

Key Highlights: Performance of the Banking Sector during H1CY20



Despite elevated economic stress, banking sector demonstrated decent performance



The overall risk profile of the banking sector improved



The expansion in the asset base of the banks was investment driven



Asset quality slightly deteriorated



Mild contraction in private sector advances



Capital Adequacy Ratio (CAR) further strengthened

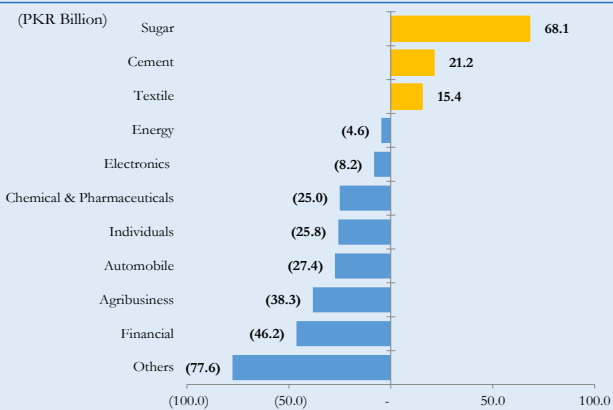


Strong growth in banks' deposits

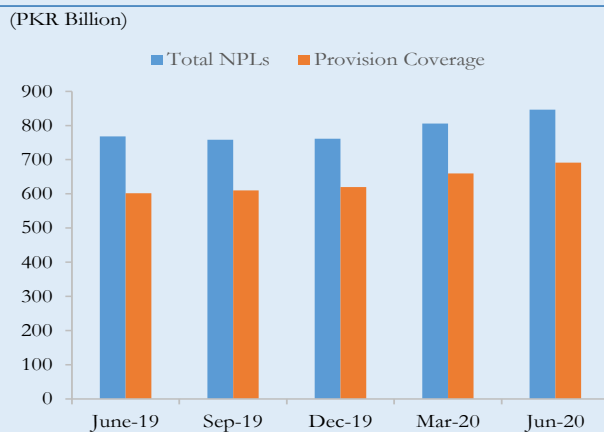
| | | | | | |
|---------------------|-------|---|---------------------------|-------|---|
| CAR | 18.7% | ↑ | Advances to Deposit Ratio | 46.3% | ↓ |
| Net NPLs to Capital | 9.0% | ↓ | Net NPLs to Net Loans | 1.9% | ↑ |

Credit Risk

Private Sector Advances Flow during H1CY20

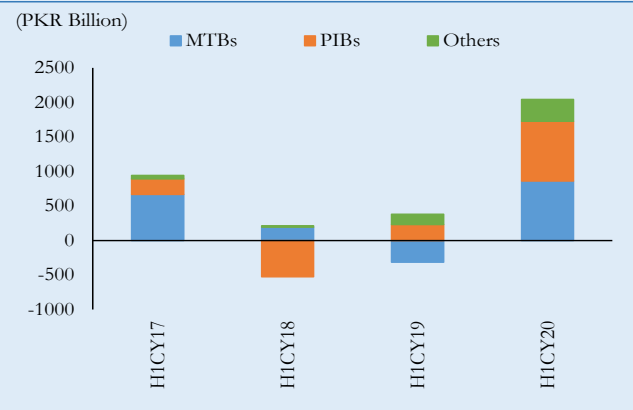


Non-Performing Advances of Banking Sector



Investments

Composition of Investment Flows



Profitability of the banking sector increased by 52.0 percent

| | | |
|---------------------|-------|---|
| ROA (After Tax) | 1.1% | ↑ |
| ROE (After Tax) | 14.6% | ↑ |
| NIM | 4.4% | ↑ |
| Cost / Income Ratio | 48.9% | ↓ |