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Press Release

Rajendra Theagarajah and Hatton National Bank win Best Managed Bank in Sri Lanka

Malaysia's Maybank, Korea's Kookmin also amongst 14 banks picked out for a once-in-three year assessment of the leadership and management capabilities of Asian banks

- In the period under review, Hatton National Bank saw solid growth in its core banking profits above that of its industry peers.
- Under Theagarajah's leadership the bank became the first Sri Lankan Bank to receive an international credit rating on par with sovereign rating due to the successful capital augmentation efforts to keep capital adequacy ratios well above industry peers.
- All winning banks scored well in six criteria.
- Award presented by William Isaac, former FDIC chairman.

Jakarta, Indonesia, April 23rd, 2013 – Hatton National Bank under the leadership of Rajendra Theagarajah was named winner of the Best Managed Bank in Sri Lanka at the prestigious Asian Banker Leadership Achievement Awards held at the Ritz Carlton Kuningan in Jakarta, on April 23rd 2013.

The award was presented to Theagarajah by William Isaac, a former chairman of the Federal Deposit Insurance Corporation (FDIC). Also present were Muliaman Hadad, the chairman of Indonesia's new Otoritas Jasa Keuangan (OJK) which is the country's equivalent of a Financial Services Authority and Cesar Virata, a member of the advisory council that decides on the award and the former prime minister of the Philippines.

Under Theagarajah's leadership, the bank experienced solid growth in core banking profits despite challenges from the global economic crisis and a volatile local economy. It is the first Sri Lankan bank to receive an International Credit Rating on par with a sovereign rating due to the successful capital augmentation efforts to keep capital adequacy ratios well above industry peers.

The bank developed a robust risk management infrastructure through the implementation of Basel IRB infrastructure for Credit, Operational and Market Risks. A bold decision was also taken to spin off the two decade old microfinance department in to a separate unit to ensure focus and enable faster growth.

Theagarajah has over 28 years of experience in banking including overseas experience in Europe, Middle East and the Africa region. His leadership as the managing director and CEO of

Hatton National Bank helped the bank achieve strong financials with a robust and sophisticated business that straddles a broad range of business lines with strong fee-generating capabilities.

The full list of winners of the Leadership Achievement Awards includes:

Leadership Award and Best Managed Bank in Sri Lanka

1. Rajendra Theagarajah, chief executive, Hatton National Bank

Leadership Award and Best Managed Bank in the Asia Pacific

2. Piyush Gupta, chief executive, DBS Group, Singapore and Asia Pacific

Leadership Awards and Best Managed Banks

3. Abdul Wahid Omar, chief executive, Maybank, Malaysia
4. Alberto S Villarosa, chief executive, Security Bank, Philippines
5. Batkhuu Sharavlamdan, chairman and Sandag Sukhbold, chief executive, Savings Bank, Mongolia
6. David Hisco, chief executive, ANZ New Zealand
7. Dong Wenbiao, executive chairman, China Minsheng Bank, China
8. Khalid Ahmed Sherwani, chief executive, Allied Bank, Pakistan
9. Rana Kapoor, chairman and founder, YES Bank, India
10. Syed Mahbubur Rahman, chairman, BRAC Bank, Bangladesh
11. Truong Van Phuoc, chairman, Eximbank, Vietnam
12. Yoon-Dae Euh, executive chairman and chief executive, KB Financial Group, Korea

The following banks scored well as Best Managed Banks

13. Kasikornbank (Best Managed Bank in Thailand)
14. The Shanghai Commercial & Savings Bank (Best Managed Bank in Taiwan)

The following individuals were awarded the William “Bill” Seidman Lifetime Achievement Award

1. Djohan Emir Setijoso – currently president commissioner, Bank Central Asia
2. Peter Seah Lim Huat – currently chairman, DBS Group, Singapore

The press releases for each country’s winners are being issued separately.

Photographs of the awards presentation are attached with this press release.

About The Asian Banker

The Asian Banker is the foremost provider of strategic intelligence and data to the financial services industry. The company collects and publishes data on the performance of banks in the Asia Pacific region. The Singapore-based company has offices in Malaysia, China and the Philippines as well as representatives in London and New York. The company's website is www.theasianbanker.com

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The Asian Banker

Leadership Achievement Awards 2013

About the Leadership Achievement Awards

The Leadership Achievement Award is a recognition programme that is run once every three years to assess the leadership of bank chairmen and CEOs on their respective businesses and the industry as a whole. This is the most important award programme that the Asian Banker runs because it underscores the importance of sound and visionary leadership in directing the future of the industry.

The award is also the most prestigious award for individual achievement in the banking industry in the Asia Pacific region today. The award plays an important role in cultivating a culture of excellence amongst people in leadership positions.

The selection process behind the award programme is a highly rigorous one. It takes stock of financial performance, the stated vision and strategy of the leaders as well as actual achievements, the feedback of staff, customers, investors and the industry through various surveys, a study of the management team and finally is validated by an experienced council of advisors.

The Board of Advisors

The following distinguished personalities served as members of the advisory council for the selection of this year's winners. They bring to bear tremendous expertise and global perspectives to the conduct of the annual meeting.

- Ian Johnston, former chief executive, SWIFT Asia Pacific (Chairman of the board)
- Cesar Virata, vice chairman, RCBC and former prime minister, Philippines
- Paul Chow, former chief executive, Hong Kong Exchange
- Alain Chevalier, Professor of Finance, ESCP, Europe

The Selection Criteria

The assessment for the awards is made on four inter-related criteria:

1. **The financial performance of the leader's business under consideration.** Here we look at annual results, or the financial performance of the business under review. Strong bottomline performance is the first determinant of a leader's suitability for consideration for this award.
2. **Achievements in the period under review.** We look for either a specific achievement or a series of achievements in the years under consideration. These can be in the form of an IPO, an M&A, strong organic growth, the introduction of a new strategy that works for the institution, a bold investment that turns in dividend and so on. The size and complexity of the achievement(s) are taken into account.

3. **Overcoming adversities.** Adversities in the period under review are not considered in a bad light under this programme. We take into account adversaries and the tenacity of the leader to overcoming them.
4. **A well-communicated vision.** We require all leaders to have made speeches, given interviews or written reports that provide his or her constituents a clear view of his or her own strategy and direction. These must co-relate to the achievements under consideration. We study all newspaper articles, speeches and interviews provided in the year under review to determine the consistency and commitment to the vision enunciated.
5. **360 degree review of peers and the industry.** We run a series of surveys and interviews with staff, investment analysts, as well as an online poll of the public to ensure that there is broad acknowledgement of the leadership qualities of the candidate.
6. **Augmented by a good team around the candidate.** In order to distinguish between sustainable leadership and individual leadership, we study the composition and tenancy of the board of directors and/or senior management team around the candidate. We believe that a good candidate for an award in leadership would demonstrate the ability to work with others, inspire them and draw from them to grow the business. This is easier said than done, but we do know those who cut it and those who don't.

The Selection Process

The selection process begins in November and ends in March of the following year, involving a team of about six researchers. Candidates do not apply for the award, although they can be nominated. The initial selection is through a survey and desk research done by the research team at The Asian Banker. The identified candidates are then subject to further scrutiny through interviews with third parties, including local banking journalists and analysts who have had contact with the candidates, peers and third party reviews. The shortlisted candidates are then submitted for a review by the board of advisors, based on a comparative evaluation done by the research team.

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