Forward Looking Statements

This presentation may contain statements that constitute forward-looking statements about the Company, within the general meaning of the term and within the meaning of applicable securities laws, including financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations. These statements may appear in a number of places in this document and may include statements regarding our intent, belief or current expectations regarding our customer base, estimates regarding future growth in our different business lines, market share, financial results and other aspects of our activity and situation relating to the Company. The forward looking statements in this document can be identified, in some instances, by the use of words such as “expects”, “anticipates”, “intends”, “believes”, and similar language or the negative thereof or by the forward-looking nature of discussions of strategy, plans or intentions.

Such forward-looking statements, by their nature, are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors.

Neither this presentation nor any of the information contained herein constitutes an offer of purchase, sale or exchange, nor a request for an offer of purchase, sale or exchange of securities, or any advice or recommendation with respect to such securities.

Finally, be advised that this document may contain summarized information or information that has not been audited. In this sense, this information is subject to, and must be read in conjunction with, all other publicly available information.
Overview of IDLC
Overview

<table>
<thead>
<tr>
<th>Snapshot (as on June 30, 2016)</th>
<th>BDT mn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>77,458</td>
</tr>
<tr>
<td>Customer Assets</td>
<td>60,547</td>
</tr>
<tr>
<td>Total Deposits</td>
<td>50,371</td>
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<tr>
<td>Shareholders’ Equity</td>
<td>8,040</td>
</tr>
<tr>
<td>Number of Branches</td>
<td>35</td>
</tr>
<tr>
<td>Number of Employees</td>
<td>1,262</td>
</tr>
<tr>
<td>NPL%</td>
<td>3.01%</td>
</tr>
</tbody>
</table>

IDLC Finance Limited

- Core Financing Operations
  - SME
  - Consumer
  - Corporate
- IDLC Securities Limited
- IDLC Investments Limited
- IDLC Asset Management Limited
Shareholding Composition (As on 30 June 2016)

<table>
<thead>
<tr>
<th>SL. NO.</th>
<th>NAME OF SHAREHOLDERS’ AS % OF TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Sponsors/Directors</td>
</tr>
<tr>
<td></td>
<td>The City Bank Limited and its wholly owned subsidiaries:</td>
</tr>
<tr>
<td></td>
<td>The City Bank Limited</td>
</tr>
<tr>
<td></td>
<td>City Bank Capital Resources Ltd. (CBCRL)</td>
</tr>
<tr>
<td></td>
<td>City Brokerage Ltd.</td>
</tr>
<tr>
<td></td>
<td>Transcom Group:</td>
</tr>
<tr>
<td></td>
<td>Eskayef Bangladesh Limited</td>
</tr>
<tr>
<td></td>
<td>Transcraft Limited</td>
</tr>
<tr>
<td></td>
<td>Bangladesh Lamps Limited</td>
</tr>
<tr>
<td></td>
<td>Sadhanar Bima Corporation</td>
</tr>
<tr>
<td></td>
<td>Mercantile Bank Limited</td>
</tr>
<tr>
<td></td>
<td>Reliance Insurance Co. Limited</td>
</tr>
<tr>
<td></td>
<td>Sub-Total</td>
</tr>
<tr>
<td>2</td>
<td>GENERAL</td>
</tr>
<tr>
<td></td>
<td>Institutions</td>
</tr>
<tr>
<td></td>
<td>Individuals</td>
</tr>
<tr>
<td></td>
<td>Foreign</td>
</tr>
<tr>
<td></td>
<td>Sub-Total</td>
</tr>
<tr>
<td></td>
<td>Total Holdings</td>
</tr>
</tbody>
</table>

SL. NO. NAME OF SHAREHOLDERS’ NO. OF SHARES AS % OF TOTAL
1 Sponsors/Directors The City Bank Limited and its wholly owned subsidiaries: 60,854,056 24.21
The City Bank Limited 25,137,225 10.00
City Bank Capital Resources Ltd. (CBCRL) 24,885,352 9.90
City Brokerage Ltd. 10,831,479 4.31
Transcom Group: 33,515,443 13.33
Eskayef Bangladesh Limited 20,109,375 8.00
Transcraft Limited 10,088,022 4.01
Bangladesh Lamps Limited 3,318,046 1.32
Sadhana Bima Corporation 19,151,663 7.62
Mercantile Bank Limited 18,852,538 7.50
Reliance Insurance Co. Limited 17,595,702 7.00
Sub-Total 149,969,402 59.66
2 GENERAL Institutions 50,012,700 19.90
Individuals 42,731,900 17.00
Foreign 8,653,185 3.44
Sub-Total 101,397,785 40.34
Total Holdings 251,367,187 100
# Products

## Capital Market Products

<table>
<thead>
<tr>
<th>IDLC Investments Limited</th>
<th>IDLC Securities Limited</th>
<th>IDLC Asset Management Limited</th>
</tr>
</thead>
<tbody>
<tr>
<td>o Corporate Advisory</td>
<td>o Cash Account</td>
<td>o Institutional Fund Management</td>
</tr>
<tr>
<td>o Issue Management</td>
<td>o Margin account</td>
<td>o Mutual Funds</td>
</tr>
<tr>
<td>o Underwriting</td>
<td>o Easy IPO</td>
<td>o Advisory</td>
</tr>
<tr>
<td>o Research</td>
<td>o Premium brokerage</td>
<td></td>
</tr>
<tr>
<td>o Margin Loan</td>
<td>o Custodial &amp; CDBL services</td>
<td></td>
</tr>
<tr>
<td>o Discretionary Portfolio</td>
<td>o Bloomberg terminal for foreign clients</td>
<td></td>
</tr>
<tr>
<td>o Management</td>
<td>o Research &amp; advisory services.</td>
<td></td>
</tr>
<tr>
<td>IDLC Finance Limited</td>
<td>IDLC Securities Limited</td>
<td>IDLC Investment Limited</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>Dhaka - 14</td>
<td>Dhaka - 7</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Corporate Head Office</td>
<td>Chittagong- 2 Head Office</td>
<td></td>
</tr>
<tr>
<td>Dilkusha</td>
<td>Agrabad</td>
<td>Gulshan</td>
</tr>
<tr>
<td>Dhanmondi</td>
<td>Nandankanon</td>
<td>Mohakhali</td>
</tr>
<tr>
<td>Gulshan</td>
<td>Bogra</td>
<td>Uttara</td>
</tr>
<tr>
<td>Uttara</td>
<td>Sylhet</td>
<td>Dhanmondi</td>
</tr>
<tr>
<td>Gazipur</td>
<td>Jessore</td>
<td>Narayangonj</td>
</tr>
<tr>
<td>Imamganj</td>
<td>Khulna</td>
<td>Gazipur</td>
</tr>
<tr>
<td>Savar</td>
<td>Natore</td>
<td></td>
</tr>
<tr>
<td>Narayangonj</td>
<td>Kushtia</td>
<td></td>
</tr>
<tr>
<td>Narsingdi</td>
<td>Hobiganj</td>
<td></td>
</tr>
<tr>
<td>Keranigonj</td>
<td>Mymensingh</td>
<td></td>
</tr>
<tr>
<td>Mirpur</td>
<td>Rangpur</td>
<td></td>
</tr>
<tr>
<td>Tongi</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bhulta</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Offices</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IDLC Finance Limited</td>
<td>25</td>
<td>IDLC Investment Limited</td>
</tr>
<tr>
<td>IDLC Group</td>
<td>35</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IDLC Asset Management Limited</td>
</tr>
</tbody>
</table>

Commitment towards Sustainability

Sustainable development by creating long-term value –
- value for our stakeholders
- value for the environment and
- value for the community

Strategic Tool: 3P

- People
- Planet
- Profit

Core CSR
- Skills Development & Education
- Healthcare
- Environmental & Climate Resilient Initiative
- Extended Responsibility

Green Banking
- Green Finance
- Green Office Guideline
- Employee customer engagement

ESMS*
- From March 2016, additional to credit worthiness, disbursements are rated on environmental and social factors

*Environmental and Social Management System: ESMS
Awards & Accolades


COMMWARD 2009

Superbrands 2009

SME NBFI of the year 2014

ICAB¹ National Awards: 2000 to 2014

ICMAB² Award: 2008 to 2014

DHL-Daily Star Best Financial Institution Award 2012

ICAB: Institute of Chartered Accountants of Bangladesh

ICMAB: Institute of Cost and Management Accountants of Bangladesh

SAFA: South Asian Federation of Accountants
H1 2016 Performance
H1 2016 Highlights

**IDLC AML**
- Started operation of the 3rd subsidiary – IDLC Asset management Limited

**NEW BRANCHES**
- Inaugurated 4 new Branches in – Kushtia, Habiganj, Mymensing and Rangpur

**RELOCATION**
- Relocated two major operational centers (Gulshan and Dilkusha) to much bigger premises

**ADVANCES GROWTH**
- Grew Customer Assets by BDT 5,336 mn (10%)

**CUSTOMER DEPOSITS**
- Grew Customer Deposits by BDT 2,534 mn (6%)

**NEW BRANCHES**
- Inaugurated 4 new Branches in – Kushtia, Habiganj, Mymensing and Rangpur

**CUSTOMER DEPOSITS**
- Grew Customer Deposits by BDT 2,534 mn (6%)

**CUSTOMER INCLUSION**
- 3,726 new customers added to take total number of customers to 25,703

**NEW PRODUCT**
- Launched Easy Invest

**FUND RAISING**
- Raised funds (BDT 1.41 bn) through issuance of IDLC SME Zero Coupon Bond
Continued Business Growth

Balance Sheet Growth

Customer Advances Growth

Delivering continued growth on key balance sheet parameters
Deposit franchise continues to be robust

- Diversified funding sources moderate the need for growth in customer deposits
- Deposit price continue to be revised downwards
Diversified loan mix with growth driven by SME

- **SME**: 26,559 (45%)
- **Consumer**: 21,304 (36%)
- **Corporate**: 11,648 (19%)

**YTD H1-2016**

**NPL%**

<table>
<thead>
<tr>
<th>Year</th>
<th>Mar-12</th>
<th>Mar-13</th>
<th>Mar-14</th>
<th>Mar-15</th>
<th>Mar-16</th>
<th>Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.65%</td>
<td>1.91%</td>
<td>2.14%</td>
<td>3.36%</td>
<td>3.06%</td>
<td>3.01%</td>
</tr>
</tbody>
</table>

Diversified loan mix with growth driven by SME
Key Performance Metrics

Customer Assets
- H1 2015: 53,046
- H1 2016: 60,547
- Increase: 14%

Customer Deposits
- H1 2015: 42,236
- H1 2016: 48,573
- Increase: 15%

Net Interest Income
- H1 2015: 1,649
- H1 2016: 1,849
- Increase: 12%

Fee & Other Income
- H1 2015: 385
- H1 2016: 412
- Increase: 7%

Investment Income
- H1 2015: 117
- H1 2016: 271
- Increase: 132%

Operating Income
- H1 2015: 2,150
- H1 2016: 2,532
- Increase: 18%

Operating Profit
- H1 2015: 1,384
- H1 2016: 1,583
- Increase: 14%

Net Profit
- H1 2015: 818
- H1 2016: 882
- Increase: 8%
Stable Earnings Growth

• Major industry wide downward revision in pricing impacting top line growth

• Margins, that increased in 2015 due to shorter tenor of liability than assets, are reverting to mean
Cost Efficiency balanced with Investment for Growth

- Expansion of 2 offices and 4 new branches put a squeeze in the short term profitability (3% increase in Cost/Income)

- However, Cost/Income is expected to revert to mean over the next few quarters
Shareholder Returns continue to be robust

Earnings per Share

Return on Asset (annualized)

Book Value per Share

Return on Equity (annualized)
MACROECONOMIC INDICATORS CONTINUE PROMISE STRONG GROWTH POTENTIAL

GROWTH MOMENTUM OF IDLC TO CONTINUE WITH EXPANDED BRANCH NETWORK AND ENHANCED OPERATIONAL CAPABILITY

FURTHER MARGIN EROSION DUE TO PRICE WAR, ESPECIALLY IN RETAIL SEGMENT

CAPITAL MARKET OPERATIONS EXPECTED TO FURTHER STRENGTHEN THEIR FOOTHOLD AND DELIVER STRONG PERFORMANCE

RENEWED FOCUS ON ADVISORY AND FEE BASED SERVICES
Q & A