

Q1 2017

Earnings Disclosure

26 April 2017



Forward Looking Statements



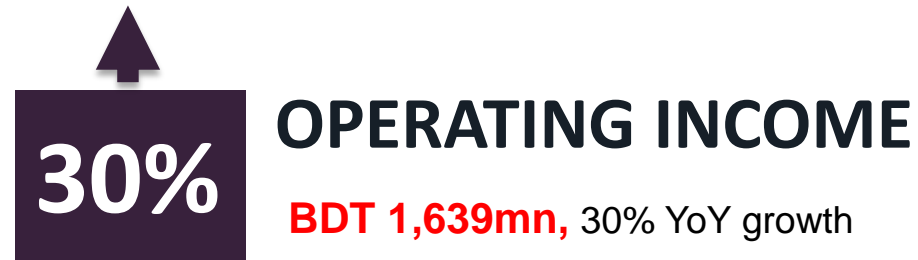
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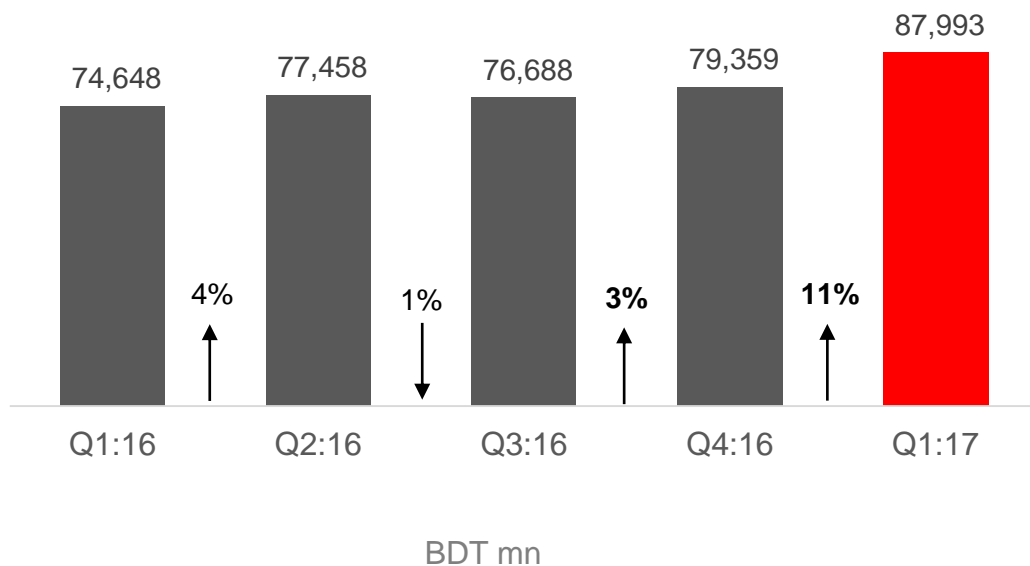
Q1 (Jan–Mar 2017) Performance highlights



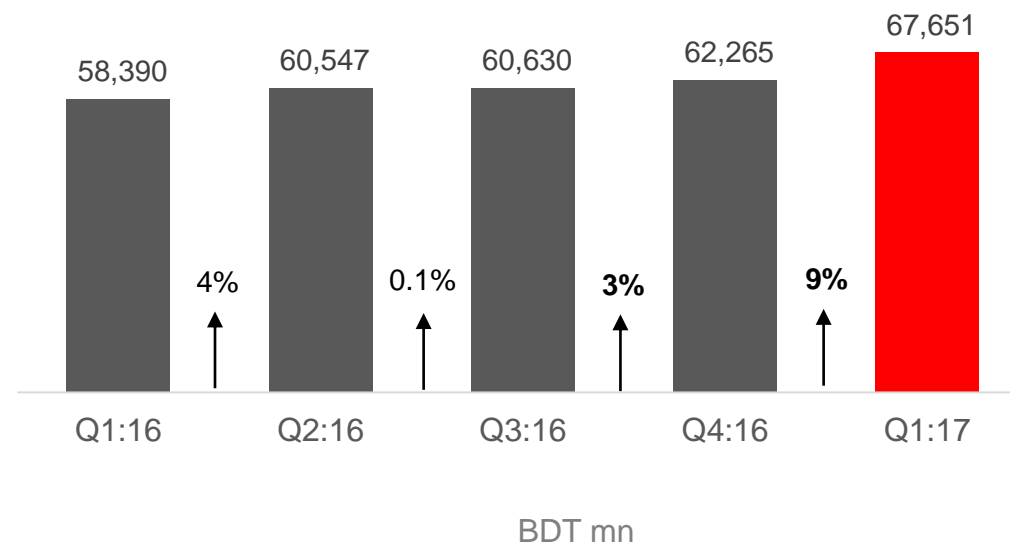
Robust portfolio growth aided by all business segments



Balance Sheet



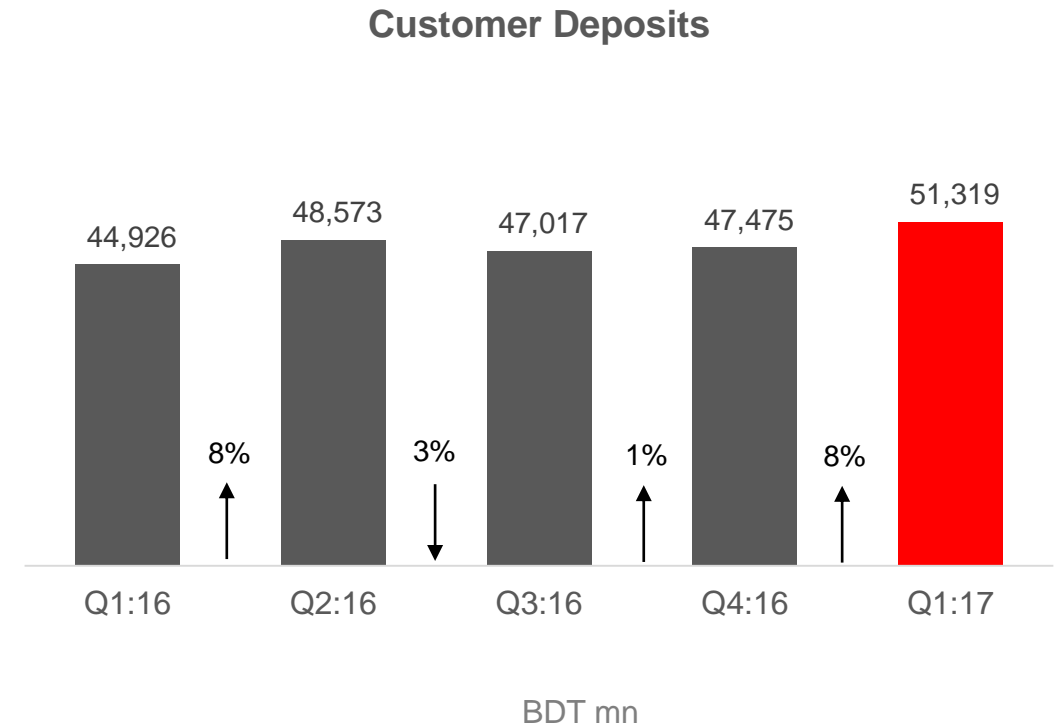
Customer Advances



Strong deposit growth



- Growth in customer assets funded primarily by growth in deposits
- Deposits now contribute 77% to the total funding basket

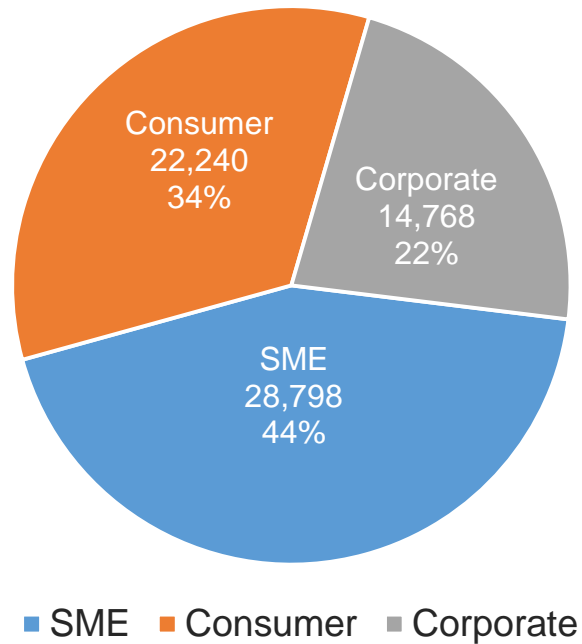


Highest portfolio growth in SME

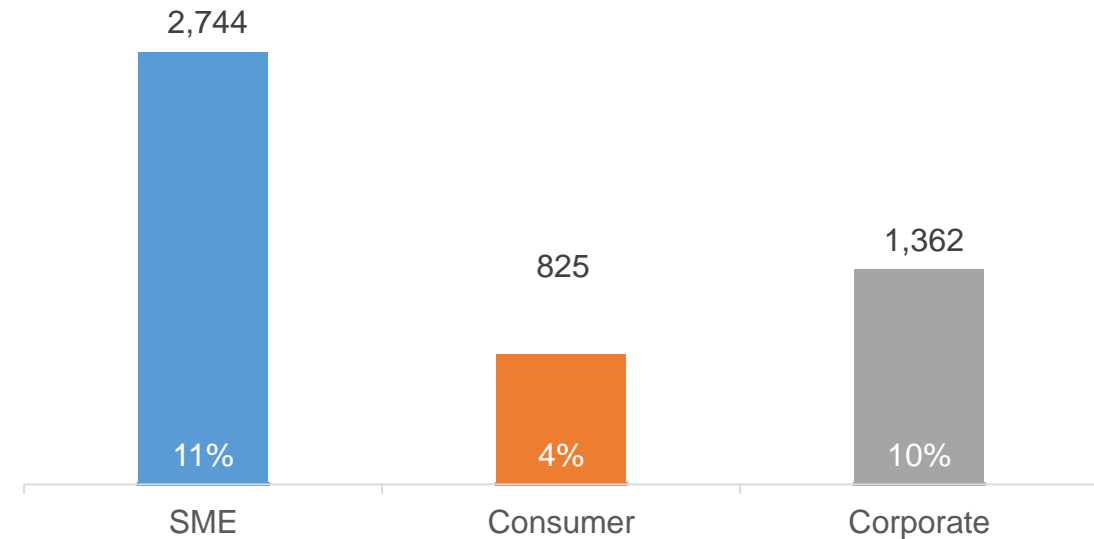


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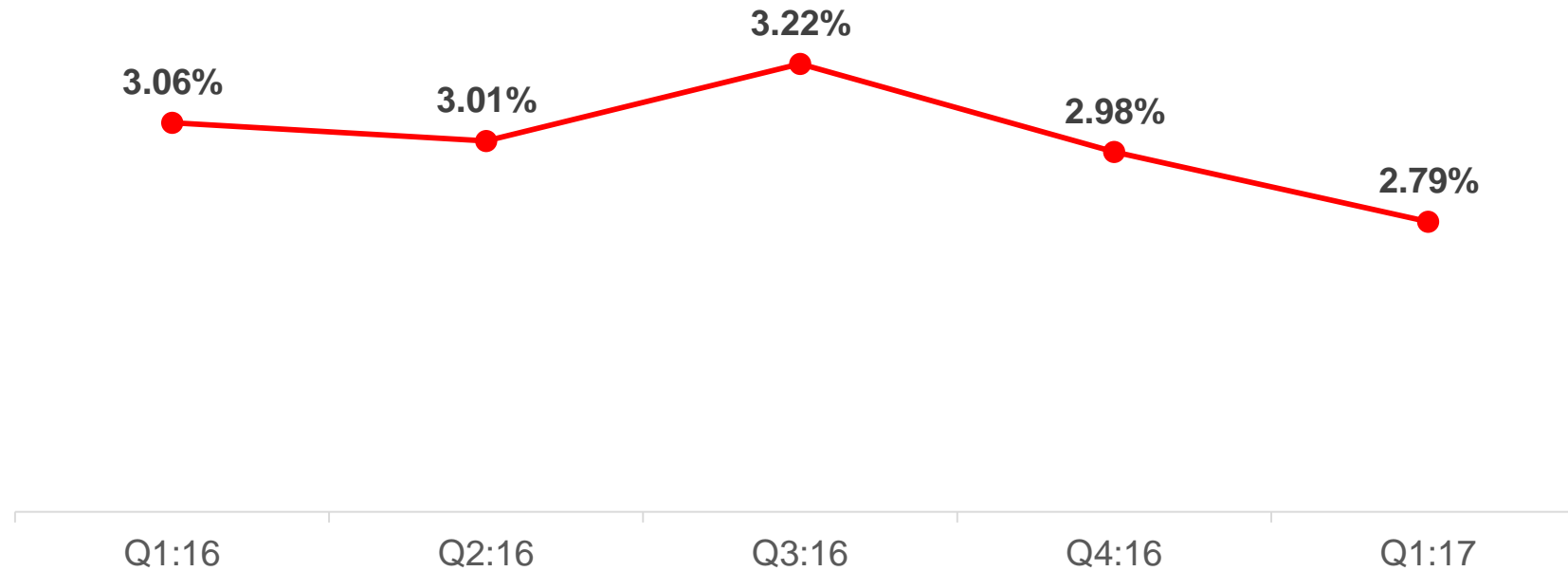
Portfolio Composition: 31 March 2017



Portfolio Growth in Q1 2017



Steady decrease in NPL%



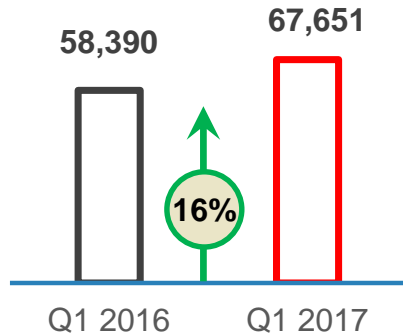
- NPL improvement remains a key focus area
-

YoY Performance Metrics: Q1 (Jan-Mar)

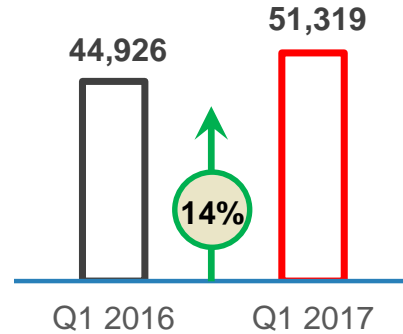


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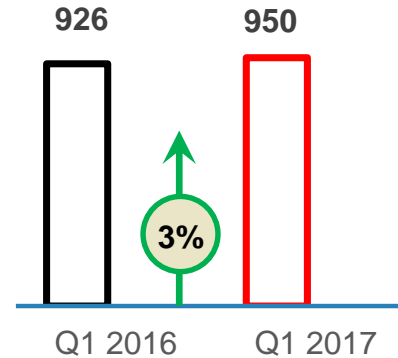
Customer Assets



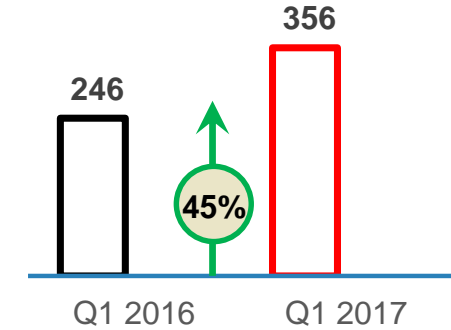
Customer Deposits



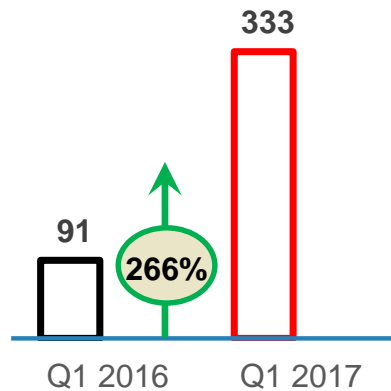
Net Interest Income



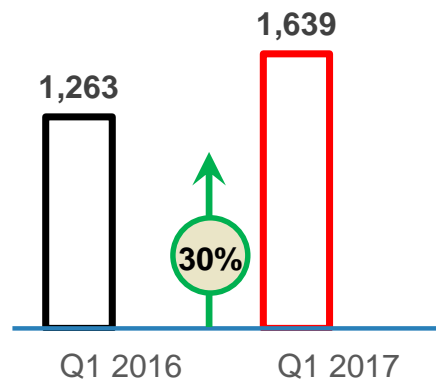
Fee & Other Income



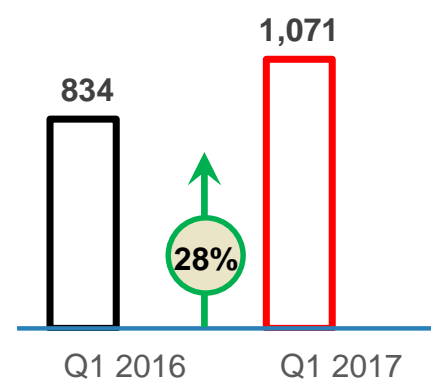
Investment Income



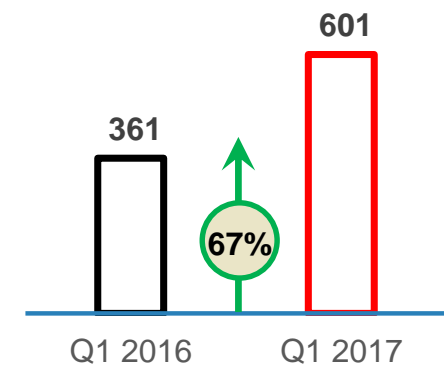
Operating Income



Operating Profit



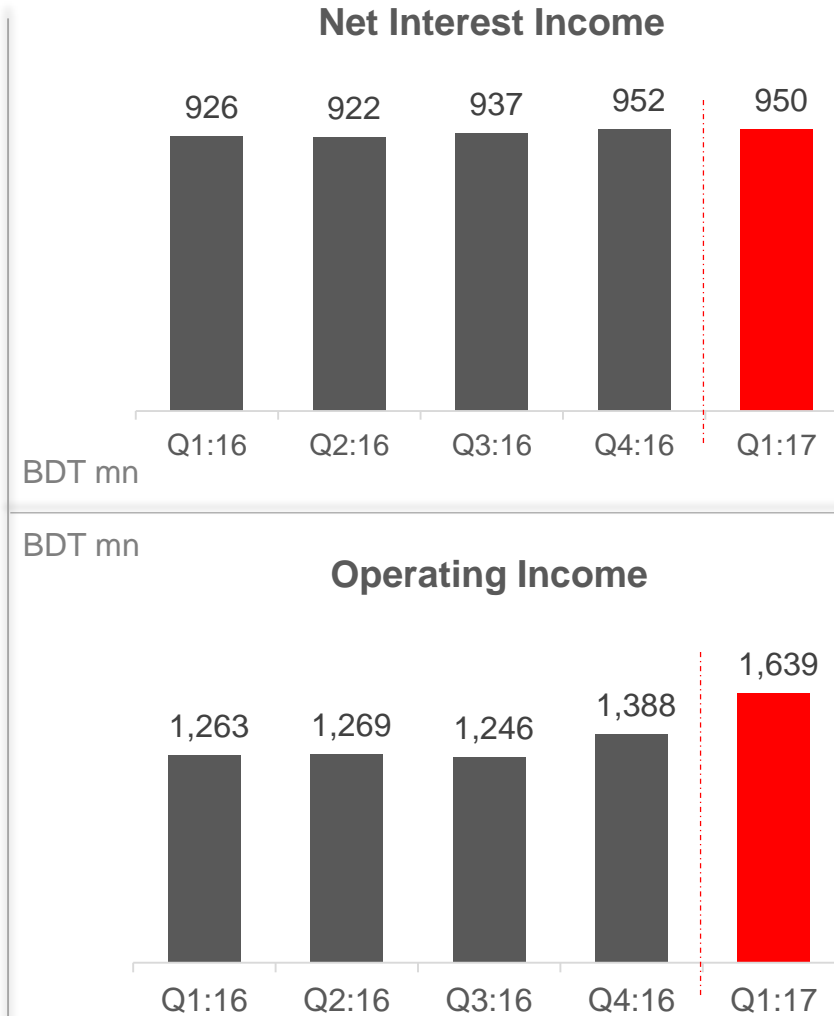
Net Profit



Significant increase in Operating Income



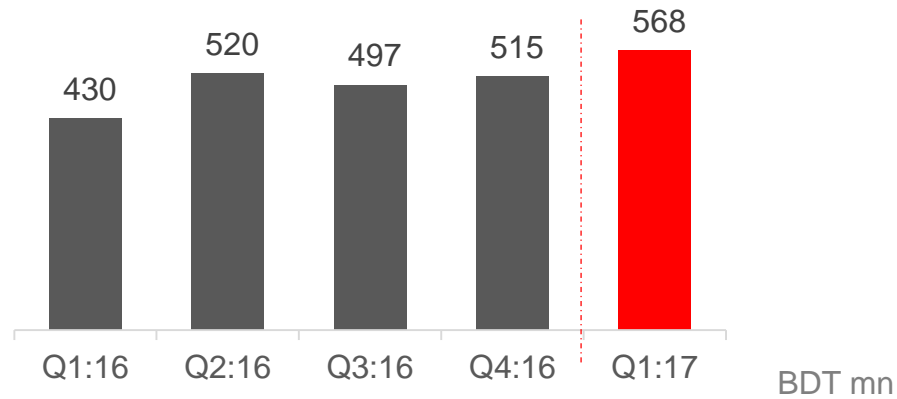
- Net Interest Income remain consistent amidst slight margin correction
- Growth in Operating Income driven mainly by Investment Income and Fee Income



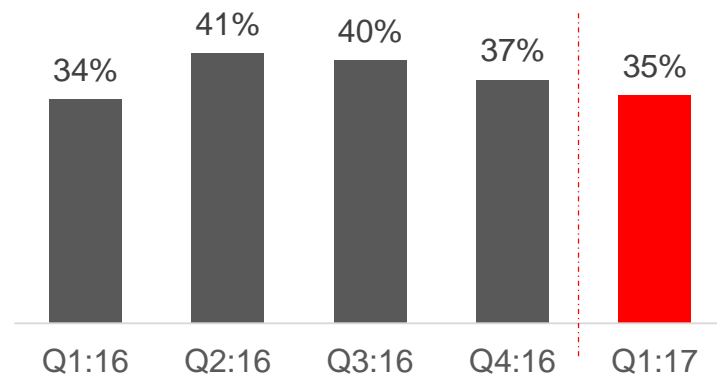
Cost Efficiency balanced with Investment for Growth



Operating Expense



Cost / Income Ratio

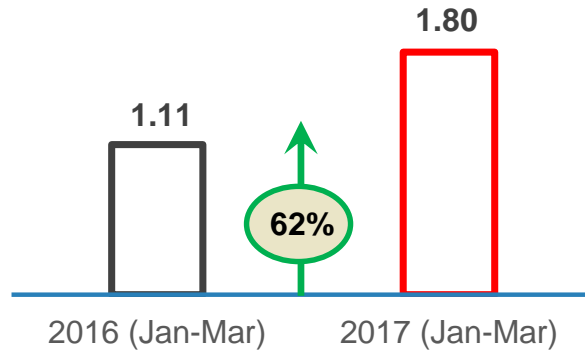


- Cost/Income decreased to 35% mainly due to higher operating income
- ~10% increase in QoQ Operating expenses is due to higher marketing expenses and investment on people

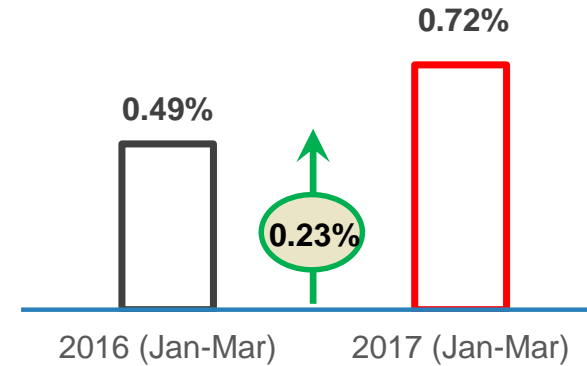
Strong Shareholder Returns



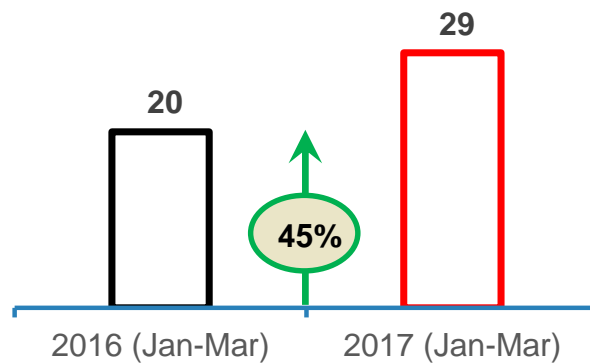
Earnings Per Share (Diluted)



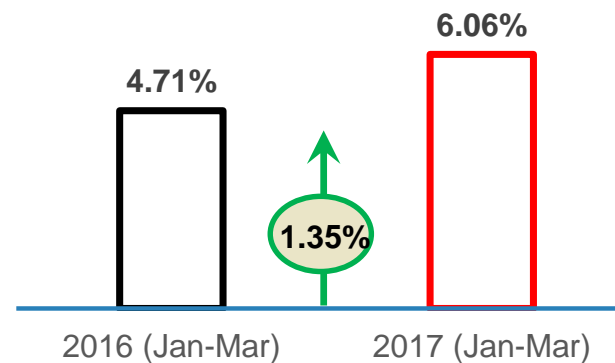
Return on Asset



Book Value Per Share



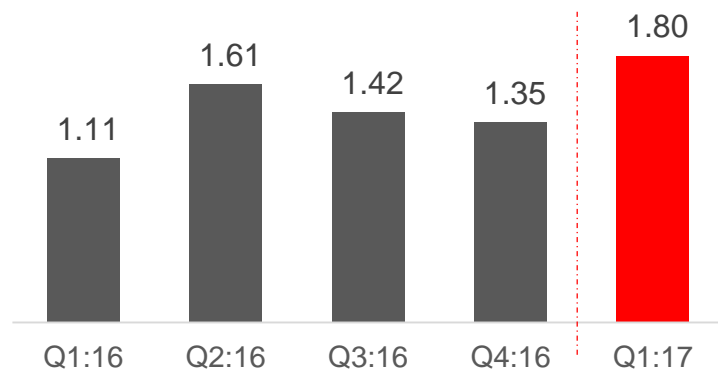
Return on Equity



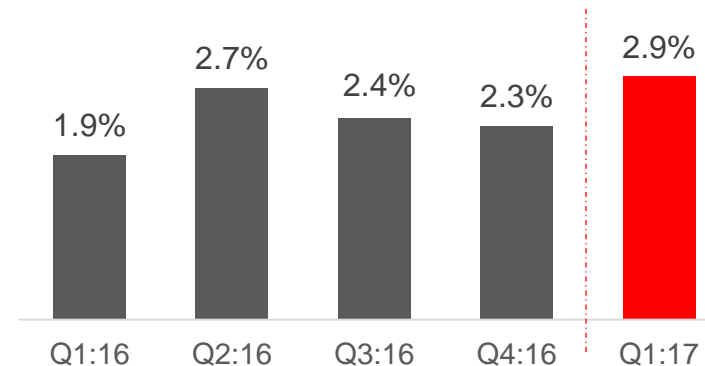
Strong Shareholder Returns



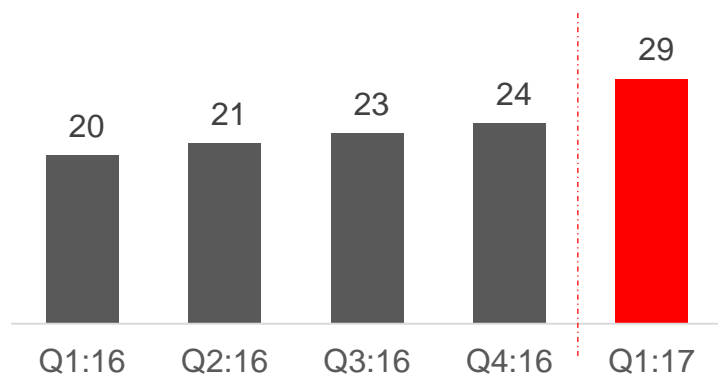
Earnings per Share



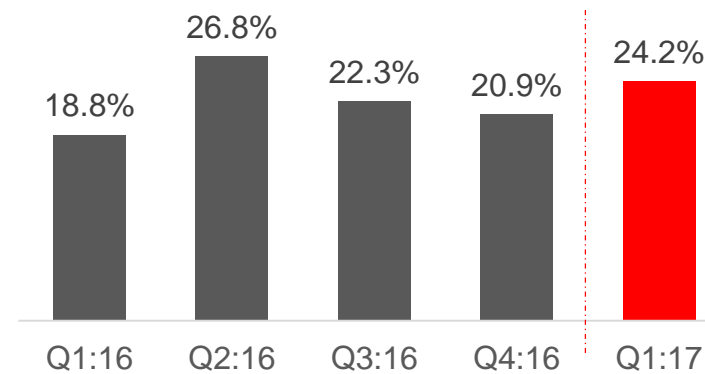
Return on Asset (annualized)



Book Value per Share



Return on Equity (annualized)



Non-financial Highlights: Q1 2017



NEW CUSTOMERS

3,169 new customers added to take total number of customers in the group to **47,041***

NEW BRANCHES

Received Bangladesh Bank approval to open new branches in Rajshahi, Barishal, Chowmuhony and Elephant Road and in-principle approval for Faridpur

NEW PRODUCT: MUTUAL FUND

BSEC has issued the Registration Certificate in favour of IDLC Balanced Fund, an open end Mutual Fund to be managed by IDLC AML

PEOPLE & CULTURE

Training to employees: 2,618 man hour
Improved performance management system

TECHNOLOGY

Implementing centralized operational platform capable of handling customer files from initiation to disbursement through a single system in a paperless manner

* Number of customers in IDLC Finance only: 26,659

Outlook



Growth in loan portfolio to continue in all business verticals



Slight margin correction is expected



NPL management will remain a priority



Process improvements and other efficiency improvement measures to continue



“IDLC Balanced Fund” expected to be launched in May, subject to regulatory approval



Q & A
