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.

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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.
Q1 (Jan–Mar 2017) Performance highlights

**CUSTOMER ADVANCES**
- BDT 5,387mn growth in Customer Assets in Q1 2017

**OPERATING INCOME**
- BDT 1,639mn, 30% YoY growth

**NET PROFIT AFTER TAX**
- BDT 601mn, 67% YoY growth

9%
Robust portfolio growth aided by all business segments
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

Portfolio Composition: 31 March 2017

- SME: 28,798 (44%)
- Consumer: 22,240 (34%)
- Corporate: 14,768 (22%)

Portfolio Growth in Q1 2017

- SME: 2,744 (11%)
- Consumer: 825 (4%)
- Corporate: 1,362 (10%)
Steady decrease in NPL%

- NPL improvement remains a key focus area
YoY Performance Metrics: Q1 (Jan-Mar)

- **Customer Assets**
  - Q1 2016: 58,390
  - Q1 2017: 67,651
  - YoY Growth: 16%

- **Customer Deposits**
  - Q1 2016: 44,926
  - Q1 2017: 51,319
  - YoY Growth: 14%

- **Net Interest Income**
  - Q1 2016: 926
  - Q1 2017: 950
  - YoY Growth: 3%

- **Fee & Other Income**
  - Q1 2016: 246
  - Q1 2017: 356
  - YoY Growth: 45%

- **Investment Income**
  - Q1 2016: 91
  - Q1 2017: 333
  - YoY Growth: 266%

- **Operating Income**
  - Q1 2016: 1,263
  - Q1 2017: 1,639
  - YoY Growth: 30%

- **Operating Profit**
  - Q1 2016: 834
  - Q1 2017: 1,071
  - YoY Growth: 28%

- **Net Profit**
  - Q1 2016: 361
  - Q1 2017: 601
  - YoY Growth: 67%
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

- 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)

- 2016 (Jan-Mar): 1.11
- 2017 (Jan-Mar): 1.80
- Increase: 62%

Return on Asset

- 2016 (Jan-Mar): 0.49%
- 2017 (Jan-Mar): 0.72%
- Increase: 0.23%

Book Value Per Share

- 2016 (Jan-Mar): 20
- 2017 (Jan-Mar): 29
- Increase: 45%

Return on Equity

- 2016 (Jan-Mar): 62%
- 2017 (Jan-Mar): 45%
- Increase: 1.35%
Strong Shareholder Returns

**Earnings per Share**

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<tr>
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<th>Q1:16</th>
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<th>Q3:16</th>
<th>Q4:16</th>
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<tr>
<td>2016</td>
<td>1.11</td>
<td>1.61</td>
<td>1.42</td>
<td>1.35</td>
<td>1.80</td>
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<td>2017</td>
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**Return on Asset (annualized)**

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<tr>
<td>2016</td>
<td>1.9%</td>
<td>2.7%</td>
<td>2.4%</td>
<td>2.3%</td>
<td>2.9%</td>
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<td>2017</td>
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**Book Value per Share**

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<td>2016</td>
<td>20</td>
<td>21</td>
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<td>24</td>
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<td>2017</td>
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**Return on Equity (annualized)**

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<tr>
<td>2016</td>
<td>18.8%</td>
<td>26.8%</td>
<td>22.3%</td>
<td>20.9%</td>
<td>24.2%</td>
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<td>2017</td>
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## 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
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