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## Fitch reaffirms NDB long term rating of A+ (lka)/ Stable Outlook



Fitch Ratings Lanka Limited (Fitch) has affirmed National Development Bank PLC (NDB) a Long Term Issuer Default Rating (IDR) of A+ (lka) with an Outlook Stable pursuant to Fitch's revised its ratings followed by its periodic review.

According to Fitch's report on its rating action for NDB, "NDB's ratings reflect its satisfactory asset quality, weaker franchise and lower capitalization relative to higher rated peers. Fitch believes the bank's higher risk appetite could dilute the benefit of nay possible capital infusions."

The assigned subordinated debt ratings of NDB is rated one notch below the national long term ratings to reflect the subordination to senior unsecured creditors.

NDB remains governed by a robust corporate governance and risk management framework and a strong strategic framework which ensure sustainable profitable growth. The Bank's meticulous internal capital adequacy assessment process (ICAAP) ensures that the Bank attains sustainable growth levels that are commensurate to its capital. The Bank is also buffered against the high capital

adequacy levels of the NDB Group, the Tier I of which is at over 10%, well above the statutory minimum requirement of 5%.

NDB is internally mindful of the need for the infusion of fresh capital, and will communicate its plans towards this end, once it is in a position to do so. NDB remains committed to its ambitious profitable growth plans, in yielding sustainable returns to its shareholders, customers and all other stakeholders.

End.