

FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31st DECEMBER 2019

INCOME STATEMENT FOR THE QUARTER ENDED 31st DECEMBER 2019

In Rupees Million	Bank		Group (INR in Crores)	
	Current Period	Previous Period	Current Period	Previous Period
	From 01-Apr-19 To 31-Dec-19	From 01-Apr-18 To 31-Dec-18	From 01-Apr-19 To 31-Dec-19	From 01-Apr-18 To 31-Dec-18
Interest income	1,259.81	1,265.68	194,642.19	179,883.27
Less: Interest expense	(325.60)	(378.67)	(119,324.29)	(114,488.23)
Net interest income	934.21	887.01	75,317.90	65,395.04
Fee and commission income	98.96	111.71	25,659.73	22,529.23
Fee and commission expense	-	-	-	-
Net fee and commission income	98.96	111.71	25,659.73	22,529.23
Net gains(losses) from trading	-	-	-	-
Net fair value gains(losses) on:	-	-	-	-
financial assets at fair value through profit or loss	-	-	-	-
financial liabilities at fair value through profit or loss	-	-	-	-
Net gains(losses) on derecognition of financial assets:	0.94	0.00	-	-
at fair value through profit or loss	0.94	0.00	-	-
at amortised cost	-	-	-	-
at fair value through other comprehensive income	-	-	-	-
Net other operating income	98.96	99.28	-	-
Total operating income	1,133.06	1,098.01	100,977.63	87,924.27
Impairment charges	(15.36)	(55.88)	(30,882.23)	(37,193.22)
Net operating income	1,117.71	1,042.13	70,095.40	50,731.05
Personnel expenses	(96.74)	(97.63)	(33,676.30)	(30,576.72)
Depreciation and amortization expenses	(8.25)	(8.24)	-	-
Other expenses	(168.50)	(117.90)	(16,3236.38)	(18,978.05)
Operating profit/(loss) before VAT & NBT on financial services	844.22	818.35	20,092.72	1,176.28
Value Added Tax (VAT) on financial services	(106.10)	(107.38)	-	-
Nation Building Tax (NBT) on financial services	(17.03)	(16.89)	-	-
Operating profit/(loss) after VAT & NBT on financial services	721.09	694.08	20,092.72	1,176.28
Profit/(Loss) brought forward	-	-	-	-
Share of profits of associates and joint ventures	-	-	-	-
Profit/(loss) before tax	721.09	694.08	20,092.72	1,176.28
Income tax expenses	(273.73)	(227.94)	(9,185.42)	(1,152.45)
Profit/(loss) for the period	447.36	466.14	10,907.30	23.83
Profit attributable to:				
Equity holders of the Parent	-	-	10,907.30	23.83
Non-controlling interests	-	-	-	-
Earnings per share on profit				
Basic earnings per ordinary share	-	-	12.22	0.03
Diluted earnings per ordinary share	-	-	12.22	0.03

STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31st DECEMBER 2019

In Rupees Million	Bank		Group (INR in Crores)	
	Current Period	Previous Period	Current Period	Previous Period
	From 01-Apr-19 To 31-Dec-19	From 01-Apr-18 To 31-Dec-18	From 01-Apr-19 To 31-Dec-19	From 01-Apr-18 To 31-Dec-18
Profit/(loss) for the period	447.36	466.14	10,907.30	23.83
Items that will be reclassified to income statement				
Exchange differences on translation of foreign operations	-	-	-	-
Net gains(losses) on cash flow hedges	-	-	-	-
Net gains(losses) on investments in debt instruments measured at fair value through other comprehensive income	0.78	(5.69)	-	-
Share of profits of associates and joint ventures	-	-	-	-
Debt instruments at fair value through other comprehensive income	-	-	-	-
Others (specify)	-	-	-	-
Less: Tax expense relating to items that will be reclassified to income statement	-	-	-	-
Items that will not be reclassified to income statement				
Changes in fair value on investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-
Change in fair value attributable to change in the Bank's own credit risk on financial liabilities designated at fair value through profit or loss	-	-	-	-
Re-measurement of post-employment benefit obligations	-	-	-	-
Changes in revaluation surplus	-	-	-	-
Share of profits of associates and joint ventures	-	-	-	-
Others (specify)	-	-	-	-
Less: Tax expense relating to items that will not be reclassified to income statement	-	-	-	-
Other Comprehensive Income (OCI) for the period, net of taxes	0.78	(5.69)	-	-
Total comprehensive income for the period	448.14	460.45	10,907.30	23.83
Attributable to:				
Equity holders of the parent	-	-	10,907.30	23.83
Non-controlling interests	-	-	-	-
Total comprehensive income for the period	448.14	460.45	10,907.30	23.83

SELECTED PERFORMANCE INDICATORS AS AT 31.12.2019

ITEM	Bank		Group (In INR Crores)	
	31-Dec19	31-Mar-19	31-Dec19	31-Mar-19
	Regulatory Capital Adequacy (LKR in Millions)			
Common Equity Tier 1	10,662	10,670	-	205,238
Core (Tier 1) Capital	10,662	10,670	-	216,537
Total Capital Base	10,815	10,742	-	245,225
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital (%) (Minimum Requirement 7%)	55.53%	64.05%	-	10.65%
Tier 1 Capital Ratio (%) (Minimum Requirement 8.5%)	55.53%	64.05%	10.16%	9.62%
Total Capital Ratio (%) (Minimum Requirement 12.5%)	56.33%	64.48%	13.73%	12.72%
Leverage Ratio (Minimum Requirement - 3%)	34.63%	33.23%	-	5.25%
Regulatory Liquidity				
Statutory Liquid Assets (LKR in Millions)	2,441.24	5,214.12	-	-
Statutory Liquid Assets (USD in Millions)	33.35	39.46	-	-
Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%)				
Domestic Banking Unit (%)	43.71%	83.61%	-	-
Off Shore Banking Unit (%)	61.17%	70.54%	-	-
Total Stock of High Quality Liquid Assets (LKR in Millions)	1,596	2,266	-	699,153
Liquidity Coverage Ratio (%) (Minimum Requirement-100%)				
Rupee (%)	1862.39%	1,234.37%	-	-
All Currency (%)	647.86%	298.31%	-	125.79%
Net Stable Funding Ratio (%) (Minimum Requirement 100%)	163.00%	175.00%	-	-
Assets Quality (Quality of Loan Portfolio)				
Gross Non-Performing Advances Ratio (%) (net of interest in suspense)	0.56%	0.63%	6.94%	7.53%
Net-Non Performing Advances (%) (net of interest in suspense and provision)	0.00%	0.00%	2.65%	3.01%
Profitability				
Interest Margin (%)	5.59%	5.00%	-	2.78%
Return on Assets (before Tax) (%)	2.71%	2.71%	0.39%	0.02%
Return on Equity (%)	6.49%	6.85%	-	0.48%

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31st DECEMBER 2019

Bank In Rupees Millions	Stated capital/Assigned capital			Reserves				Total	Non-controlling interest	Total Equity
	Ordinary voting shares	Ordinary non-voting shares	Assigned capital	Statutory Reserve fund	OCI reserve	Retained earnings	Other reserves			
Balance as at 01.04.2019	-	-	2,442.83	340.92	-	6,172.40	1,260.01	10,216.16	-	10,216.16
Total comprehensive income for the period	-	-	-	-	-	447.36	-	447.36	-	447.36
Profit/(Loss) for the year (net of tax)	-	-	-	-	-	0.78	-	0.78	-	0.78
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	448.14	-	448.14	-	448.14
Transactions with equity holders, recognised directly in equity										
Share issue/increase of assigned capital	-	-	-	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-	-	-	-
Bonus issue	-	-	-	-	-	-	-	-	-	-
Rights issue	-	-	-	-	-	-	-	-	-	-
Transfers to reserve during the period	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-
Profit transferred to head office	-	-	-	-	-	-	-	-	-	-
Gain / (loss) on revaluation of Property, Plant and Equipment (if cost method is adopted)	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	193.90	-	193.90	-	193.90
Total transactions with equity holders	-	-	-	-	-	193.90	-	193.90	-	193.90
Balance as at 31.12.2019	-	-	2,442.83	340.92	-	6,814.44	1,260.01	10,858.20	-	10,858.20

STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER 2019

In Rupees Million	Bank		Group (INR in Crores)	
	Current Period	Previous Period	Current Period	Previous Period
	as at 31-Dec-19	as at 31-Mar-19 (Audited)	as at 31-Dec-19	as at 31-Mar-19 (Audited)
Assets				
Cash and cash equivalents	1445.26	447.13	144,598.74	177,362.74
Balances with central banks	1,394.11	972.98	-	-
Placements with banks	1453.91	4,965.35	100,344.69	48,149.52
Derivative financial instruments	59.99	-	-	-
Financial Investments Available for sale	-	-	1,012,100.68	1,119,247.77
Financial assets recognized through profit or loss measured at fair value designated at fair value	-	-	-	-
Financial assets at amortised cost	-	-	-	-
loans and advances	15,922.06	14,032.08	2,199,916.92	2,226,853.67
debt and other instruments	4,380.90	4,301.65	-	-
Financial assets measured at fair value through other comprehensive income	291.04	1,388.10	-	-
Investment in subsidiaries	-	-	-	-
Investment in associates and joint ventures	-	-	-	-
Property, plant and equipment	597.17	189.43	38,573.97	40,703.05
Investment properties	-	-	-	-
Goodwill and intangible assets	-	-	-	-
Deferred tax assets	56.60	56.60	-	-
Other assets	16.00	93.86	253,657.15	276,150.31
Total assets	25,617.04	26,447.19	3,749,192.15	3,888,467.06
Liabilities				
Due to banks	9,253.01	9,150.10	262,548.65	413,747.66
Derivative financial instruments	59.99	-	-	-
Financial liabilities recognized through profit or loss measured at fair value designated at fair value	-	-	-	-
Financial liabilities at amortised cost	-	-	-	-
due to depositors	5,082.50	6,633.94	3,111,228.58	2,940,541.06
due to debt securities holders	-	-	-	-
due to other borrowers	-	-	-	-
Debt securities issued	-	-	-	-
Retirement benefit obligations	203.83	204.09	-	-
Current tax liabilities	53.40	62.27	-	-
Deferred tax liabilities	-	-	-	-
Other provisions	5.41	-	-	-
Other liabilities	100.70	118.14	142,894.25	293,645.69
Due to subsidiaries	-	-	-	6,036.99
Total liabilities	14,758.85	16,168.55	3,516,671.48	3,653,971.40
Equity				
Stated capital/Assigned capital	2,442.83	2,442.83	892.46	892.46
Statutory reserve fund	340.92	340.92	-	-
OCI Reserve	-	-	-	-
Retained earnings	6,814.43	7,495.67	231,628.21	233,603.20
Other reserves	1,260.01	(0.78)	-	-
Total shareholders' equity	10,858.20	10,278.64	232,520.67	234,495.66
Non-controlling interests	-	-	-	-
Total equity and liabilities	25,617.04	26,447.19	3,749,192.15	3,888,467.06
Contingent liabilities and commitments	20,472.65	22,563.37	-	11,861,039,991.00
Memorandum information				
Number of Employees	72	76	-	257,252
Number of Branches	3	3	-	22,010

Note: Amounts stated are net of impairment and depreciation

STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 31.12.2019

In Rupees Millions	Bank	
	31/12/2019	31/03/2019
	Cash flows from operating activities	
Interest receipts	1,259.81	1,646.24
Interest payments	(325.60)	(478.71)
Net commission receipts	98.96	140.87
Trading income	-	-
Payment to employees	(96.74)	(136.70)
VAT & NBT on financial services	(123.13)	(181.13)
Receipt from other operating activities	99.90	135.73
Payments on other operating activities	(168.50)	(185.94)
Operating profit from discontinued operations	-	(4.94)
Operating profit before change in operating assets & liabilities	744.70	937.42
Non-cash items included in the Profit Before Tax (Increase) / decrease in operating assets	(23.60)	(9.65)
Balances with Central Bank of Sri Lanka	(421.14)	(630.29)
Financial assets at amortised cost-loans & advances	(1,889.99)	(3,093.43)
Other assets	77.86	(72.21)
Placements with Banks	3511.45	1,480.99
Increase / (decrease) in operating assets	1278.18	(2,314.95)
Increase / (decrease) in operating liabilities		
Derivative Financial Instrument	(59.99)	(0.00)
Financial liabilities at amortised cost-due to depositors	(1,551.44)	610.33
Financial liabilities at amortised cost-due to debt securities holders	-	-
Financial liabilities at amortised cost-due to other borrowers	-	-
Financial liabilities at amortised cost - deposits from banks	102.91	(19.71)
Other liabilities	(17.44)	33.07
Increase / (decrease) in operating liabilities	(1,525.96)	623.68
Net cash generated from operating activities before income tax	473.06	(787.42)
Income tax paid	(283.36)	(315.76)
Net cash (used in) / from operating activities	189.70	(1,103.18)
Cash flows from investing activities		