PUBLIC BANK BERHAD

SRI LANKA BRANCH

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FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2018

AAA/STABLE/P1
RAM Ratings

STATEMENT OF FINANCIAL POSITION

As at

	BANK (Rs.'000)		GROUP (RM.'000)	
	30-June-2018	31-December-2017	30-June-2018	31-December-2017
ASSETS				
Cash and cash equivalents	**918,683**	824,354	**11,050,277**	14,006,541
Statutory Deposit with Central Bank of Sri Lanka / Other Central Banks	**105,642**	106,816	**10,401,520**	9,525,927
Reverse Repurchases Agreements	**-**	-	**700,422**	651,065
Derivative Financial instruments	**-**	-	**397,648**	226,319
Financial assets at fair value through profit or loss	**-**	-	**4,193,704**	-
Government Securities - Held-for-trading	**-**	-	**-**	699,796
Other Financial Assets held-for-trading	**-**	-	**-**	676,745
Loans and Receivables	**6,842,349**	6,495,382	**308,828,938**	303,044,127
Financial investments at fair value through other comprehensive income	**-**	-	**39,590,363**	-
Financial Investments Available-for-Sale	**-**	-	**-**	30,325,057
Financial investments at amortised cost	**-**	-	**25,278,550**	-
Government Securities - Held-to-maturity	**848,218**	551,506	**-**	14,695,148
Financial Investments - Held-to-maturity	**-**	-	**-**	13,883,188
Investments in Associates	**-**	-	**38,012**	35,068
Property, Plant & Equipment	**48,606**	47,315	**1,538,429**	1,564,427
Investment properties	**-**	-	**680,341**	688,052
Intangible assets	**5,526**	7,061	**2,418,917**	2,432,058
Deferred Tax Assets	**1,266**	1,266	**82,951**	70,984
Other Assets	**69,920**	60,080	**2,375,237**	2,751,745
TOTAL ASSETS	**8,840,210**	8,093,780	**407,575,309**	395,276,247
LIABILITIES				
Deposits from banks	**318,369**	27,297	**10,198,640**	11,446,057
Deposits from Customers	**2,326,585**	2,105,907	**329,900,151**	319,259,426
Obligations on securities sold under repurchase agreements	**-**	-	**890,945**	1,237,528
Derivative Financial instruments	**-**	-	**344,446**	568,129
Other Borrowings	**-**	-	**5,761,325**	6,208,955
Debt securities issued and other borrowed funds	**-**	-	**13,800,437**	12,328,073
Current Tax Liabilities	**104,686**	80,841	**739,558**	702,063
Retirement Benefit Obligation	**32,590**	29,632	**-**	-
Deferred Tax Liabilities	**-**	-	**121,158**	164,655
Other Liabilities	**203,164**	137,778	**5,227,149**	4,915,701
TOTAL LIABILITIES	**2,985,394**	2,381,455	**366,983,809**	356,830,587
Equity				
Share Capital/Assigned Capital	**3,792,318**	3,792,318	**9,417,653**	9,417,653
Statutory Reserve Fund	**87,586**	87,586	**30,718**	30,718
Retained Earnings	**1,803,634**	1,673,601	**26,774,079**	24,723,059
Total Other Reserves	**171,278**	158,820	**3,281,750**	3,193,276
Total Shareholders' equity	**5,854,816**	5,712,325	**39,504,200**	37,364,706
Non-controlling Interests	**-**	-	**1,087,300**	1,080,954
Total Equity	**5,854,816**	5,712,325	**40,591,500**	38,445,660
TOTAL LIABILITIES AND EQUITY	**8,840,210**	8,093,780	**407,575,309**	395,276,247
Contingent liabilities and commitments	**2,418,498**	1,742,625	**93,866,187**	95,442,831
Contingencies	**1,826,913**	1,241,384	**3,324,741**	3,268,176
Commitments	**591,585**	501,241	**90,541,446**	92,174,655
Memorandum Information				
Number of Employees	**62**	60	**18,399**	18,553
Number of Branches	**3**	3	**266**	264

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

	BANK (Rs.'000)		GROUP (RM.'000)	
	For the period ended 30 June 2018	For the period ended 30 June 2017	For the period ended 30 June 2018	For the period ended 30 June 2017
Interest Income	**458,093**	411,693	**7,918,599**	7,535,036
Less: Interest Expenses	**83,005**	62,329	**4,141,476**	3,869,812
Net Interest Income	**375,088**	349,364	**3,777,123**	3,665,224
Net Income From Islamic Banking Business	**-**	-	**528,308**	495,143
Net Interest Income and net Income from Islamic Banking Business	**375,088**	349,364	**4,305,431**	4,160,367
Fee and Commission Income	**12,775**	12,925	**1,324,053**	1,235,543
Less : Fee and Commission Expenses	**3,516**	3,201	**423,951**	392,318
Net Fee and Commission Income	**9,259**	9,724	**900,102**	843,225
Net Trading Income	**10,906**	615	**139,604**	157,036
Other Operating Income	**4,540**	2,832	**88,883**	75,878
Total Operating Income	**399,793**	362,535	**5,434,020**	5,236,506
Allowance/ (Writeback) of allowance for impairment on loans, advances and financing				
Individual Allowance for impairment	**3,499**	2,398	**103,575**	90,104
Collective Allowance for impairment	**1,256**	315	**91,510**	119,138
Impaired loans and financing recovered (-)	**-**	-	**109,177**	115,699
Others - net	**-**	-	**2,000**	2,662
Net Operating Income	**395,038**	359,822	**5,346,112**	5,140,301
Personnel Expenses	**71,981**	64,964	**1,267,394**	1,234,453
Depreciation and amortization	**11,885**	15,404	**110,152**	107,600
Premises, Equipment and establishment Expenses	**44,247**	44,156	**208,570**	213,939
Other Overhead Expenses	**26,732**	25,067	**211,477**	212,721
Operating Profit before Value Added Tax (VAT)	**240,193**	210,231	**3,548,519**	3,371,588
Value Added Tax (VAT) on Financial Services	**40,376**	35,571	**-**	-
Operating Profit after Value Added Tax (VAT)	**199,817**	174,660	**3,548,519**	3,371,588
Shares of profit after tax of equity accounted associated companies	**-**	-	**3,166**	(4,107)
Profit before Tax	**199,817**	174,660	**3,551,685**	3,367,481
Income Tax expenses	**69,784**	55,864	**713,394**	750,137
Profit for the period	**130,033**	118,796	**2,838,291**	2,617,344
Attributable to:				
Equity Holders of the Parent	**130,033**	118,796	**2,801,600**	2,579,807
Non-Controlling Interest	**-**	-	**36,691**	37,537
	130,033	118,796	**2,838,291**	2,617,344
Earnings per RM 1.00 share:				
- basic / diluted (sen)	**-**	-	**72.5**	66.8

LOANS AND RECEIVABLES

As at	Bank (Rs.'000)		Group (Rm.'000)	
	30-June-2018	31-December-2017	30-June-2018	31-December-2017
Gross loans and receivables	**6,897,821**	**6,546,051**	**310,657,755**	304,453,277
Less				
Individual assessment allowance	**(23,507)**	(20,008)	**(116,396)**	(91,190)
Collective assessment allowance	**(31,965)**	(30,661)	**(1,712,421)**	(1,317,960)
Net loans and receivables	**6,842,349**	6,495,382	**308,828,938**	303,044,127
Less				
Loans and receivables designated at fair value through profit or loss	**-**	-	**-**	-
Net loans and receivables	**6,842,349**	6,495,382	**308,828,938**	303,044,127

LOANS AND RECEIVABLES - BY PRODUCT

As at	Bank (Rs.'000)		Group (RM.'000)	
	30-June-2018	31-December-2017	30-June-2018	31-December-2017
By Product -Domestic Currency				
Government Securities Eligible for Rediscounting with Central Bank of Sri Lanka	-	-	-	-
Overdrafts	807,929	851,635	21,468	22,993
Housing loans / financing	935,652	961,415	30,268	32,149
Vehicle Loans	569,909	619,315	-	-
Hire purchase receivables	-	-	14,532	16,451
Other term loans / financing	3,542,116	3,320,230	91,621	88,857
Bills receivables	342,998	281,959	9,726	8,237
Staff loans	45,726	37,815	-	-
SubTotal	**6,244,330**	**6,072,369**	**167,615**	**168,687**
By Product -Foreign Currency				
Sri Lanka Development Bonds	324,291	155,942	-	-
Overdrafts	33,944	29,627	11,550,325	11,312,814
Housing loans / financing	251,310	251,575	107,869,985	103,624,781
Hire purchase receivables	-	-	50,185,721	50,407,916
Other term loans / financing	5,513	6,488	122,917,665	121,675,266
Credit Card Receivables	-	-	1,901,280	1,965,180
Bills receivables	38,433	30,050	167,474	138,455
Trust Receipts	-	-	246,908	254,011
Staff Loans	-	-	1,932,766	1,899,165
Other Loans			13,718,016	13,007,002
Sub Total	**653,491**	**473,682**	**310,490,140**	**304,284,590**
Total	**6,897,821**	**6,546,051**	**310,657,755**	**304,453,277**

MOVEMENT IN INDIVIDUAL AND COLLECTIVE ALLOWANCE FOR IMPAIRMENT FOR LOANS AND RECEIVABLES OTHER CUSTOMERS

As at	Bank (Rs.'000)		Group (RM.'000)	
	30-June-2018	31-December-2017	30-June-2018	31-December-2017
Individual Assessment Allowance				
Opening balance at 01 January (as previously stated)	**20,008**	15,408	**91,190**	121,894
-effects of changes in accounting policies			**(8,550)**	-
Opening balance at 01 January (as restated)			**82,640**	121,894
Net amount transfer from collective assessment allowance			**13,255**	-
Allowances made during the period / year	**3,499**	4,600	**109,115**	222,342
Amounts written back in respect of recoveries	**-**	-	**(5,540)**	(34,142)
Amounts written off	**-**	-	**(84,437)**	(197,591)
Amounts transferred to allowances for impairment loss on foreclosed properties	**-**	-	**-**	(376)
Exchange difference	**-**	-	**1,363**	(20,937)
Closing balance	**23,507**	20,008	**116,396**	91,190
Collective Assessment Allowance				
Opening balance at 01 January (as previously stated)	**30,661**	28,546	**1,317,960**	1,408,104
-effects of changes in accounting policies			**459,942**	-
Opening balance at 01 January (as restated)			**1,777,902**	1,408,104
Net amounts transferred to individual assessment allowance			**(13,255)**	-
Allowances made during the period / year	**1,256**	2,080	**91,510**	230,844
Amounts written off	**-**	-	**(143,034)**	(312,992)
Exchange difference	**48**	35	**(702)**	(7,996)
Closing balance	**31,965**	30,661	**1,712,421**	1,317,960
Total impairment	**55,472**	50,669	**1,828,817**	1,409,150

DEPOSITS FROM CUSTOMERS - BY PRODUCTS

As at	Bank (Rs.'000)		Group (RM.'000)	
	30-June-2018	31-December-2017	30-June-2018	31-December-2017
By Product -Domestic Currency				
Demand deposits	**297,755**	170,555	**10,634**	5,328
Savings deposits	**91,531**	107,605	**5,957**	8,310
Fixed deposits	**1,376,263**	1,270,096	**41,398**	40,847
Other deposits	**11,840**	10,680	**312**	333
Sub Total	**1,777,389**	1,558,936	**58,301**	54,818
By Product -Foreign Currency				
Demand deposits	**119,290**	31,247	**48,170,126**	47,606,416
Savings deposits	**142,107**	207,275	**36,171,162**	35,499,229
Fixed deposits	**286,892**	305,991	**191,411,519**	186,562,422
Negotiable instruments of deposit	**-**	-	**59,753**	36,439
Money market deposits	**-**	-	**53,998,684**	49,452,587
Other deposits	**907**	2,458	**30,606**	47,515
Sub Total	**549,196**	546,971	**329,841,850**	319,204,608
Total	**2,326,585**	2,105,907	**329,900,151**	319,259,426

STATEMENT OF CHANGES IN EQUITY AND RESERVES (BANK) (Rs. ' 000)

For the period ended 30 June 2018

	Stated Capital / Assigned capital			Reserves			
	Ordinary Voting Shares	Ordinary Non-Voting Shares	Assigned Capital	Statutory Reserve Fund	FCBU Revaluation reserve	Retained earnings	Total Equity
Balance as at 01 January 2018 (opening balance)	-	-	**3,792,318**	**87,586**	**158,820**	**1,673,601**	**5,712,325**
Profit for the period	-	-	-	-	-	**130,033**	**130,033**
Total comprehensive income for the period	-	-	-	-	-	**130,033**	**130,033**
Transactions with equity holders, recognised directly in equity:							
Gain on Translation of FCBU	-	-	-	-	**12,458**	-	**12,458**
Total transactions recorded directly in equity	-	-	-	-	**12,458**	-	**12,458**
Balance as at 30 June 2018 (Closing Balance)	-	-	**3,792,318**	**87,586**	**171,278**	**1,803,634**	**5,854,816**

STATEMENT OF CHANGES IN EQUITY AND RESERVES (GROUP) (RM. ' 000)

For the period ended 30 June 2018

	Stated Capital / Assigned capital	Reserves						
	Share Capital	Statutory Reserve Fund	Other Reserves	Retained Profits	Treasury Shares	Total Shareholders' Equity	Non-controlling Interests	Total Equity
Balance as at 01 January 2018 (opening balance)	**9,417,653**	**30,718**	**3,342,613**	**24,723,059**	**(149,337)**	**37,364,706**	**1,080,954**	**38,445,660**
Effect of changes in accounting policies	-	-	(124,606)	402,554	-	277,948	(13,259)	264,689
Balance as at 01 January 2018 (as restated)	**9,417,653**	**30,718**	**3,218,007**	**25,125,613**	**(149,337)**	**37,642,654**	**1,067,695**	**38,710,349**
Profit for the period	-	-	-	2,801,600	-	2,801,600	36,691	2,838,291
Other comprehensive loss for the period	-	-	(101,603)	-	-	(101,603)	(9,526)	(111,129)
Total comprehensive income/(loss) for the period	-	-	(101,603)	2,801,600	-	2,699,997	27,165	2,727,162
Transactions with owners / other equity movements :								
Disposal of treasury shares	-	-	-	325,120	149,337	474,457	-	474,457
Transfer to regulatory reserves	-	-	84,601	(84,601)	-	-	-	-
Transfer to general reserves	-	-	80,745	(80,745)	-	-	-	-
Dividends paid	-	-	-	(1,312,908)	-	(1,312,908)	(7,560)	(1,320,468)
	-	-	**165,346**	**(1,153,134)**	**149,337**	**(838,451)**	**(7,560)**	**(846,011)**
Balance as at 30 June 2018 (Closing Balance)	**9,417,653**	**30,718**	**3,281,750**	**26,774,079**	-	**39,504,200**	**1,087,300**	**40,591,500**

STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 JUNE 2018

	BANK (Rs.'000)	GROUP (RM.'000)
	30 June 2018	30 June 2018
Cash flows from Operating activities		
Profit Before Income Tax	**199,817**	**3,551,685**
Adjustment for:		
Depreciation and amortisation	**44,247**	**110,152**
Allowance for impaired loans and advances	**4,755**	**195,085**
Share of profit after tax of equity accounted associated companies	**-**	**(3,166)**
Provision for retirement benefits	**2,958**	**-**
Dividend income	**-**	**(622)**
Net gain on financial instruments	**-**	**(23,867)**
Allowances for impairment on other asset	**-**	**1,953**
Other non-cash items	**-**	**(11,111)**
Change in operating assets	**(360,388)**	**(8,992,152)**
Change in operating liabilities	**577,136**	**8,598,017**
Tax expenses and zakat paid	**(45,939)**	**(626,179)**
Net cash generated from operating activities	**422,586**	**2,799,795**
Cash flows from investing activities		
Purchases of property plant and equipment	**(45,821)**	**(65,992)**
Proceeds from disposal of properties	**1,818**	**4,299**
Net (purchases) /sale of financial investments	**(296,712)**	**(5,908,138)**
Dividends received	**-**	**622**
Net cash used in investing activities	**(340,715)**	**(5,969,209)**
Cash flows from financing activities		
Dividends paid to the equity holders of the bank	**-**	**(1,320,468)**
Net preceeds from issuance of debt securities	**-**	**1,898,600**
Net (repayment)/ drawdown of borrowings	**-**	**(4,511)**
Net proceeds from disposal of treasury shares	**-**	**474,457**
Redemption of debt Securities	**-**	**(400,000)**
Net cash generated from financing activities	**-**	**648,078**
Net increase/(decrease) in cash and cash equivalents	**81,871**	**(2,521,336)**
Cash and cash equivalents at the beginning of the period	**824,354**	**12,898,446**
Exchange differences on translation of opening balances	**12,458**	**(42,146)**
Cash and cash equivalents at end of the period	**918,683**	**10,334,964**
Cash and cash equivalents	**918,683**	**11,050,277**
Less :Balances with banks with original maturity more than three months	**-**	**(715,313)**
Cash and cash equivalents at end of the period	**918,683**	**10,334,964**

STATEMENT OF COMPREHENSIVE INCOME (BANK) (Rs. ' 000) (GROUP) (RM. ' 000)

For the period ended 30 June 2018

	BANK (Rs.'000)		GROUP (RM.'000)	
	For the period ended 30 June 2018	For the period ended 30 June 2017	For the period ended 30 June 2018	For the period ended 30 June 2017
Profit for the period	**130,033**	118,796	**2,838,291**	2,617,344
Other comprehensive income / (loss)				
Defined benefit reserves:				
- Gains/ (losses) on defined benefit plans	**-**	-	**-**	-
	-	-	**-**	-
Foreign currency translation reserves :				
- Currency translation differences in respect of				
- Gain on translation of FCBU	**12,458**	7,240	**-**	-
- Foreign operations	**-**	-	**(53,491)**	(341,361)
- Net investment hedge	**-**	-	**(2,029)**	215,508
Revaluation reserves	**-**	-		
- Net changes in revaluation of financial investments				
'- at fair value through other comprehensive income	**-**	-	**(162,108)**	-
' -available-for-sale	**-**	-	**-**	67,250
Hedging reserves				
- Net change in cash flow hedges	**-**	-	**92,157**	(19,298)
	12,458	7,240	**(125,471)**	(77,901)
Income tax relating to components of other comprehensive income/(loss):				
- Revaluation reserves	**-**	-	**36,681**	(11,484)
- Hedging reserves	**-**	-	**(22,118)**	4,631
	-	-	**14,563**	(6,853)
Share of (loss) / profit of equity accounted associated companies				
- Revaluation reserves	**-**	-	**(221)**	279
Other comprehensive income/(loss) for the period net of tax	**12,458**	7,240	**(111,129)**	(84,475)
Total comprehensive income for the period	**142,491**	126,036	**2,727,162**	2,532,869
Total comprehensive income/(loss) for the period attributable to:				
- Equity holders of the parent	**142,491**	126,036	**2,699,997**	2,546,797
- Non-controlling interests	**-**	-	**27,165**	(13,928)
	142,491	126,036	**2,727,162**	2,532,869

SELECTED PERFORMANCE INDICATORS (BANK) (Rs. ' 000) (GROUP) (RM. ' 000)

as at 30 June 2018

	As at 30 June 2018 Bank (Solo Basis)	As at 31 December 2017 Bank (Solo Basis)	As at 30 June 2018 Group	As at 31 December 2017 Group
	Basel 111	Basel 111	Basel 11	Basel 11
Regulatory Capital Adequacy				
Common Equity Tier 1 Capital	**5,432,102**	**5,396,140**	**34,782,962**	**32,834,013**
Total Tier 1 Capital	**5,432,102**	**5,396,140**	**36,498,953**	**34,841,363**
Total Capital	**5,464,067**	**5,426,800**	**44,286,118**	**42,446,740**
Total Risk - Weighted Assets	**7,511,294**	**6,976,232**	**263,950,166**	**257,351,779**
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital Ratio (Minimum Requirement : 5.75%)	**72.32%**	**77.35%**	**13.18%**	**12.76%**
Total Tier 1 Capital Ratio (Minimum Requirement : 7.25%)	**72.32%**	**77.35%**	**13.83%**	**13.54%**
Total Capital Ratio (Minimum Requirement : 11.25%)	**72.74%**	**77.79%**	**16.78%**	**16.49%**
Leverage Ratio (Minimum Requirment :3%)	**49.02%**	**56.09%**		
Assets Quality (Quality of Loan Portfolio)				
Gross Non - Performing Advances Ratio, % (Without Interest in Suspense)	**1.35%**	1.10%		
Net Non - Performing Advances Ratio, % (net of interest in suspense and provision)	**0.33%**	0.15%		
Profitability				
Interest Margin, %	**9.23%**	9.51%		
Return on Assets (before Tax). %	**4.72%**	4.72%		
Return on Equity, %	**4.48%**	4.40%		
Regulatory Liquidity				
Statutory Liquid Assets	**1,950,575**	2,239,614		
Statutory Liquid Assets Ratio,% (Minimum Requirement, 20%)				
Domestic Banking unit	**96.50%**	98.15%		
Off-Shore Banking Unit	**34.86%**	81.16%		
Liquidity Coverage Ratio				
Liquidity Coverage Ratio (%) - Rupee (Minimum Requirement - 100%)	**599.80%**	1037.78%		
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement -100%)	**510.00%**	916.46%		

FAIR VALUE MEASUREMENTS

FAIR VALUES OF FINANCIAL INSTRUMENTS NOT CARRIED AT FAIR VALUE

Set out below is the comparison of the carrying amounts and fair values of the financial instruments of the Bank which are not carried at fair value in the financial statements

It does not include those short term/on demand financial assets and financial liablilities where the carrying amounts are reasonable approximation of their fair values:

	Bank (Rs.'000)	Bank (Rs.'000)
	Carrying amount as at 30 June 2018	Fair value as at 30 June 2018
Financial assets		
Cash and Cash Equivalents	918,683	918,683
Statutory Deposits with Central Bank of Sri Lanka	105,642	105,642
Sri Lanka Government Securities	848,218	848,218
Loans and Receivables	6,842,349	6,836,922
Financial liabilities		
Deposits from customers		
- Retail customers	1,372,308	1,372,308
- Corporate customers	914,014	914,014
- Interest payable	40,263	40,263
Deposits from Banks	318,369	318,369

CREDIT QUALITY OF GROSS LOANS, ADVANCES AND FINANCING

GROSS LOANS, ADVANCES AND FINANCING ARE ANALYSED AS FOLLOWS

	Bank (Rs.'000)
	As at 30 June 2018
Neither past due nor impaired	5,072,265
Past due but not impaired	1,732,579
Impaired	92,977
	6,897,821

BASIS OF PREPARATION

The unaudited interim financial statements of the Bank has been prepared in accordance with Sri Lanka Accounting Standards 34 - Interim Financial reporting and should be read in conjunction with the audited annual financial

The unaudited interim financial statements of the Group have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The unaudited interim financial statements should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 31 December 2016.

MARKET RISK

The following tables indicate the effective interest rate/rate of return at the reporting date and the Bank's sensitivity to the interest rate/rate of return by time band based on the earlier of contractual repricing date and maturity date. Actual repricing dates may differ from contractual repricing dates due to prepayment of loans, advances and financing or early withdrawal of deposits.

As at 30 June 2018, Bank (Rs.'000) ASSETS	Less than 7 Days	7-30 Days	1-3 Months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Over 5 Years	Non-interest Sensitive	Total
Cash and balances with banks	498,281	401,362	19,040	-	-	-	-	-	105,642	1,024,325
Government Securities - Held-to-maturity	-	20,153	237,743	438,289	-	152,033	-	-	-	848,218
Loans, advances and financing	35,713	1,118,456	344,915	309,856	479,901	1,860,290	2,615,466	-	77,752	6,842,349
Other non-interest/profit	-	-	-	-	-	-	-	-	125,318	125,318
Sensitive balances	**533,994**	**1,539,971**	**601,698**	**748,145**	**479,901**	**2,012,323**	**2,615,466**	-	**308,712**	**8,840,210**
LIABILITIES AND EQUITY										
Deposits from customers	662,873	318,190	540,967	343,799	460,756	-	-	-	-	2,326,585
Deposit from Banks	-	316,171	637	-	-	-	-	-	1,561	318,369
Other non-interest/profit sensitive balances	-	-	-	-	-	-	-	-	340,440	340,440
Total Liabilities	**662,873**	**634,361**	**541,604**	**343,799**	**460,756**	-	-	-	**342,001**	**2,985,394**
Equity attributable to equity holders of the Bank	-	-	-	-	-	-	-	-	5,854,816	5,854,816
TOTAL LIABILITIES AND EQUITY	-	-	-	-	-	-	-	-	**5,854,816**	**5,854,816**
On-balance sheet interest/ profit sensitivity gap	(128,879)	905,610	60,094	404,346	19,145	2,012,323	2,615,466	-	(5,888,105)	-
TOTAL INTEREST/PROFIT SENSITIVITY GAP	**(128,879)**	**905,610**	**60,094**	**404,346**	**19,145**	**2,012,323**	**2,615,466**	-	**(5,888,105)**	-

CERTIFICATION:

We, the undersigned, being the Country Head and the Head of Finance of Public Bank Berhad Sri Lanka branch certify jointly that:

(a) The above statements have been prepared in compliance with the format and definitions prescribed by the Central bank of Sri Lanka;
(b) The information contained in these statements have been extracted from the unaudited financial statements of the Bank.
(c) Group figures of financial assets at fair value through profit or loss,financial investments at fair value through other comprehensive income and financial investments at amortised cost have been prepared based on MFRS 9 Accounting Policies.
(d) The Sri Lanka Accounting Standard -SLFRS 9 Financial Insruments is effective for annual periods beginning on or after 1st January 2018 and will replace LKAS 39 -Financial instruments :Recognition and Measurement.Accordingly, in reporting the interim results, the Bank is required to apply SLFRS 9 and to be in compliance with the same

However, as per the "Statement of Alternative Treatment (SoAT) on the Figures in the Interim Financial Statements",CA Sri Lanka has granted the option to prepare the interim financial statements continuing the application of LKAS 39 Financial Instrument:Recognition and Measurement.Accordingly,the accounting policies and method of computations adopted for the preparation and presentation of the financial statements for the quarter ended, are consistent with LKAS 39 Financial Intruments:Recognition and Measurment.

Angelo Fernando
(Sgd.) Country Head
29 August 2018

Ajith Dhammika Lanerolle
(Sgd.) Head of Finance
29 August 2018

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SRI LANKA BRANCH

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