than before.

National Bank, since its inception, was aware of complying with Corporate Social Responsibility. In this direction, we remain associated with the development of education, healthcare and sponsored sports, culture and during the times of natural disasters like floods, cyclones, landslides we have extended our hand to mitigate the sufferings of victims.

The bank established the National Bank Foundation in 1989 to remain involved with social welfare activities. The foundation is running the NBL Public School & College at Moghbazar where present enrolment is 1140. Besides awarding scholarship to the meritorious children of the employees, the bank has also extended financial support for their education. It provided financial support to Asiatic Society of Bangladesh at the time of their publication of Banglapedia and observance of 400 years of Dhaka City.

Besids financial help to various organizations, the bank has also been sponsoring sports like Badminton, Football, Volleyball, Shooting and Golf. NBL has also played a major role in the health sector by creating a provision of a Haemodialysis machine at the BIRDEM Hospital.

In addition to the regular social activities the bank has been extending credit facility without collaterals at a lower rate to the entrepreneurs having small capital and to the womenfolk to make them self reliant. With a view to develop the socio-economic condition of the country the bank is expanding its credit in the SME sector.

NBL has been extending agri-credit jointly with Barind Multipurpose development Authority to the marginal farmers of Barind area of Rajshahi since 1993 with a view to increase agri-output. The project has changed the socio-economic conditions of the farmers

and has made ecological improvement of the area through massive tree plantation.

Instant action for extending agri-loan for marginal farmers, taking a pilot project in the Beverly affected Sirajgonj district immediately after the devastating flood of 2007 saved the farmers from setback. Tremendous success of the project led its expansion not only in the Sirajgonj district, but also, in other areas of the country.

In dearth of capital, growth of weaving industry, the traditional heritage of our country is being hampered. NBL has stepped forward by extending credit to save the industry.

We express our abhorrence at the recent gruesome killing that took place in Plikhana BDR Headquarters and also our deepest sympathy to the members of bereaved families. Our bank donated Tk.25.00 lac to the honourable Prime Minister's fund. Besides, among the bereaved families, NBL decided to give Tk.40,000/- per month to each five families, which will continue for ten years.

**Ladies and Gentlemen,** the Bank has recorded rapid and consistent growth in a tough and competitive sector. One of the major reasons for this success has been the commitment of its motivated staff with a strong work ethic. We have a fine team of people, shared set of priorities and a proud tradition of success. I sincerely appreciate the efforts of the entire workforce led by our Managing Director for their outstanding achievements.

I would like to give my sincere thanks to the Finance Ministry, Bangladesh Bank, National Board of Revenue, Securities and Exchange Commission, other government agencies, Dhaka and Chittagong Stock Exchanges, Depositors, Borrowers, Well-wishers and last but not the least, the Shareholders for providing us with continuous support to run the bank smoothly.

I would also like to take this opportunity to thank my colleagues on the Board, who have given their best, in the face of adverse internal and external conditions and has made 2008 yet another year of success for the Bank.

We not only opted for the growth of the organization, but also, wanted to share our financial success with shareholders in an appropriate manner. Hence, the Board of Directors proposed to the Annual General Meeting of shareholders for stock dividend at the rate of 52 percent on the profit of 2008.

In fine, considering the Bank's present shape and strength, we hope that National Bank is well poised to meet the challenges of 2009 and beyond Insha-Allah.

Allah Hafez,



**Moazzam Hossain**

Chairperson