'Best Bank in Sri Lanka'

Awarded by Global Finance of USA - 2015

NDB bank

Investor Update - 2015 Q1

Content

Performance Summary

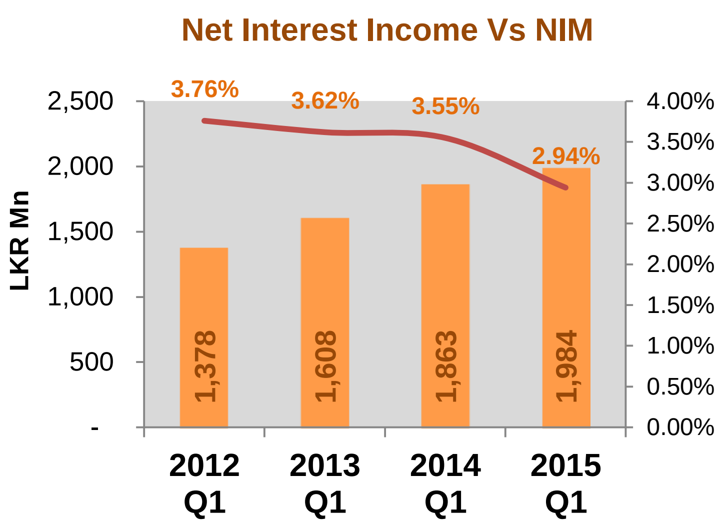
2015 Q1 Snapshot

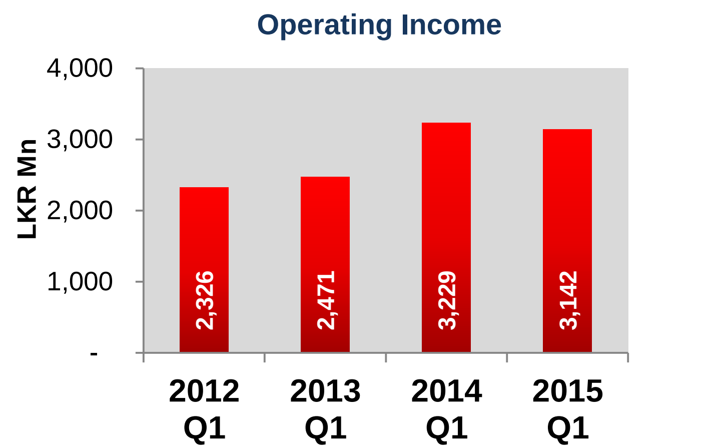
March - 2015	LKR Mn	YoY Growth
Net Interest Income	1,984	6%
Other Income	1,158	15%
Overheads	1,561	9%
Impairment	(63)	-151%
Operating Profit	1,644	-2%
Profit for Shareholders	869	-27%

Loans and Advances	175,660	21%
Customer Deposits	162,427	20%
Total Assets	269,996	27%

Income Statement

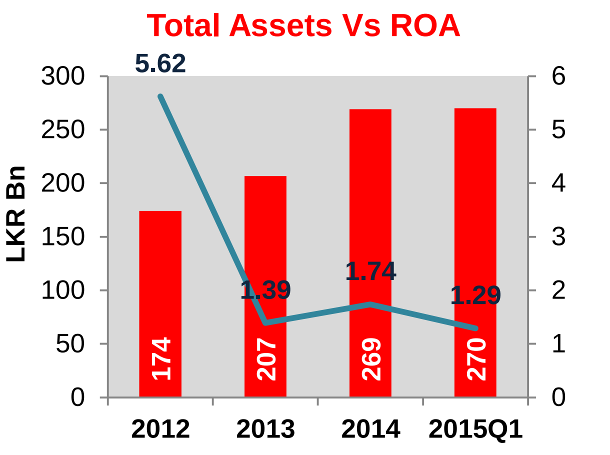
2015 Q1	LKR Mn	YoY Growth (%)
Gross income	6,320	(2)
Interest Income	5,162	1
Interest Expenses	3,178	(2)
Net Interest Income	**1,984**	**6**
Non Interest Income	1,158	(15)
Operating Income	**3,142**	**(3)**
Impairment	(63)	(151)
Net Operating Income	**3,205**	**3**
Operating Expenses	1,561	9
PBT	**1,644**	**(2)**
Tax	801	42
PAS	**869**	**(27)**

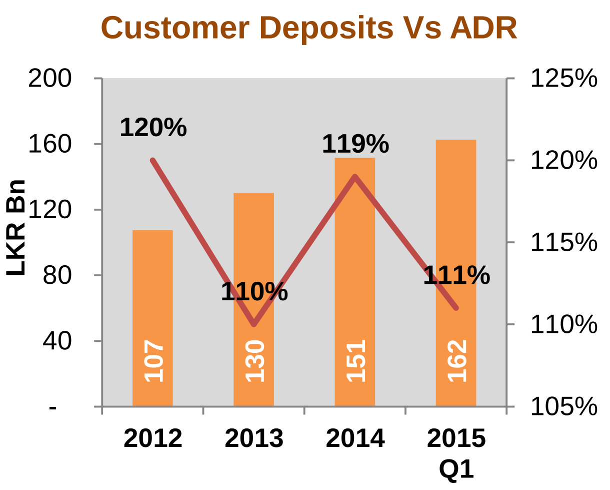




Balance Sheet

2015 Q1	LKR Mn	YoY Growth
Cash & Cash Equivalents	12,427	
Investments	73,521	
Net Loans & Advances	**175,660**	**21%**
Fixed Assets	2,233	
Other Assets	6,155	
Total Assets	**269,996**	**27%**
Deposits	**162,428**	**20%**
Debt Securities & Borrowings	59,295	
Subordinated Term Debts	11,307	
Other Liabilities	7,913	
Equity	**29,053**	**14%**
Total Liabilities	**269,996**	**27%**

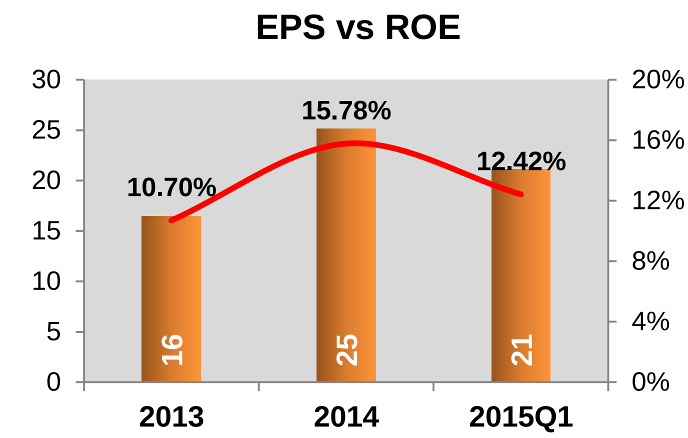


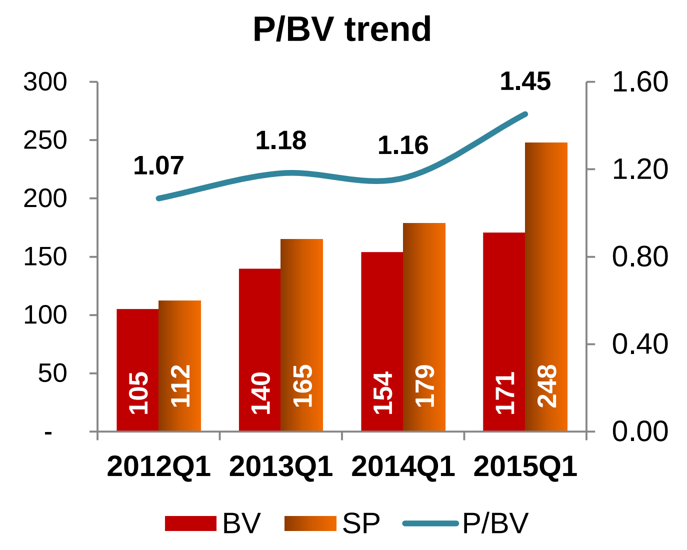


Key Performance Indicators

	2013	2014	2015 Q1
Return on Equity	10.70%	15.78%	12.42%
Return on Assets	1.39%	1.74%	1.29%
Net Interest Margin	3.68%	3.33%	2.94%
Non Performing Loans	2.48%	2.51%	2.49%
Total Capital Adequacy	21.04%	17.55%	17.56%

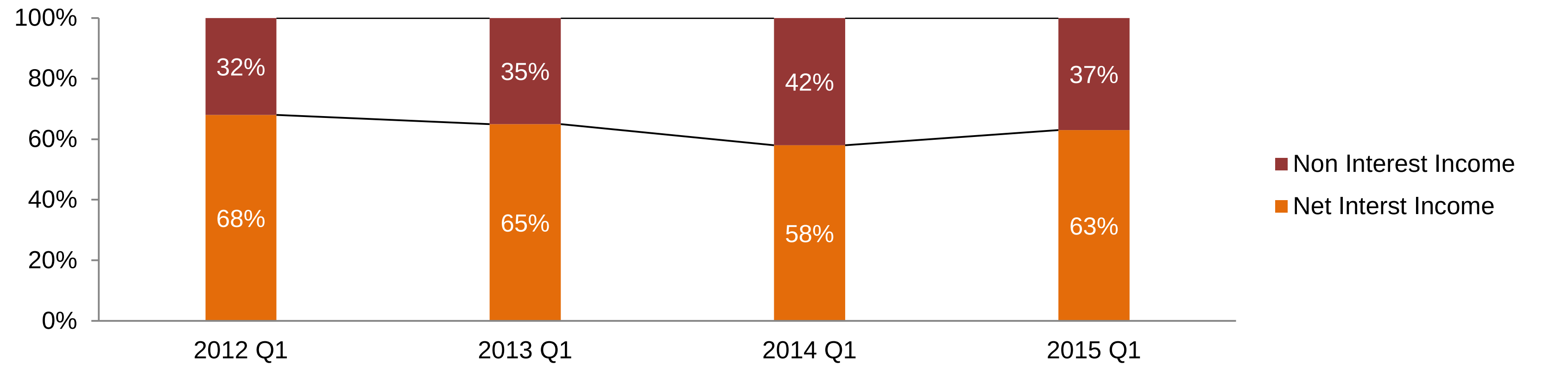
Investor Ratios	2013	2014	2015 Q1
EPS	16.48	25.14	21.12
BVPS	148.85	169.35	170.70
P/E	9.74	9.95	11.74
P/BV	1.08	1.48	1.45



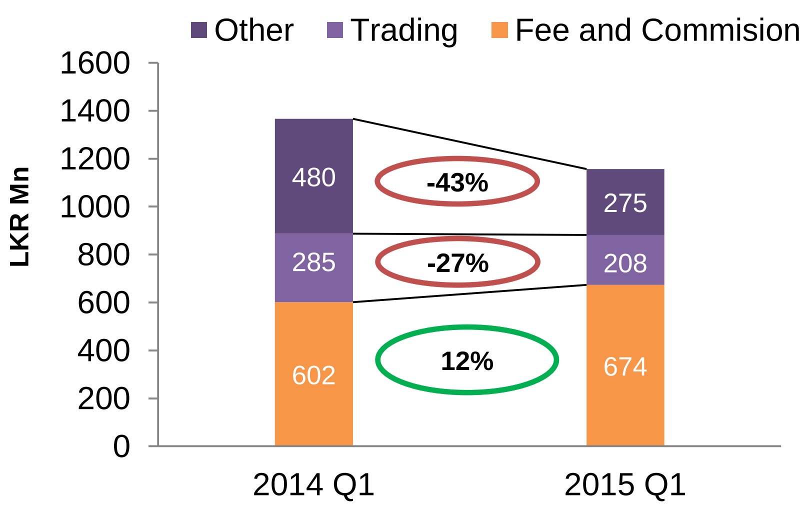


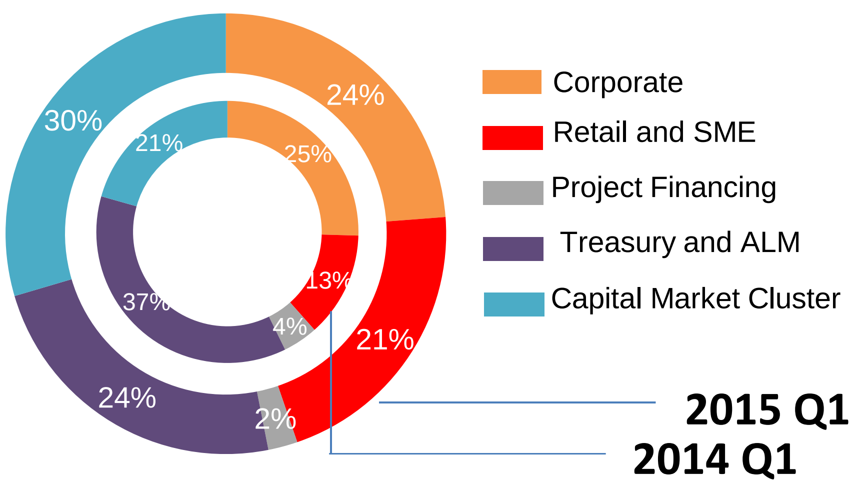
Revenue Sources

Revenue Contribution by sources

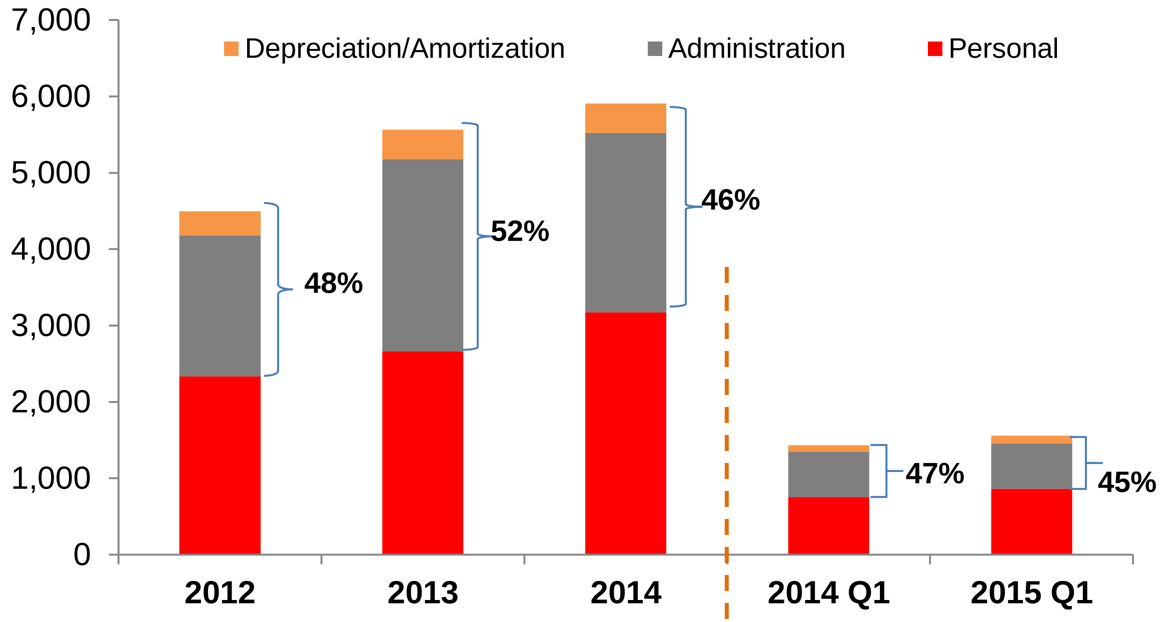


Non interest Income composition and segmental Contribution





Operating Efficiency

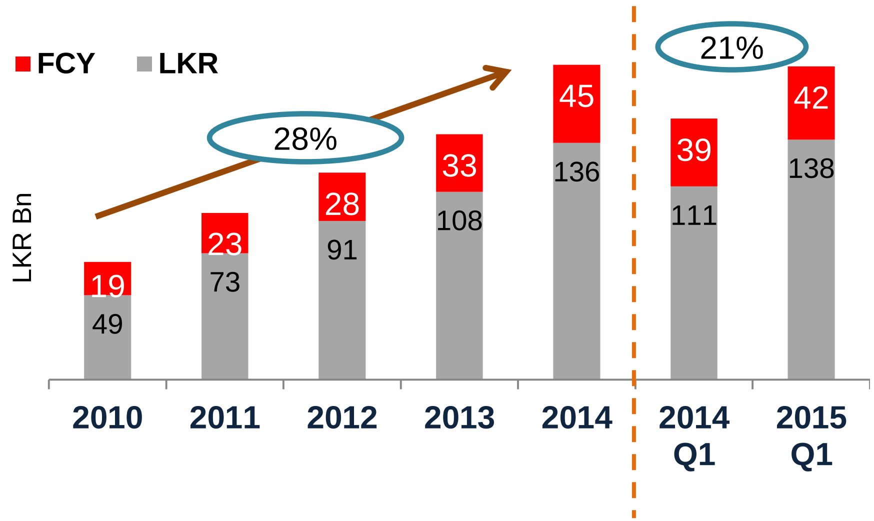


CIR	50.5%	48.2%	45.6%	44.4%	49.7%

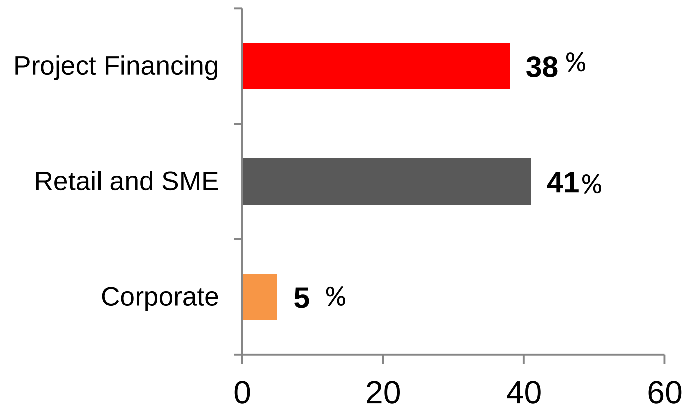
- Administrative cost represents only 45% of the total cost in 2014 leaving 55% of the expenditure for Human Capital
- Administration cost grew by only 1% YoY
- Reinforced procurement process enabled cost savings in Administrative aspects.

Loans and Advances

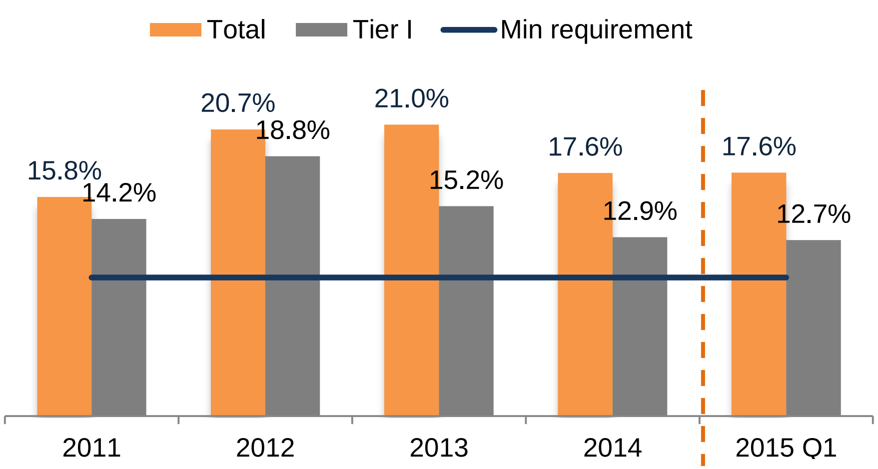
Loans and Advances growth



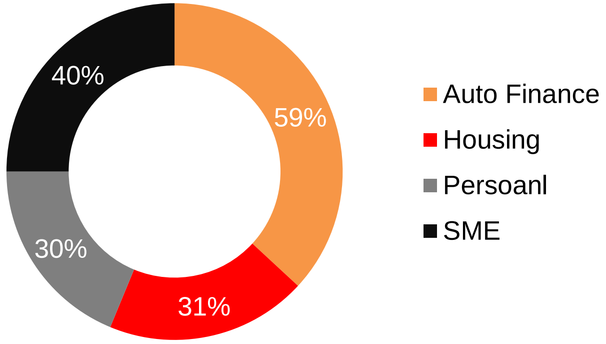
YoY growth % by Segments



Capital Adequacy remains healthy

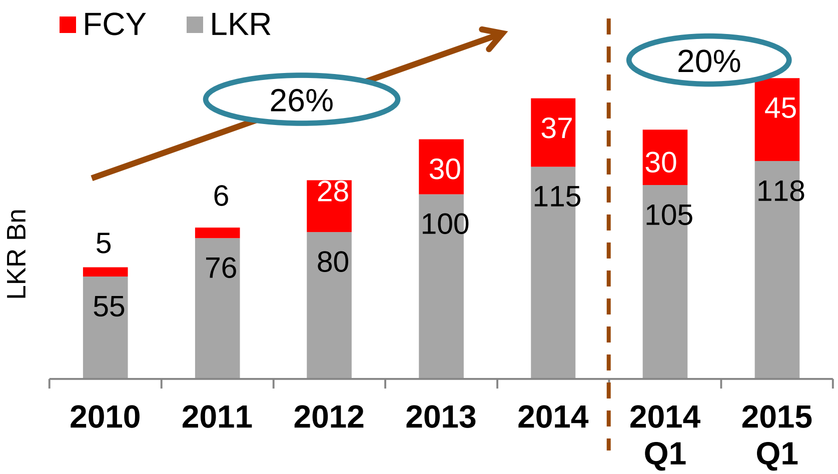


Retail and SME Asset growth by products

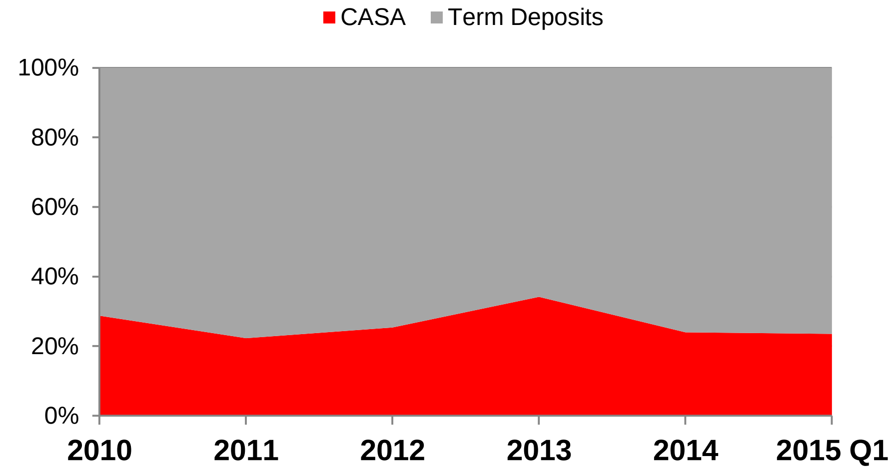


Customer Deposits

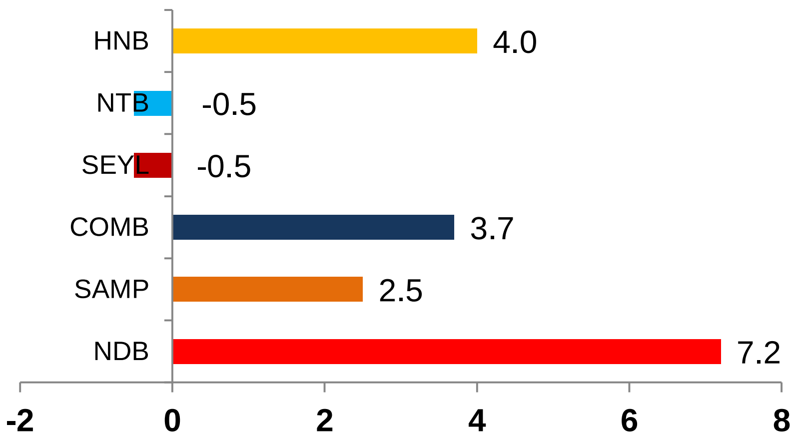
Customer deposits growth (YoY)



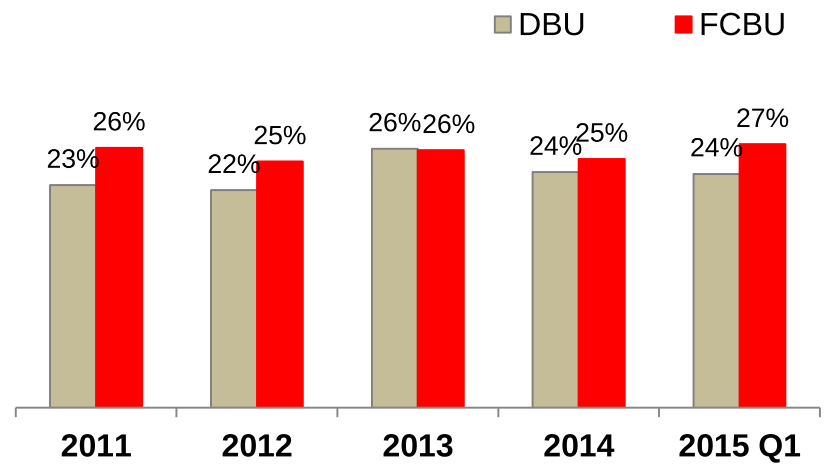
CASA Trend



Customer deposits YTD growth % against peers



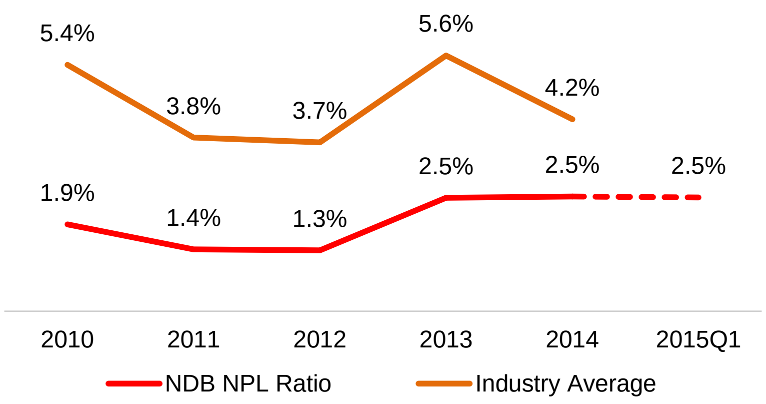
Liquidity remains healthy



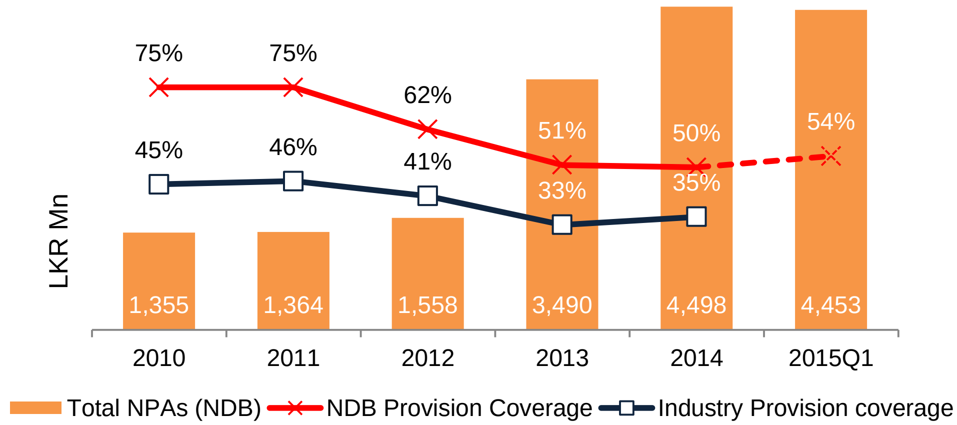
Asset Quality

Asset Quality

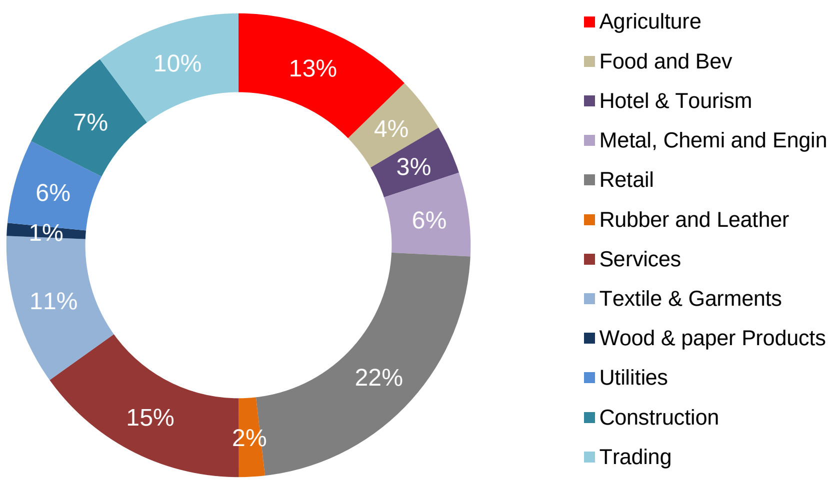
NPL trend Vs industry trend



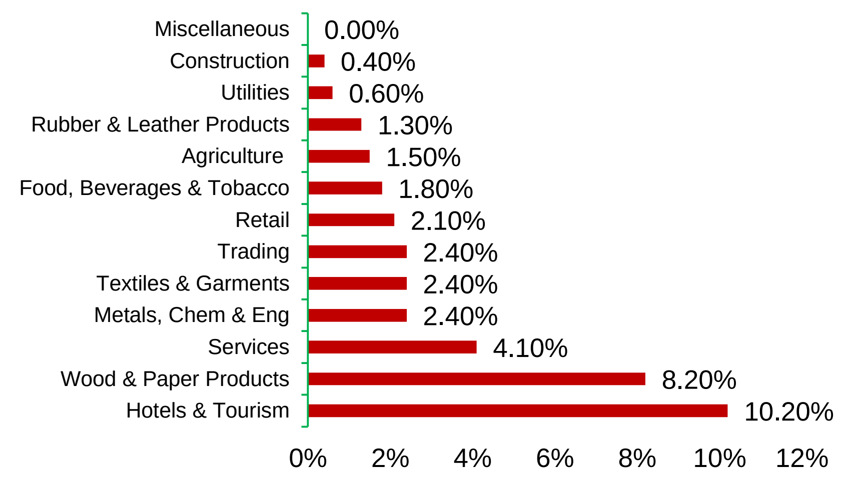
Trend in provision coverage



Loan portfolio diversification - March 2015



NPLs by sectors - March 2015



Awards and Accolades


'Best Bank in Sri Lanka'
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Global Recognition

Awards	Description
Banker Financial Inclusion Award 2014	Conferred by the Banker Magazine of UK to just one global winner each year, the Award recognized the Bank's efforts towards promoting financial inclusion, particularly our innovative and comprehensive efforts in promoting livelihood development at grass root level through aggressive geographic expansion and extending meaningful micro-financing solutions.
Most Trusted Bank in Sri Lanka – 2014 Bank of the Year – 2014	The Acquisition International Magazine of UK acknowledged the Bank's contribution towards financial empowerment of individuals as well as national economic development at large through two titles at the International Finance Awards.
Gold Award for Business Excellence in the Banking sector Excellence in Performance Management	Winning double awards at the 2014 National Business Excellence Awards – an annual competition conducted by the National Chamber of Commerce in Sri Lanka – the Bank demonstrated excellence in business whilst contributing to the economic progress of the country.
Best Investment Bank in Sri Lanka Most Innovative Investment Bank Sri Lanka Best Asset-Backed Securitisation Sri Lanka	The triple recognition of NDB Investment Bank for the second successive year by Global Banking and Finance Review of UK served to acknowledge our continued leadership in the Sri Lankan capital market, which was further reinforced through the **'Best Investment Banking Services Sri Lanka 2014'** Award for our range of debt and equity products and corporate advisory services within the country.
Best Investment Bank in Sri Lanka Best Investment Bank in Bangladesh	Euromoney Magazine of UK picked NDB Investment Bank , Sri Lanka and NDB Capital Limited, Bangladesh as top winners in their respective countries, making the NDB Group as the only local investment banking group in Asia to be named as the best simultaneously in two countries.

Global Recognition

Awards	Description
Domestic Retail Bank of the Year - Sri Lanka **SME Bank of the Year - Sri Lanka**	Collecting twin recognition for the second consecutive year at the Asian Banking and Finance Retail Banking Awards held in Singapore, the Bank also won a third award for **‘Core Banking System Initiative of the Year - Sri Lanka’**.
Excellence in Core Banking Technology	The Bank’s strategic move to converge multiple core-banking applications into a single system was acknowledged in the Service Providers’ category at the 5th Annual Retail Banker International Asia Trailblazer Awards ceremony.
Recognised Leader in Banking - Sri Lanka – 2014	The Bank won recognition at the Finance Awards, UK for its excellence, best practice and innovation in all aspects of the finance industry.
Best use of Facebook **Best use of Social Networks**	The 5th CMO Asia Awards for Excellence in Branding and Marketing held in Singapore acknowledged the great strides made by the Bank in the social and digital media marketing space within a short period.
Brands Annual 2014	The NDB brand was ranked at the 18th position and secured an ‘A’ rating in Brand Finance’s latest valuation of Sri Lanka’s leading brands for 2014.
Bronze award for Best Investor Relations	The Chartered Financial Analysts Society of Sri Lanka recognized the Bank for its innovative efforts in Investor Relations at the CFA Sri Lanka Capital Market Awards ceremony.
Top 25 Corporates in Sri Lanka	The Bank was accorded the 18th place in the Business Today ‘Top 25’ ranking of Sri Lanka’s best performing public listed corporate entities in 2013-14.

Thank You

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Investor Relations

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Q & A Session