

Development Bank of Namibia Limited

Full Rating Report

Ratings

Development Bank of Namibia Limited

| | |
|-------------------------------|----------|
| Long-Term IDR | BB+ |
| Short-Term IDR | B |
| Long-Term Local-Currency IDR | BB+ |
| Short-Term Local-Currency IDR | B |
| Long-Term National Rating | AA+(zaf) |
| Short-Term National Rating | F1+(zaf) |

| | |
|----------------------|-----|
| Support Rating | 3 |
| Support Rating Floor | BB+ |

Sovereign

| | |
|--------------------------------|------|
| Long-Term Foreign-Currency IDR | BB+ |
| Long-Term Local-Currency IDR | BB+ |
| Country Ceiling | BBB- |

Outlooks

| | |
|---------------------------|--------|
| Long-Term IDR | Stable |
| Long-Term National Rating | Stable |
| Sovereign Long-Term | Stable |
| Foreign-Currency IDR | |
| Sovereign Long-Term | Stable |
| Local-Currency IDR | |

Financial Data

Development Bank of Namibia Limited

| | 31 Mar 18 | 31 Mar 17 |
|---|-----------|-----------|
| Total assets (USDm) | 652 | 589 |
| Total assets (NADm) | 8,819 | 7,819 |
| Total equity (NADm) | 3,250 | 3,055 |
| Operating profit (NADm) | 220 | 172 |
| Net income (NADm) | 220 | 172 |
| Comprehensive income (NADm) | 212 | 201 |
| Impaired loans/gross loans (%) | 7.9 | 6.9 |
| Operating profit/average total assets (%) | 1.4 | 1.6 |
| Total capital ratio (%) | 39.0 | 42.0 |

Related Research

Fitch Affirms Development Bank of Namibia at 'BB+'; Outlook Stable (May 2018)

Fitch Affirms Namibia at 'BB+'; Outlook Stable (August 2018)

Namibia (August 2018)

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Key Rating Drivers

Sovereign Support Drives Ratings: Development Bank of Namibia Limited's (DBN) ratings are driven by a moderate probability of support from the Namibian sovereign in case of need. DBN's Long-Term Foreign- and Local-Currency Issuer Default Ratings (IDRs), National Ratings and Outlooks are all equalised with those of Namibia.

Fitch Ratings' view of the sovereign's high propensity to provide support considers DBN's clearly defined policy role, its 100% state ownership and significant state funding guarantees. Our assessment of Namibia's ability to support considers the country's weaker public finances, but also DBN's small size, meaning that sovereign support, if required, would be manageable.

Strategy Aligned to Public Missions: DBN's strategy remains aligned with national development objectives, with a particular focus on financing infrastructure development and large industrial projects. DBN comes under the oversight of the Ministry of Finance and strategy is highly influenced by the government, which has recently directed DBN to resume its small and medium-sized enterprise (SME) lending function.

Significant State Funding Guarantees: DBN's funding profile is dominated by a government-guaranteed 17-year line of credit from African Development Bank (AfDB), which alone represented 73% of total liabilities at end-March 2018 (end-FY18). State-guaranteed debt accounted for 85% of total liabilities at end-FY18.

Well-Capitalised: The state no longer injects capital into the bank as part of budget allocations. However, DBN remains well-capitalised with an equity/asset ratio of 36.9% and a capital adequacy ratio (total capital/risk-weighted assets) of 39% at end-FY18. The moderate decline in both ratios is explained by fast loan growth in recent years. We expect metrics to fall further as DBN books new loans and targets a 2:1 debt/equity ratio.

High Risk Appetite: We view DBN as having a high risk appetite given that lending is longer term and considering its willingness to bear very high sectoral and single-obligor credit concentrations. DBN's largest loan, which is to the National Energy Fund (NEF) to finance the construction of Namibia's largest fuel storage facility, accounted for 43% of gross loans at end-FY18.

Asset Quality Pressures: DBN's non-performing loan (NPL) ratio is high relative to local commercial banks, but broadly in line with other policy banks. DBN's NPL balance increased by 32% during FY18 due to pressures in its construction, housing and tourism exposures.

No Viability Rating Assigned: Fitch does not assign a Viability Rating (VR) to DBN, which is usual for development banks. This is because its business model depends on state support and, in our view, would not be viable on a commercial basis.

Rating Sensitivities

Sovereign Support: DBN's ratings remain sensitive to changes in the Namibian sovereign ratings. They are also sensitive to a reduced propensity of the authorities to support the bank. This could be indicated by a change in DBN's policy role or a material reduction in government control of or funding guarantees for the bank. However, this is not our base case.

DBN's annual reporting date is end-March. As such, 'FY18' refers to the year ending end-March 2018.

Support

Moderate Probability of Sovereign Support

DBN's IDRs and National Ratings are equalised with those of the Namibian sovereign and reflect a moderate probability of support from the authorities, if needed. The Stable Outlooks on DBN's Long-Term IDR and National Long-Term Rating reflect the Stable Outlook on the sovereign.

Fitch's assessment of the probability of sovereign support for DBN considers its important, longstanding and clearly defined policy role in funding economic growth and social development in Namibia, its 100% state-ownership and significant funding guarantees from the state. DBN was also incorporated through an act of parliament, which means that it can only be dissolved by parliament. We believe that state support for the bank, if required, would be made available before the bank is put into liquidation under normal bankruptcy proceedings applicable to companies under local commercial laws.

Our assessment of Namibia's ability to support considers the country's weaker public finances, as demonstrated by the sovereign downgrade in November 2017, but also DBN's small size, meaning that support, if required, would be manageable.

Operating Environment

Challenging Economic Conditions

As a policy bank, DBN's risk profile is closely linked to that of the Namibian sovereign and operating environment. The country has experienced challenging economic conditions since the second half of 2016 as real GDP growth entered negative territory. Slow economic growth is explained by public spending cuts that have affected domestic demand and the construction sector, weak mining prices, tighter financing conditions and subdued economic growth in neighbouring South Africa and Angola.

Fitch expects Namibia's real GDP growth to improve to 0.6% in 2018 and 1.8% in 2019 (following a 0.8% contraction in 2017) as increased agricultural production, steady growth in mining output and the stabilisation of public investment allow for a modest recovery. However, Fitch believes that medium-term growth has shifted to a lower gear due to lack of fiscal space, still low uranium prices, slow credit growth and subdued regional economic conditions.

Fitch downgraded Namibia's Long-Term IDR to 'BB+' from 'BBB-' in November 2017 as public finance outcomes were weaker than expected, and Fitch projected public debt-to-GDP to remain on an upward trajectory over the medium-term and growth to remain modest. Fitch affirmed Namibia's Long-Term IDR at 'BB+' with a Stable Outlook in August 2018, reflecting the government's stated commitment to stabilise debt and undertake fiscal reforms, as well as signs of a modest economic recovery, but also the challenges to fiscal consolidation in a difficult economic and social environment.

South African Influence Benefits Namibia's Financial Development

Namibia has a developed and diverse financial system in a sub-Saharan African context, partly owing to the strong influence from neighbouring South Africa. Membership of the Common Monetary Area (CMA) is beneficial to Namibia's financial markets, providing Namibian financial institutions with access to South Africa's domestic debt markets. Free capital flows allow for more efficient capital allocation within the region and the Namibian dollar peg to the South African rand provides some predictability in foreign exchange markets.

Not Subject to Central Bank Regulation

As a policy bank, DBN is not subject to the Bank of Namibia's (BoN) supervision or regulations, but has elected to adopt certain regulations such as loan classification and capital adequacy reporting. DBN is governed by its Act and its operations come under the oversight and supervision of the Ministry of Finance (MoF). We understand that at some point in the future

Related Criteria

[Bank Rating Criteria \(June 2018\)](#)

[National Scale Ratings Criteria \(July 2018\)](#)

the supervisory role may be transferred to the BoN, but it is too early to tell what this may entail in terms of DBN's regulatory requirements.

Company Profile

Namibia's Flagship Policy Bank

DBN was established in 2004 under the Development Bank of Namibia Act, and is strategically important to Namibia as the country's primary development bank. DBN's mandate is to contribute to economic growth and social development in Namibia in a sustainable manner. DBN provides financing to private and public enterprises and aligns its lending with Namibia's national development objectives. DBN is prohibited from funding projects outside of Namibia.

DBN is larger than Namibia's other development finance institutions (DFIs) and has taken on increased importance following the failure of SME Bank (another state-owned Namibian development bank) in 2017. Existing domestic DFIs (Agri Bank and National Housing Enterprise) have their own specific focus and are unable to replace or compete with DBN, in our view. DBN benefits from a lower cost of funding and provides longer-term funding than local commercial banks, with which there is minimal competition. DBN partners with regional DFIs to finance large projects and share technical expertise.

As part of its development role, DBN also finances SMEs through a dedicated unit. DBN does not provide concessional loans but extends long-term and counter-cyclical financing. DBN has no profit motive but financial sustainability is an important objective.

Reduced Capital Contributions from Ministry of Finance

DBN has experienced a gradual reduction in capital contributions from the MoF in recent years, prompting DBN to diversify its funding base and place increased emphasis on financial sustainability. The Act under which DBN is incorporated allows for a minority share to be sold to a strategic investor, most likely a foreign DFI. We understand there are no plans for the government to sell a share in DBN.

Management and Strategy

Management Highly Experienced in Development Finance

In our view, DBN's management team is highly experienced in development banking and has a good degree of depth and stability. Senior management are appointed internally and many have prior commercial banking experience. The chief executive's five-year term expired in August 2018, but this has been extended for another five years.

Strategy Aligned with National Development Objectives

DBN's strategy remains aligned with national development objectives, with a particular focus on financing infrastructure development and large industrial projects. DBN was given the responsibility of managing a new government-backed Infrastructure Fund, comprising existing state-owned assets, but we now understand that the fund has been put on hold. We believe that this further highlights DBN's important policy role.

DBN has focused on scaling down its SME lending in recent years following a MoF directive. However, DBN has now been instructed by the MoF to resume SME lending following the failure of SME Bank.

Strategy Highly Influenced by the Government

DBN holds quarterly technical meetings with the MoF, as well as other ad-hoc meetings, in addition to providing financial statements and annual forecasts to ensure oversight of the bank's strategy. There is an acceptable degree of management independence, but DBN's strategic direction is highly influenced by the government, with the above SME episode providing a prime example.

Satisfactory Corporate Governance

DBN's board comprises six non-executive independent directors and one executive director (the chief executive). The government appoints the board entirely from the private sector and there is no government representation. Directors are appointed for a three-year term, but terms are generally extended. According to DBN's charter, directors must demonstrate experience and ability in socio-economic development, development finance, business, finance, banking and administration.

Related party transactions are high at 45% of total assets at end-FY18 and are entirely to state-owned enterprises. Over half of these facilities are government-backed or guaranteed.

Risk Appetite

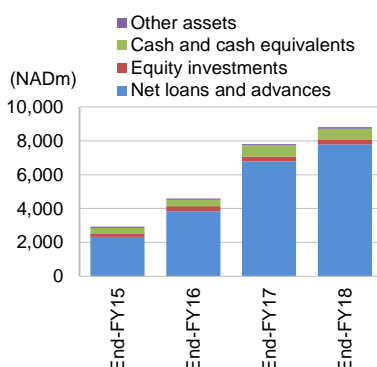
Greater Risk Appetite than Commercial Banks

DBN's balance sheet is dominated by loans, which accounted for 88% of total assets at end-FY18. We view DBN as having a greater risk appetite than local commercial banks given that lending is longer-term and considering its willingness to bear very high sectoral and single-obligor credit concentrations. DBN undertakes a complete evaluation and risk assessment of each project and transaction before disbursement and ensures that loans are priced with consideration to a customer's risk profile, but also considers its low cost of funding and development objective.

National Energy Fund Transaction Drives High Loan Growth

The loan book has grown considerably in recent years (by 226% since end-FY15) as DBN has sought to increase its development impact. Gross loans increased 75% in FY17 alone, reflecting a large long-term loan to the NEF. The NEF transaction was directed by the government and caused DBN to breach internal limits (12% of capital single-obligor and 30% of gross loans economic sector).

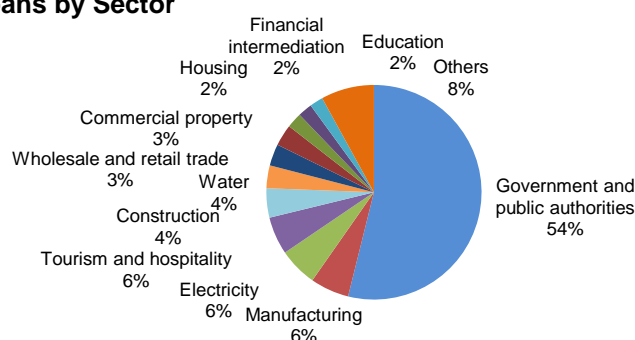
Total Assets



Source: Fitch, DBN

Gross Loans by Sector

End-FY18



^a NEF transaction included within 'government and public authorities'

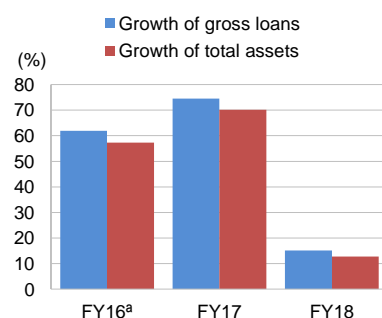
Source: Fitch, DBN

The purpose of the NEF loan is to fund the construction of Namibia's largest fuel storage facility, which is considered a project of national importance as it allows for a significant increase in fuel reserves. The NEF exposure measured at NAD3.5 billion and 43% of gross loans at end-FY18, but we understand that this will rise to NAD4.3 billion in 2018. NEF will make repayments through a government-imposed fuel levy on consumers. According to DBN, the fuel levy provides sufficient cash flow to service the total exposure. We expect loan growth to decrease to 10%-15% in FY19.

Reinstating SME Lending Function

DBN defines SMEs as customers with a turnover below NAD10 million. SME lending will be limited to 10% of DBN's total loan book and is largely restricted to SMEs that have a contract with the government. We view these controls positively given the greater risks inherent in lending to this segment.

Balance Sheet Growth



^a Relates to growth over a 15-month period
Source: Fitch, DBN

In the past, the MoF has made capital contributions (between NAD 30-50m) to cover the higher impairment charges associated with SME finance.

Modest Market Risk

The majority of DBN's assets and liabilities are on floating interest rates and therefore interest rate risk is low. During FY18, a 200bp upward/downward shift in the yield curve would have increased/decreased DBN's profit by NAD53.6 million, which is equivalent to a modest 2% of end-FY18 Fitch Core Capital. The majority of DBN's assets and loans are denominated in either Namibian dollars or South African rand (which are pegged at parity). DBN engages in little US dollar lending and hedges foreign-exchange risk with a cross-currency swap. As a consequence, foreign-exchange risk is immaterial.

Financial Profile

Asset Quality

Asset Quality under Pressure

Key Metrics

| (%) | End-FY18 | End-FY17 | End-FY16 | End-FY15 |
|--|----------|----------|-------------------|----------|
| Impaired loans/gross loans | 7.9 | 6.9 | 9.9 | 10.5 |
| Loan loss allowances/impaired loans | 42.1 | 44.5 | 40.8 | 55.7 |
| Loan impairment charges/average gross loans ^a | 1.6 | 1.6 | 2.0 | 1.5 |
| Growth of gross loans | 15.2 | 74.6 | 61.9 ^b | 37.5 |
| Growth of total assets | 12.8 | 70.2 | 57.3 ^b | 22.8 |

^a Annualised

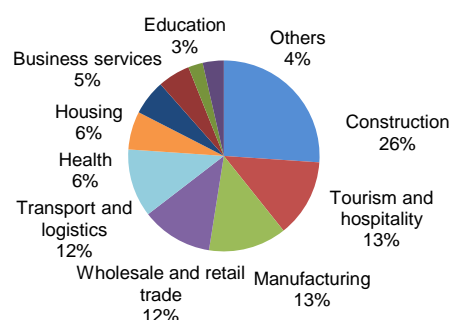
^b Relates to growth over a 15-month period

Source: Fitch, DBN

DBN's NPL ratio is high relative to local commercial banks, but comparable to other DFIs in our coverage. The NPL ratio was 7.9% at end-FY18 and has shown only a marginal improvement since end-FY16 (9.9%) despite fast loan growth. DBN's NPL balance increased by 32% during FY18 due to asset-quality pressures in its construction, housing and tourism and hospitality lending. DBN aims to maintain its NPL ratio below 9%, which is lower than the Association of African Development Finance Institution's prudential guideline of 15%.

Non-Performing Loans by Sector

End-FY18



Source: Fitch, DBN

Reserve coverage of NPLs was low at 42% at end-FY18, but this is explained by strong collateral coverage (54%). Credit concentrations are high in terms of single-obligor and sector, with the government and public authorities accounting for 54% of gross loans at end-FY18. This exposes DBN to event-risk in isolated industries and borrowers.

Earnings and Profitability

Increased Loan Impairment Charges

Key Metrics

| (%) | FY18 | FY17 | FY16 ^b | FY15 |
|---|------|------|-------------------|------|
| Net interest income/average earning assets ^a | 5.5 | 5.6 | 8.2 | 9.9 |
| Non-interest expense/gross revenue | 25.5 | 28.1 | 26.9 | 31.1 |
| Loans and securities impairment charges/pre-impairment operating profit | 35.6 | 35.3 | 28.0 | 17.9 |
| Operating profit/average total assets ^a | 2.6 | 2.6 | 4.5 | 5.6 |
| Net income/average total equity ^a | 7.0 | 5.8 | 6.2 | 6.1 |

^a Annualised

^b Refers to a 15-month period

Source: Fitch, DBN

Profit maximisation is not an objective, but sound profitability has taken on increased importance due to management's emphasis on financial sustainability. Net interest income is the dominant driver of DBN's earnings, accounting for 91% of total operating income in FY18. Net interest income increased 22% to NAD416 million in FY18, mainly on account of a larger loan book. DBN is able to lend at competitive rates given the low cost of funding it enjoys through government guarantees.

DBN benefits from a low cost/income ratio (25% in FY18), which is testament to the lean operation it runs, comprising only 90 employees and a small branch network. Loan impairment charges have increased in the past two years as asset quality has weakened. Overall profitability metrics remain sound, with operating return on average assets and average equity at 2.6% and 7%, respectively. The latter figure should be viewed in the context of DBN's large equity base. DBN is exempt from income tax.

Capitalisation and Leverage

Well-Capitalised

Key Metrics

| (%) | End-FY18 | End-FY17 | End-FY16 | End-FY15 |
|---|----------|----------|----------|----------|
| Total capital ratio | 39.0 | 42.0 | 67.0 | 95.0 |
| Tangible common equity/tangible assets | 36.8 | 39.1 | 62.6 | 86.5 |
| Equity/total assets | 36.9 | 39.1 | 62.6 | 86.5 |
| Impaired loans less loan loss allowances/ Fitch Core Capital | 11.3 | 8.8 | 8.1 | 4.0 |

Source: Fitch, DBN

DBN was well-capitalised at end-FY18, with a tangible common equity/tangible assets ratio of 37%. However, capitalisation metrics have been decreasing in recent years given fast loan growth that is mainly attributable to the NEF transaction and associated AfDB financing. We expect capital metrics to reduce further as DBN books large new loans in line with its development objective and its target debt/equity ratio of 2:1. DBN pays limited dividends (dividends/net income was 12% in FY17) and dividends are always reinvested by the state into the bank.

Funding and Liquidity

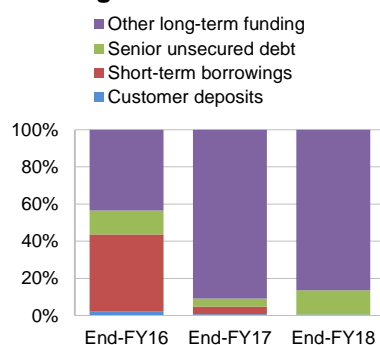
Significant Government-Guaranteed Funding

Key Metrics

| (%) | End-FY18 | End-FY17 | End-FY16 | End-FY15 |
|--|----------|----------|----------|----------|
| Customer deposits/total funding (excluding derivatives) | 0.6 | 0.7 | 2.1 | 0.0 |

Source: Fitch, DBN

Funding Structure



Source: Fitch, DBN

DBN has a strong funding profile dominated by long-term government-guaranteed debt. DBN's largest source of funding is a 17-year line of credit from the AfDB obtained in 2016, representing 73% of total liabilities at end-FY18. This is guaranteed by the Namibian government. DBN has drawn NAD4 billion of this NAD4.5 billion facility, which has been deployed primarily in the NEF transaction. DBN also has a government-guaranteed NAD670 million term facility with Standard Bank Namibia that has also been deployed in the NEF transaction. Government-guaranteed debt accounted for 85% of total liabilities at end-FY18, further underpinning state support for the bank.

DBN issued two senior unsecured notes in 2018 under its NAD2.5 billion medium-term note programme, attracting NAD500 million. DBN is permitted to collect wholesale deposits but considers this an expensive funding option. DBN holds limited liquid assets in the form of cash and cash equivalents but is able to draw on existing credit lines for liquidity.

Development Bank of Namibia Limited Income Statement

| | 31 Mar 2018 | | | 31 Mar 2017 | | | 31 Mar 2016 | | | 31 Dec 2014 | | |
|--|--|--|---------------------------|--|---------------------------|--|--|---------------------------|--|--|---------------------------|--|
| | Year End USDm Audited - Unqualified | Year End NADm Audited - Unqualified | As % of Earning Assets | Year End NADm Audited - Unqualified | As % of Earning Assets | | Year End NADm Audited - Unqualified | As % of Earning Assets | | Year End NADm Audited - Unqualified | As % of Earning Assets | |
| 1. Interest Income on Loans | 55.2 | 746.3 | 9.26 | 528.8 | 7.47 | | 421.1 | 8.18 | | 194.0 | 7.78 | |
| 2. Other Interest Income | 2.9 | 39.0 | 0.48 | 16.7 | 0.24 | | 22.3 | 0.43 | | 20.8 | 0.83 | |
| 3. Dividend Income | 1.2 | 16.0 | 0.20 | 5.7 | 0.08 | | 4.0 | 0.08 | | 3.2 | 0.13 | |
| 4. Gross Interest and Dividend Income | 59.3 | 801.3 | 9.94 | 551.2 | 7.79 | | 447.4 | 8.69 | | 218.0 | 8.74 | |
| 5. Interest Expense on Customer Deposits | n.a. | n.a. | - | 0.0 | 0.00 | | 0.0 | 0.00 | | 0.0 | 0.00 | |
| 6. Other Interest Expense | 28.5 | 385.6 | 4.79 | 211.6 | 2.99 | | 107.3 | 2.08 | | 2.4 | 0.10 | |
| 7. Total Interest Expense | 28.5 | 385.6 | 4.79 | 211.6 | 2.99 | | 107.3 | 2.08 | | 2.4 | 0.10 | |
| 8. Net Interest Income | 30.7 | 415.7 | 5.16 | 339.6 | 4.80 | | 340.1 | 6.60 | | 215.6 | 8.65 | |
| 9. Net Fees and Commissions | 1.7 | 23.6 | 0.29 | 37.1 | 0.52 | | 25.1 | 0.49 | | 19.4 | 0.78 | |
| 10. Net Gains (Losses) on Trading and Derivatives | (3.0) | (40.3) | (0.50) | (41.6) | (0.59) | | 35.2 | 0.68 | | 6.5 | 0.26 | |
| 11. Net Gains (Losses) on Assets and Liabilities at FV | 2.1 | 28.4 | 0.35 | 31.5 | 0.45 | | (67.8) | (1.32) | | (28.9) | (1.16) | |
| 12. Net Gains (Losses) on Other Securities | 0.0 | 0.0 | 0.00 | 0.0 | 0.00 | | 0.0 | 0.00 | | 0.9 | 0.04 | |
| 13. Net Insurance Income | n.a. | n.a. | - | n.a. | - | | n.a. | - | | n.a. | - | |
| 14. Other Operating Income | 2.2 | 30.0 | 0.37 | 2.9 | 0.04 | | 63.7 | 1.24 | | 46.9 | 1.88 | |
| 15. Total Non-Interest Operating Income | 3.1 | 41.7 | 0.52 | 29.9 | 0.42 | | 56.2 | 1.09 | | 44.8 | 1.80 | |
| 16. Total Operating Income | 33.8 | 457.4 | 5.68 | 369.5 | 5.22 | | 396.3 | 7.70 | | 260.4 | 10.44 | |
| 17. Personnel Expenses | 6.0 | 80.5 | 1.00 | 72.9 | 1.03 | | 73.9 | 1.43 | | 56.4 | 2.26 | |
| 18. Other Operating Expenses | 2.7 | 36.2 | 0.45 | 30.8 | 0.44 | | 32.6 | 0.63 | | 24.6 | 0.99 | |
| 19. Total Non-Interest Expenses | 8.6 | 116.7 | 1.45 | 103.7 | 1.47 | | 106.5 | 2.07 | | 81.0 | 3.25 | |
| 20. Equity-accounted Profit/ Loss - Operating | n.a. | n.a. | - | n.a. | - | | n.a. | - | | n.a. | - | |
| 21. Pre-Impairment Operating Profit | 25.2 | 340.7 | 4.23 | 265.8 | 3.76 | | 289.8 | 5.63 | | 179.4 | 7.19 | |
| 22. Loan Impairment Charge | 9.0 | 121.2 | 1.50 | 93.8 | 1.33 | | 81.0 | 1.57 | | 32.1 | 1.29 | |
| 23. Securities and Other Credit Impairment Charges | n.a. | n.a. | - | n.a. | - | | n.a. | - | | n.a. | - | |
| 24. Operating Profit | 16.2 | 219.5 | 2.72 | 172.0 | 2.43 | | 208.8 | 4.05 | | 147.3 | 5.91 | |
| 25. Equity-accounted Profit/ Loss - Non-operating | n.a. | n.a. | - | n.a. | - | | n.a. | - | | n.a. | - | |
| 26. Goodwill Impairment | n.a. | n.a. | - | n.a. | - | | n.a. | - | | n.a. | - | |
| 27. Non-recurring Income | n.a. | n.a. | - | n.a. | - | | n.a. | - | | n.a. | - | |
| 28. Non-recurring Expense | n.a. | n.a. | - | n.a. | - | | n.a. | - | | n.a. | - | |
| 29. Change in Fair Value of Own Debt | n.a. | n.a. | - | n.a. | - | | n.a. | - | | n.a. | - | |
| 30. Other Non-operating Income and Expenses | n.a. | n.a. | - | n.a. | - | | n.a. | - | | n.a. | - | |
| 31. Pre-tax Profit | 16.2 | 219.5 | 2.72 | 172.0 | 2.43 | | 208.8 | 4.05 | | 147.3 | 5.91 | |
| 32. Tax expense | 0.0 | 0.0 | 0.00 | 0.0 | 0.00 | | 0.0 | 0.00 | | 0.0 | 0.00 | |
| 33. Profit/Loss from Discontinued Operations | n.a. | n.a. | - | n.a. | - | | n.a. | - | | n.a. | - | |
| 34. Net Income | 16.2 | 219.5 | 2.72 | 172.0 | 2.43 | | 208.8 | 4.05 | | 147.3 | 5.91 | |
| 35. Change in Value of AFS Investments | (2.3) | (31.4) | (0.39) | 8.7 | 0.12 | | (0.2) | (0.00) | | 38.2 | 1.53 | |
| 36. Revaluation of Fixed Assets | 1.1 | 14.9 | 0.18 | 7.5 | 0.11 | | 4.2 | 0.08 | | 5.6 | 0.22 | |
| 37. Currency Translation Differences | n.a. | n.a. | - | n.a. | - | | n.a. | - | | n.a. | - | |
| 38. Remaining OCI Gains/(losses) | 0.6 | 8.6 | 0.11 | 13.1 | 0.19 | | (6.1) | (0.12) | | (5.9) | (0.24) | |
| 39. Fitch Comprehensive Income | 15.6 | 211.6 | 2.63 | 201.3 | 2.84 | | 206.7 | 4.01 | | 185.2 | 7.43 | |
| 40. Memo: Profit Allocation to Non-controlling Interests | n.a. | n.a. | - | n.a. | - | | n.a. | - | | n.a. | - | |
| 41. Memo: Net Income after Allocation to Non-controlling Interests | 16.2 | 219.5 | 2.72 | 172.0 | 2.43 | | 208.8 | 4.05 | | 147.3 | 5.91 | |
| 42. Memo: Common Dividends Relating to the Period | n.a. | n.a. | - | n.a. | - | | 20.9 | 0.41 | | n.a. | - | |
| 43. Memo: Preferred Dividends and Interest on Hybrid Capital Accounted for as Equity Related to the Period | n.a. | n.a. | - | n.a. | - | | n.a. | - | | n.a. | - | |

Exchange rate

USD1 = NAD13.52255

USD1 = NAD13.2736

USD1 = NAD14.7321

USD1 = NAD11.5809

Development Bank of Namibia Limited

Balance Sheet

| | 31 Mar 2018 | | 31 Mar 2017 | | 31 Mar 2016 | | 31 Dec 2014 | | |
|---|------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|
| | Year End USDm | Year End NADm | As % of Assets | Year End NADm | As % of Assets | Year End NADm | As % of Assets | Year End NADm | As % of Assets |
| Assets | | | | | | | | | |
| A. Loans | | | | | | | | | |
| 1. Residential Mortgage Loans | 18.6 | 252.0 | 2.86 | 56.9 | 0.73 | 38.6 | 0.84 | 25.9 | 0.89 |
| 2. Other Mortgage Loans | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 3. Other Consumer/ Retail Loans | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 4. Corporate & Commercial Loans | 259.0 | 3,502.7 | 39.72 | 2,786.2 | 35.63 | 2,222.7 | 48.38 | 1,884.7 | 64.55 |
| 5. Other Loans | 318.4 | 4,305.3 | 48.82 | 4,152.9 | 53.11 | 1,745.9 | 38.01 | 564.6 | 19.34 |
| 6. Less: Loan Loss Allowances | 19.7 | 267.0 | 3.03 | 215.0 | 2.75 | 161.5 | 3.52 | 144.2 | 4.94 |
| 7. Net Loans | 576.3 | 7,793.0 | 88.37 | 6,781.0 | 86.72 | 3,845.7 | 83.72 | 2,331.0 | 79.83 |
| 8. Gross Loans | 596.0 | 8,060.0 | 91.40 | 6,996.0 | 89.47 | 4,007.2 | 87.23 | 2,475.2 | 84.77 |
| 9. Memo: Impaired Loans included above | 46.9 | 634.7 | 7.20 | 482.7 | 6.17 | 395.4 | 8.61 | 258.9 | 8.87 |
| 10. Memo: Specific Loan Loss Allowances | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| B. Other Earning Assets | | | | | | | | | |
| 1. Loans and Advances to Banks | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 2. Reverse Repos and Securities Borrowing | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 3. Derivatives | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 4. Trading Securities and at FV through Income | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 5. Available for Sale Securities | 19.6 | 265.2 | 3.01 | 296.6 | 3.79 | 287.9 | 6.27 | 162.9 | 5.58 |
| 6. Held to Maturity Securities | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 7. Other Securities | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 8. Total Securities | 19.6 | 265.2 | 3.01 | 296.6 | 3.79 | 287.9 | 6.27 | 162.9 | 5.58 |
| 9. Memo: Government Securities included Above | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 10. Memo: Total Securities Pledged | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 11. Equity Investments in Associates | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 12. Investments in Property | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 13. Insurance Assets | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 14. Other Earning Assets | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 15. Total Earning Assets | 595.9 | 8,058.2 | 91.38 | 7,077.6 | 90.52 | 4,133.6 | 89.98 | 2,493.9 | 85.41 |
| C. Non-Earning Assets | | | | | | | | | |
| 1. Cash and Due From Banks | 48.9 | 661.9 | 7.51 | 661.6 | 8.46 | 387.1 | 8.43 | 367.8 | 12.60 |
| 2. Memo: Mandatory Reserves included above | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 3. Foreclosed Assets | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 4. Fixed Assets | 5.9 | 79.9 | 0.91 | 65.7 | 0.84 | 59.9 | 1.30 | 52.2 | 1.79 |
| 5. Goodwill | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 6. Other Intangibles | 0.1 | 1.5 | 0.02 | 2.4 | 0.03 | 2.5 | 0.05 | 0.5 | 0.02 |
| 7. Current Tax Assets | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 8. Deferred Tax Assets | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 9. Discontinued Operations | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 10. Other Assets | 1.3 | 17.2 | 0.20 | 11.7 | 0.15 | 10.7 | 0.23 | 5.5 | 0.19 |
| 11. Total Assets | 652.1 | 8,818.7 | 100.00 | 7,819.0 | 100.00 | 4,593.8 | 100.00 | 2,919.9 | 100.00 |
| Liabilities and Equity | | | | | | | | | |
| D. Interest-Bearing Liabilities | | | | | | | | | |
| 1. Total Customer Deposits | 2.4 | 33.0 | 0.37 | 33.0 | 0.42 | 33.0 | 0.72 | n.a. | - |
| 2. Deposits from Banks | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 3. Repos and Securities Lending | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 4. Commercial Paper and Short-term Borrowings | 0.0 | 0.0 | 0.00 | 190.0 | 2.43 | 645.7 | 14.06 | 289.7 | 9.92 |
| 5. Customer Deposits and Short-term Funding | 2.4 | 33.0 | 0.37 | 223.0 | 2.85 | 678.7 | 14.77 | 289.7 | 9.92 |
| 6. Senior Unsecured Debt | 52.2 | 705.6 | 8.00 | 201.5 | 2.58 | 201.5 | 4.39 | 0.0 | 0.00 |
| 7. Subordinated Borrowing | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 8. Covered Bonds | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 9. Other Long-term Funding | 349.6 | 4,727.1 | 53.60 | 4,214.9 | 53.91 | 676.5 | 14.73 | n.a. | - |
| 10. Total LT Funding | 401.8 | 5,432.7 | 61.60 | 4,416.4 | 56.48 | 878.0 | 19.11 | 0.0 | 0.00 |
| 11. Memo: o/w matures in less than 1 year | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 12. Trading Liabilities | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 13. Total Funding | 404.2 | 5,465.7 | 61.98 | 4,639.4 | 59.33 | 1,556.7 | 33.89 | 289.7 | 9.92 |
| 14. Derivatives | 2.6 | 35.7 | 0.40 | 75.9 | 0.97 | 126.9 | 2.76 | 57.9 | 1.98 |
| 15. Total Funding and Derivatives | 406.8 | 5,501.4 | 62.38 | 4,715.3 | 60.31 | 1,683.6 | 36.65 | 347.6 | 11.90 |
| E. Non-Interest Bearing Liabilities | | | | | | | | | |
| 1. Fair Value Portion of Debt | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 2. Credit impairment reserves | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 3. Reserves for Pensions and Other | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 4. Current Tax Liabilities | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 5. Deferred Tax Liabilities | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 6. Other Deferred Liabilities | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 7. Discontinued Operations | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 8. Insurance Liabilities | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 9. Other Liabilities | 5.0 | 67.7 | 0.77 | 48.5 | 0.62 | 35.4 | 0.77 | 47.3 | 1.62 |
| 10. Total Liabilities | 411.8 | 5,569.1 | 63.15 | 4,763.8 | 60.93 | 1,719.0 | 37.42 | 394.9 | 13.52 |
| F. Hybrid Capital | | | | | | | | | |
| 1. Pref. Shares and Hybrid Capital accounted for as Debt | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 2. Pref. Shares and Hybrid Capital accounted for as Equity | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| G. Equity | | | | | | | | | |
| 1. Common Equity | 238.3 | 3,222.8 | 36.55 | 3,020.5 | 38.63 | 2,869.3 | 62.46 | 2,539.2 | 86.96 |
| 2. Non-controlling Interest | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 3. Securities Revaluation Reserves | (1.4) | (18.8) | (0.21) | 12.6 | 0.16 | 3.9 | 0.08 | 4.1 | 0.14 |
| 4. Foreign Exchange Revaluation Reserves | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - |
| 5. Fixed Asset Revaluations and Other Accumulated OCI | 3.4 | 45.6 | 0.52 | 22.1 | 0.28 | 1.6 | 0.03 | (18.3) | (0.63) |
| 6. Total Equity | 240.3 | 3,249.6 | 36.85 | 3,055.2 | 39.07 | 2,874.8 | 62.58 | 2,525.0 | 86.48 |
| 7. Memo: Equity plus Pref. Shares and Hybrid Capital accounted for as E | 240.3 | 3,249.6 | 36.85 | 3,055.2 | 39.07 | 2,874.8 | 62.58 | 2,525.0 | 86.48 |
| 8. Total Liabilities and Equity | 652.1 | 8,818.7 | 100.00 | 7,819.0 | 100.00 | 4,593.8 | 100.00 | 2,919.9 | 100.00 |
| 9. Memo: Fitch Core Capital | 240.2 | 3,248.1 | 36.83 | 3,052.8 | 39.04 | 2,872.3 | 62.53 | 2,524.5 | 86.46 |

Exchange rate

USD1 = NAD13.52255

USD1 = NAD13.2736

USD1 = NAD14.7321

USD1 = NAD11.5809

Development Bank of Namibia Limited

Summary Analytics

| | 31 Mar 2018 | 31 Mar 2017 | 31 Mar 2016 | 31 Dec 2014 |
|---|-------------|-------------|-------------|-------------|
| | Year End | Year End | Year End | Year End |
| A. Interest Ratios | | | | |
| 1. Interest Income/ Average Earning Assets | 10.59 | 9.11 | 10.84 | 9.99 |
| 2. Interest Income on Loans/ Average Gross Loans | 9.91 | 8.91 | 10.43 | 9.08 |
| 3. Interest Expense on Customer Deposits/ Average Customer Deposits | n.a. | 0.00 | 0.00 | n.a. |
| 4. Interest Expense/ Average Interest-bearing Liabilities | 7.55 | 6.00 | 8.48 | 1.27 |
| 5. Net Interest Income/ Average Earning Assets | 5.49 | 5.62 | 8.24 | 9.88 |
| 6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets | 3.89 | 4.06 | 6.28 | 8.41 |
| 7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets | 5.49 | 5.62 | 8.24 | 9.88 |
| B. Other Operating Profitability Ratios | | | | |
| 1. Operating Profit/ Risk Weighted Assets | n.a. | n.a. | n.a. | n.a. |
| 2. Non-Interest Expense/ Gross Revenues | 25.51 | 28.06 | 26.87 | 31.11 |
| 3. Loans and securities impairment charges/ Pre-impairment Op. Profit | 35.57 | 35.29 | 27.95 | 17.89 |
| 4. Operating Profit/ Average Total Assets | 2.64 | 2.63 | 4.46 | 5.56 |
| 5. Non-Interest Income/ Gross Revenues | 9.12 | 8.09 | 14.18 | 17.20 |
| 6. Non-Interest Expense/ Average Total Assets | 1.40 | 1.58 | 2.28 | 3.06 |
| 7. Pre-impairment Op. Profit/ Average Equity | 10.81 | 8.94 | 8.62 | 7.42 |
| 8. Pre-impairment Op. Profit/ Average Total Assets | 4.10 | 4.06 | 6.19 | 6.77 |
| 9. Operating Profit/ Average Equity | 6.96 | 5.78 | 6.21 | 6.09 |
| C. Other Profitability Ratios | | | | |
| 1. Net Income/ Average Total Equity | 6.96 | 5.78 | 6.21 | 6.09 |
| 2. Net Income/ Average Total Assets | 2.64 | 2.63 | 4.46 | 5.56 |
| 3. Fitch Comprehensive Income/ Average Total Equity | 6.71 | 6.77 | 6.14 | 7.66 |
| 4. Fitch Comprehensive Income/ Average Total Assets | 2.54 | 3.08 | 4.42 | 6.99 |
| 5. Taxes/ Pre-tax Profit | 0.00 | 0.00 | 0.00 | 0.00 |
| 6. Net Income/ Risk Weighted Assets | n.a. | n.a. | n.a. | n.a. |
| D. Capitalization | | | | |
| 1. FCC/ FCC-Adjusted Risk Weighted Assets | n.a. | n.a. | n.a. | n.a. |
| 2. Tangible Common Equity/ Tangible Assets | 36.84 | 39.06 | 62.56 | 86.47 |
| 3. Equity/ Total Assets | 36.85 | 39.07 | 62.58 | 86.48 |
| 4. Basel Leverage Ratio | n.a. | n.a. | n.a. | n.a. |
| 5. Common Equity Tier 1 Capital Ratio | n.a. | n.a. | n.a. | n.a. |
| 6. Fully Loaded Common Equity Tier 1 Capital Ratio | n.a. | n.a. | n.a. | n.a. |
| 7. Tier 1 Capital Ratio | n.a. | n.a. | n.a. | n.a. |
| 8. Total Capital Ratio | 39.00 | 42.00 | 67.00 | 95.00 |
| 9. Impaired Loans less Loan Loss Allowances/ Fitch Core Capital | 11.32 | 8.77 | 8.14 | 4.54 |
| 10. Impaired Loans less Loan Loss Allowances/ Equity | 11.32 | 8.76 | 8.14 | 4.54 |
| 11. Cash Dividends Paid & Declared/ Net Income | n.a. | n.a. | 10.01 | n.a. |
| 12. Risk Weighted Assets/ Total Assets | n.a. | n.a. | n.a. | n.a. |
| 13. Risk Weighted Assets - Standardised/ Risk Weighted Assets | n.a. | n.a. | n.a. | n.a. |
| 14. Risk Weighted Assets - Advanced Method/ Risk Weighted Assets | n.a. | n.a. | n.a. | n.a. |
| E. Loan Quality | | | | |
| 1. Impaired Loans/ Gross Loans | 7.87 | 6.90 | 9.87 | 10.46 |
| 2. Growth of Gross Loans | 15.21 | 74.59 | n.a. | 37.52 |
| 3. Loan Loss Allowances/ Impaired Loans | 42.07 | 44.54 | 40.84 | 55.70 |
| 4. Loan Impairment Charges/ Average Gross Loans | 1.61 | 1.58 | 2.01 | 1.50 |
| 5. Growth of Total Assets | 12.79 | 70.21 | n.a. | 22.84 |
| 6. Loan Loss Allowances/ Gross Loans | 3.31 | 3.07 | 4.03 | 5.83 |
| 7. Net Charge-offs/ Average Gross Loans | 0.99 | 0.76 | 1.62 | 2.06 |
| 8. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets | 7.87 | 6.90 | 9.87 | 10.46 |
| F. Funding and Liquidity | | | | |
| 1. Loans/ Customer Deposits | 24,424.24 | 21,200.00 | 12,143.03 | n.a. |
| 2. Liquidity Coverage Ratio | n.a. | n.a. | n.a. | n.a. |
| 3. Customer Deposits/ Total Funding (excluding derivatives) | 0.60 | 0.71 | 2.12 | n.a. |
| 4. Interbank Assets/ Interbank Liabilities | n.a. | n.a. | n.a. | n.a. |
| 5. Net Stable Funding Ratio | n.a. | n.a. | n.a. | n.a. |
| 6. Growth of Total Customer Deposits | 0.00 | 0.00 | n.a. | n.a. |

Development Bank of Namibia Limited

Reference Data

| | 31 Mar 2018 | | | 31 Mar 2017 | | | 31 Mar 2016 | | | 31 Dec 2014 | | |
|---|------------------|------------------|-------------------|------------------|-------------------|------------------|------------------|-------------------|------------------|------------------|-------------------|------------------|
| | Year End USDm | Year End NADm | As % of Assets | Year End NADm | As % of Assets | Year End NADm | Year End NADm | As % of Assets | Year End NADm | Year End NADm | As % of Assets | Year End NADm |
| A. Off-Balance Sheet Items | | | | | | | | | | | | |
| 1. Managed Securitised Assets Reported Off-Balance Sheet | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - |
| 2. Other off-balance sheet exposure to securitizations | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - |
| 3. Guarantees | 9.6 | 130.2 | 1.48 | 175.2 | 2.24 | 153.7 | 3.35 | 127.4 | 4.36 | - | - | - |
| 4. Acceptances and documentary credits reported off-balance sheet | 0.3 | 4.4 | 0.05 | 5.0 | 0.06 | 23.5 | 0.51 | 7.4 | 0.25 | - | - | - |
| 5. Committed Credit Lines | 12.0 | 162.6 | 1.84 | 782.0 | 10.00 | 623.2 | 13.57 | 522.2 | 17.88 | - | - | - |
| 6. Other Contingent Liabilities | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - |
| 7. Other Off-Balance Sheet items | 0.6 | 8.2 | 0.09 | 11.6 | 0.15 | 12.3 | 0.27 | 10.6 | 0.36 | - | - | - |
| 8. Total Assets under Management | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - |
| B. Average Balance Sheet | | | | | | | | | | | | |
| 1. Average Loans | 556.7 | 7,528.0 | 85.36 | 5,933.3 | 75.88 | 3,241.2 | 70.56 | 2,137.6 | 73.21 | - | - | - |
| 2. Average Earning Assets | 559.7 | 7,567.9 | 85.82 | 6,047.2 | 77.34 | 3,313.8 | 72.14 | 2,182.8 | 74.76 | - | - | - |
| 3. Average Total Assets | 615.2 | 8,318.9 | 94.33 | 6,544.5 | 83.70 | 3,756.9 | 81.78 | 2,648.4 | 90.70 | - | - | - |
| 4. Average Managed Securitised Assets (OBS) | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| 5. Average Interest-Bearing Liabilities | 377.8 | 5,108.4 | 57.93 | 3,528.3 | 45.12 | 1,015.6 | 22.11 | 188.5 | 6.46 | - | - | - |
| 6. Average Common equity | 230.9 | 3,121.7 | 35.40 | 2,967.5 | 37.95 | 2,704.3 | 58.87 | 2,447.5 | 83.82 | - | - | - |
| 7. Average Equity | 233.1 | 3,152.4 | 35.75 | 2,974.0 | 38.04 | 2,699.9 | 58.77 | 2,417.2 | 82.78 | - | - | - |
| 8. Average Customer Deposits | 2.4 | 33.0 | 0.37 | 33.0 | 0.42 | 33.0 | 0.72 | n.a. | - | - | - | - |
| C. Maturities | | | | | | | | | | | | |
| Asset Maturities: | | | | | | | | | | | | |
| Loans & Advances < 3 months | n.a. | n.a. | - | 77.5 | 0.99 | 57.3 | 1.25 | 29.5 | 1.01 | - | - | - |
| Loans & Advances 3 - 12 Months | n.a. | n.a. | - | 1,053.1 | 13.47 | 966.8 | 21.05 | 106.2 | 3.64 | - | - | - |
| Loans and Advances 1 - 5 Years | n.a. | n.a. | - | 824.8 | 10.55 | 901.9 | 19.63 | 753.6 | 25.81 | - | - | - |
| Loans & Advances > 5 years | n.a. | n.a. | - | 4,825.6 | 61.72 | 1,919.8 | 41.79 | 1,441.7 | 49.37 | - | - | - |
| Debt Securities < 3 Months | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Debt Securities 3 - 12 Months | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Debt Securities 1 - 5 Years | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Debt Securities > 5 Years | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Loans & Advances to Banks < 3 Months | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Loans & Advances to Banks 3 - 12 Months | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Loans & Advances to Banks 1 - 5 Years | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Loans & Advances to Banks > 5 Years | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Liability Maturities: | | | | | | | | | | | | |
| Retail Deposits < 3 months | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Retail Deposits 3 - 12 Months | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Retail Deposits 1 - 5 Years | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Retail Deposits > 5 Years | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Other Deposits < 3 Months | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Other Deposits 3 - 12 Months | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Other Deposits 1 - 5 Years | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Other Deposits > 5 Years | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Deposits from Banks < 3 Months | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Deposits from Banks 3 - 12 Months | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Deposits from Banks 1 - 5 Years | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Deposits from Banks > 5 Years | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Senior Debt Maturing < 3 months | n.a. | n.a. | - | 0.2 | 0.00 | 449.2 | 9.78 | 88.2 | 3.02 | - | - | - |
| Senior Debt Maturing 3-12 Months | n.a. | n.a. | - | 1,068.9 | 13.67 | 873.0 | 19.00 | 201.5 | 6.90 | - | - | - |
| Senior Debt Maturing 1- 5 Years | n.a. | n.a. | - | 73.7 | 0.94 | 201.5 | 4.39 | 0.0 | 0.00 | - | - | - |
| Senior Debt Maturing > 5 Years | n.a. | n.a. | - | 3,496.6 | 44.72 | 33.0 | 0.72 | 0.0 | 0.00 | - | - | - |
| Total Senior Debt on Balance Sheet | n.a. | n.a. | - | 4,639.4 | 59.33 | 1,556.7 | 33.89 | 289.7 | 9.92 | - | - | - |
| Fair Value Portion of Senior Debt | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Subordinated Debt Maturing < 3 months | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Subordinated Debt Maturing 3-12 Months | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Subordinated Debt Maturing 1- 5 Year | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Subordinated Debt Maturing > 5 Years | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Total Subordinated Debt on Balance Sheet | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| Fair Value Portion of Subordinated Debt | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| D. Risk Weighted Assets | | | | | | | | | | | | |
| 1. Risk Weighted Assets | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| 2. Fitch Core Capital Adjustments for Insurance and Securitisation Risk Weighted Assets | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| 3. Fitch Core Capital Adjusted Risk Weighted Assets | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| 4. Other Fitch Adjustments to Risk Weighted Assets | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| 5. Fitch Adjusted Risk Weighted Assets | n.a. | n.a. | - | n.a. | - | n.a. | - | n.a. | - | - | - | - |
| E. Fitch Core Capital Reconciliation | | | | | | | | | | | | |
| 1. Total Equity as reported (including non-controlling interests) | 240.3 | 3,249.6 | 36.85 | 3,055.2 | 39.07 | 2,874.8 | 62.58 | 2,525.0 | 86.48 | - | - | - |
| 2. Fair-value adjustments relating to own credit risk on debt issued | 0.0 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | - | - | - |
| 3. Non-loss-absorbing non-controlling interests | 0.0 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | - | - | - |
| 4. Goodwill | 0.0 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | - | - | - |
| 5. Other intangibles | 0.1 | 1.5 | 0.02 | 2.4 | 0.03 | 2.5 | 0.05 | 0.5 | 0.02 | - | - | - |
| 6. Deferred tax assets deduction | 0.0 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | - | - | - |
| 7. Net asset value of insurance subsidiaries | 0.0 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | - | - | - |
| 8. First loss tranches of off-balance sheet securitizations | 0.0 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | - | - | - |
| 9. Fund for general banking risks if not already included and readily convertible into equity | 0.0 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | - | - | - |
| 10. Fitch Core Capital | 240.2 | 3,248.1 | 36.83 | 3,052.8 | 39.04 | 2,872.3 | 62.53 | 2,524.5 | 86.46 | - | - | - |

Exchange Rate

USD1 = NAD13.52255

USD1 = NAD13.2736

USD1 = NAD14.7321

USD1 = NAD11.5809

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