

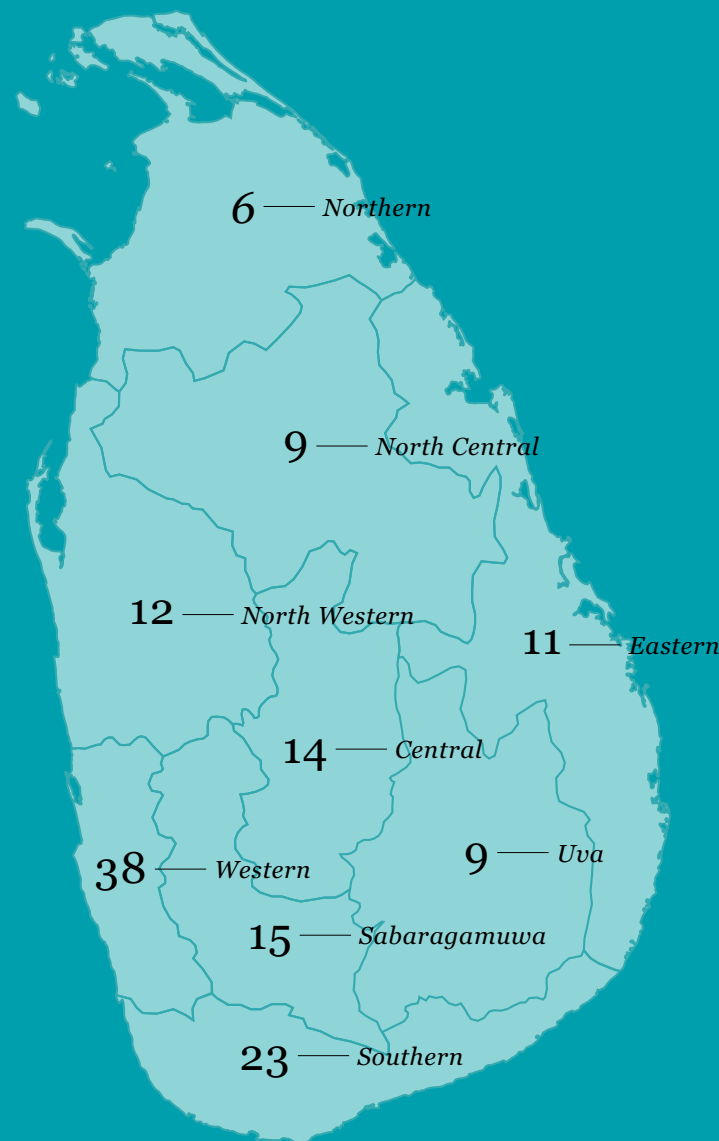
The DBB network comprises 137 service centres: 78 fully-fledged branches and 59 windows maintained at selected Sri Lanka Post offices. In addition, our banking services may be accessed through our e-Banking platform from anywhere, any time.



SCAN to view the online version of the Annual Report
<http://dfcc2014-15.annualreports.lk>

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DFCC BANK PLC

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DFCC Bank was set up in 1955 and is one of the oldest development banks in Asia

We have grown, evolved and diversified over the past 60 years to meet the changing needs and aspirations of a growing economy, its institutions and its people. While still holding firm to our development banking roots, DFCC Bank today offers a full range of banking products and services to a broad spectrum of customers and industry sectors through a unique business model.

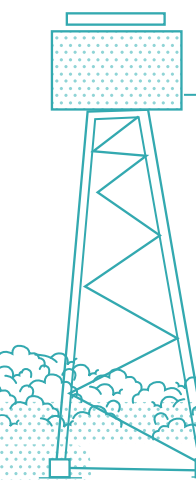
It is a business model that reflects the operational merger between the development banking business of DFCC Bank and the commercial banking business of its 99%-owned subsidiary, DFCC Vardhana Bank. We call it the DFCC Banking Business (DBB).



60 Years of Development Banking



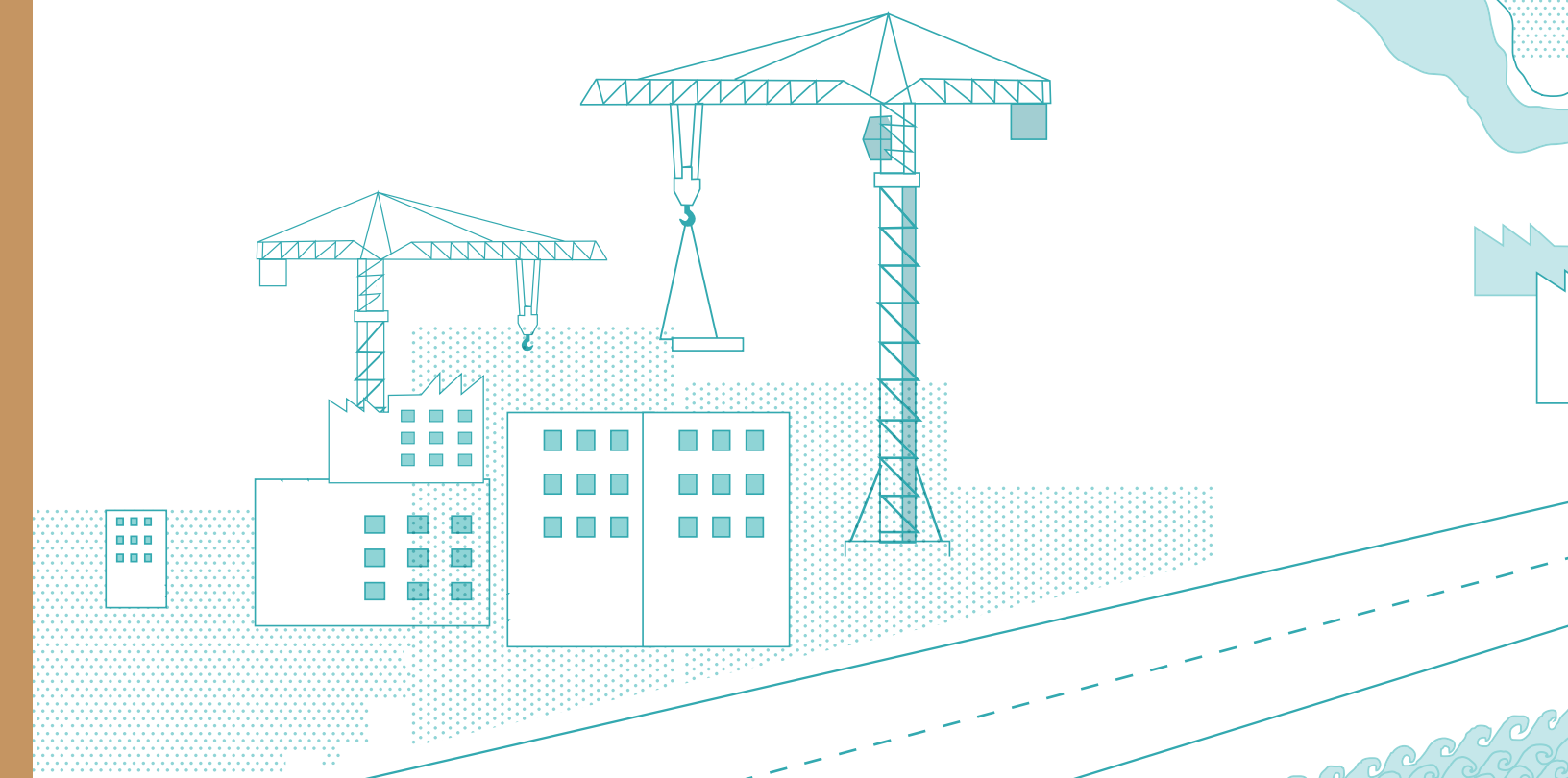
As a specialised bank we provide higher risk term loans for projects, take up equity positions and offer a variety of advisory services. We cover the whole country, whatever the economic sector or scale of operations. Our customers come in all sizes, be it an entrepreneur in need of start up capital or a small and medium enterprise figuring out its next phase of growth or a giant corporate embarking on a major investment project. The list goes on.



At a national level, we have spearheaded the financing of new economic sectors in the country – such as tourism, apparel, mobile telecoms and renewable energy. These sectors are now mainstream businesses that support the economy in many ways.

We also administer lines of credit and grant funds provided by international agencies that target specific development goals. Our customers here would also include participating financial institutions that on-lend such funds.

In short, as a bank with a developmental mandate, we offer ‘much more than money’.





This year marks our sixtieth year of development banking

True to our watchword 'much more than money', we measure our success not just by the number of projects we have financed or the amount of money lent, but the role DFCC Bank has played in partnering trailblazing ventures and industry sectors across the country.

That has made us different and stand out in the banking industry. The future is going to be even more exciting and we want you to be part of it.

Something big is on the cards for 2015. We are planning to formalise the present operational merger between DFCC Bank and DFCC Vardhana Bank (which together is our 'DFCC Banking Business') through a legal merger of the two banks (subject to approval). While this amalgamated entity will be a full-service bank, it will not lose sight of DFCC Bank's development banking mandate on which it was founded 60 years ago.

So we have chosen to adopt a new approach to telling our story. It is about how we create value, both for ourselves and for our stakeholders; about our performance and plans, and how they impact on people like you.

What you are reading is our Annual Snapshot 2014/15. A broader picture is presented in our Annual Report 2014/15 that is available in print and online.

Banks make it a point to know their customers in order to serve them better and find ways to promote business. Likewise, we invite you to get to know DFCC Bank better, and be part of our journey; be it as a customer, investor, business partner or employee. Or even as a spectator (for now).

Welcome aboard!

C R Jansz
Chairman

15 May 2015

Arjun Fernando
Chief Executive

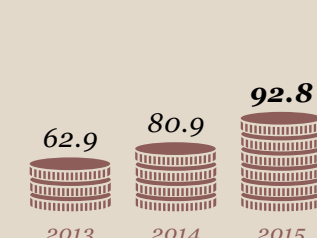
Delivering Value to All

We realise that to create value for ourselves we must also deliver value to our stakeholders. They go hand in hand.

Our stakeholders are individuals or organisations that interact with us and are impacted by our business activities, or whose actions can affect our business. Accordingly, our main stakeholders are our investors, customers, employees, business partners and the communities and environment in which we operate.

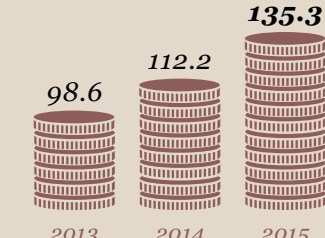
Deposits

(LKR billion)

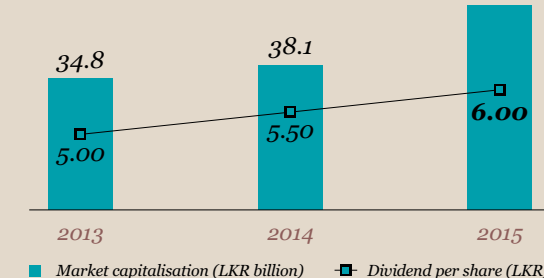


Loans and Receivables

(LKR billion)

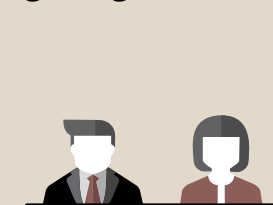


Market Capitalisation and Dividend per Share



Gender Balance

50 : 50



Training

28.18

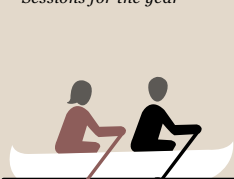
Average training hours per employee



Team Building

18

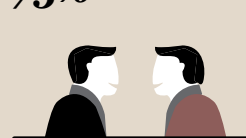
Sessions for the year



Mentoring

23

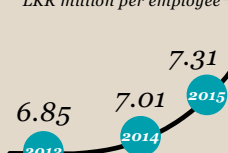
Trained mentors with 75% satisfactory rate



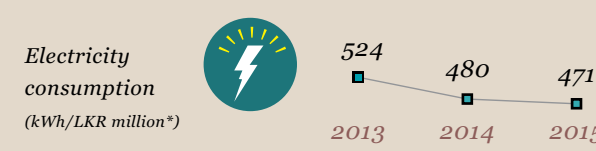
Employee Productivity

7.31

LKR million per employee*



Reducing Our Environmental Impact



* of DBB total operating income



Financial Inclusion

Through our IT subsidiary, Synapsys, we have innovated unique financial solutions.



To serve tea small holders better, the Tea Integrated Payment System was set up using mobile technology and ATM networks to accelerate payments thereby streamlining the supply chain and benefiting out-growers, manufacturers, bankers and agribusiness as a whole.



Lanka Money Transfer is an automated system whereby expatriate Sri Lankans can remit their earnings back home on the same day. With the participation of several financial institutions, funds are distributed to beneficiaries via account credits, virtual wallets, ATM or over-the counter.

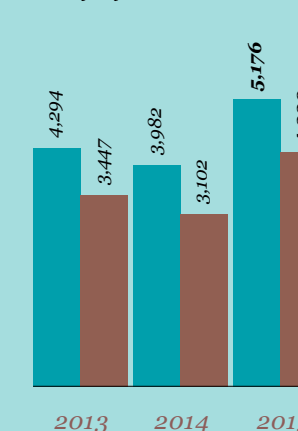
Moving From Strength to Strength

We exist to create value, for ourselves and for our stakeholders – over the short, medium and long term. The value we create for ourselves is best seen in the profits we make, our dividend payout and by our standing in the market as reflected by our AA-(lka) credit rating by Fitch Ratings Lanka Limited, our many achievements and international recognition.

Profits are important to reinvest and grow our business and thereby reward our investors. Profits are also important as they indicate how efficient and effective we are in formulating and executing our business strategies and managing scarce resources.

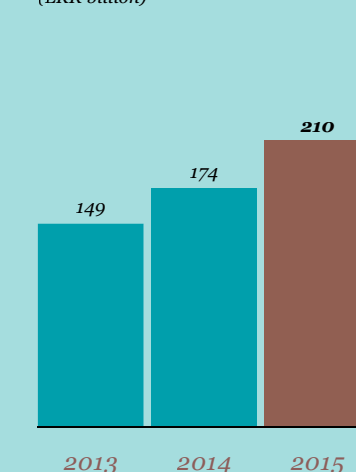
DBB Profitability

Profit before tax (LKR million)
Profit after tax (LKR million)

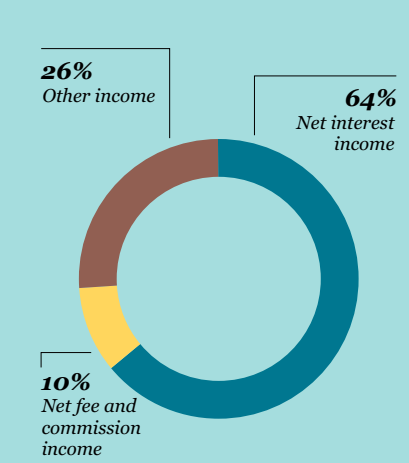


DBB Total Assets

(LKR billion)



DBB Income Diversification



Achievements



SAFA Certificate of Merit for Annual Report 2012/13 in the Financial Services Sector



Merit Award for outstanding business sustainability achievement at the Karlsruhe Sustainable Finance Awards, 2014



ADFIAP Plaque of Merit for first grid-connected solar project in Sri Lanka – Environment Development, Financing of Rice Bran Oil Facility – Local Economic Development and Award for Best Sustainability Report 2013/14



CA Sri Lanka Gold Award for Annual Report 2013/14

International Recognition



Implemented three credit lines as an Administrative Unit for Renewable Energy projects and received 'Highly Satisfactory' rating



Apex Body for credit component of Plantation Development Project



Apex Body for DFCC V credit line for SME in the North and the East



Implementing EUR 90 million SME and Green Energy Global Loan

As a Financial Conglomerate with More to Come...



Vardhana Bank

DFCC Vardhana Bank PLC

99.17%-owned subsidiary company

Commercial banking



Synapsys Limited

100%-owned subsidiary company

Information technology services and IT-enabled services



DFCC Consulting (Pvt) Limited

100%-owned subsidiary company

Consultancy and advisory services



Lanka Industrial Estates Limited

51.15%-owned subsidiary company

Operating an industrial estate



Acuity Partners (Pvt) Limited

50%-owned joint venture

Investment banking and related activities such as corporate finance, IPOs, fixed income securities and venture capital

The subsidiaries of Acuity Partners (Pvt) Limited are:

Acuity Securities Limited

Acuity Stockbrokers (Pvt) Limited

Lanka Ventures PLC

Guardian Acuity Asset Management Limited



National Asset Management Limited

30%-owned associate company

Management of unit trusts and private portfolios

DFCC GROUP