

FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2017

AAA/STABLE/P1
 RAM Ratings

STATEMENT OF FINANCIAL POSITION

As at	BANK (RS.'000)		GROUP (RM.'000)	
	30-June-2017	31-December-2016 (Audited)	30-June-2017	31-December-2016 (Audited)
ASSETS				
Cash and cash equivalents	590,343	1,039,584	16,912,750	10,684,092
Statutory Deposit with Central Bank of Sri Lanka / Other Central Banks	74,304	60,945	9,007,322	8,900,566
Derivative Repurchases Agreements	-	-	1,148,708	2,793,563
Derivative Financial Instruments	-	-	233,137	618,141
Government Securities - Held-for-trading	-	-	2,187,140	501,621
Other Financial Assets held-for-trading	-	-	1,275,374	677,263
Loans and Receivables	6,059,524	6,056,508	297,013,943	292,429,184
Financial Investments Available-for-Sale	-	-	30,282,623	33,345,205
Government Securities - Held-to-maturity	1,554,020	680,180	15,776,639	15,431,063
Financial Investments - Held-to-maturity	-	-	9,981,681	6,742,863
Investments in Associates	-	-	34,307	38,137
Property, Plant & Equipment	52,543	61,548	1,485,786	1,528,326
Investment properties	-	-	693,016	699,469
Intangible assets	5,836	10,096	2,522,488	2,603,621
Deferred Tax Assets	98	98	75,125	65,189
Other Assets	62,875	72,347	2,432,333	2,994,523
TOTAL ASSETS	8,399,543	7,981,306	391,062,372	380,052,826
LIABILITIES				
Deposits from banks	732,743	766,935	12,487,237	11,810,823
Deposits from Customers	1,829,274	1,563,785	317,268,696	309,973,568
Obligations on securities sold under repurchase agreements	-	-	20,472	2,469,834
Derivative Financial Instruments	-	-	708,710	1,328,691
Other Borrowings	-	-	3,793,488	2,249,295
Debt securities issued and other borrowed funds	-	-	15,011,487	11,514,274
Current Tax Liabilities	69,031	53,862	740,775	563,114
Retirement Benefit Obligation	33,812	32,566	-	-
Deferred Tax Liabilities	-	-	152,292	155,287
Other Liabilities	152,926	108,437	4,226,337	4,624,169
TOTAL LIABILITIES	2,817,786	2,525,585	354,409,494	344,689,055
Equity				
Share Capital/Assigned Capital	3,792,318	3,792,318	9,417,653	3,882,138
Statutory Reserve Fund	75,276	75,276	24,404	4,950,283
Retained Earnings	1,555,446	1,436,650	23,003,129	16,898,317
Total Other Reserves	158,717	151,477	3,079,248	8,482,577
Total Shareholders' equity	5,581,757	5,455,721	35,524,434	34,213,315
Non-controlling Interests	-	-	1,128,444	1,150,456
Total Equity	5,581,757	5,455,721	36,652,878	35,363,771
TOTAL LIABILITIES AND EQUITY	8,399,543	7,981,306	391,062,372	380,052,826
Contingent liabilities and commitments				
Contingencies	1,797,189	1,511,423	108,732,547	105,592,459
Commitments	1,315,747	953,491	3,715,777	3,965,800
	481,442	557,932	105,016,770	101,626,659
Memorandum Information				
Number of Employees	62	62	18,436	18,651
Number of Branches	3	3	264	264

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

For the period ended	BANK (RS.'000)		GROUP (RM.'000)	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
Interest Income	411,693	282,118	7,535,036	7,453,031
Less: Interest Expenses	62,329	25,576	3,869,812	4,068,783
Net Interest Income	349,364	256,542	3,665,224	3,384,248
Net Income From Islamic Banking Business	-	-	495,143	460,605
Net Interest Income and net Income from Islamic Banking Business	349,364	256,542	4,160,367	3,844,853
Fee and Commission Income	12,925	13,517	1,235,543	1,131,097
Less: Fee and Commission Expenses	3,201	1,981	392,318	366,840
Net Fee and Commission Income	9,724	11,536	843,225	764,257
Net Trading Income	615	12,716	157,036	192,903
Other Operating Income	2,832	1,749	75,878	126,669
Total Operating Income	362,535	282,543	5,236,506	4,928,682
Allowance/ (Writeback) of allowance for impairment on loans, advances and financing	2,398	1,093	90,104	108,533
Individual assessment allowance	315	2,148	119,138	132,249
Collective assessment allowance	-	-	115,699	103,744
Impaired loans and financing recovered (-)	-	-	2,662	(1,353)
Others - net	-	-	-	-
Net Operating Income	359,822	279,302	5,140,301	4,792,727
Personnel Expenses	64,964	55,101	1,234,453	1,119,531
Depreciation and amortization	15,404	14,204	107,600	98,147
Premises, Equipment and establishment Expenses	44,156	39,410	213,939	191,205
Other Operating Expenses	25,067	24,526	212,721	182,433
Operating Profit before Value Added Tax (VAT)	210,231	146,061	3,371,588	3,201,411
Value Added Tax (VAT) on Financial Services	35,571	20,175	-	-
Operating Profit after Value Added Tax (VAT)	174,660	125,886	3,371,588	3,201,411
Shares of (loss)/ profit after tax of equity accounted associated companies	-	-	(4,107)	1,668
Profit before Tax	174,660	125,886	3,367,481	3,203,079
Income Tax expenses	55,864	41,526	750,137	687,427
Profit for the period	118,796	84,360	2,617,344	2,515,652
Attributable to:				
Equity Holders of the Parent	118,796	84,360	2,579,807	2,485,943
Non-Controlling Interest	-	-	37,537	29,709
	118,796	84,360	2,617,344	2,515,652
Earnings per RM 1.00 share: - basic / diluted (sen)	-	-	66.8	64.4

As at	Bank (Rs.'000)		Group (RM.'000)	
	30-June-2017	31-December-2016	30-June-2017	31-December-2016
Gross loans and receivables	6,106,224	6,100,462	298,473,240	293,959,182
Less				
Individual Assessment Allowance	(17,806)	(15,408)	(98,037)	(121,894)
Collective Assessment Allowance	(28,894)	(28,546)	(1,361,260)	(1,408,104)
Net loans and receivables	6,059,524	6,056,508	297,013,943	292,429,184
Less				
Loans and receivables designated at fair value through profit or loss	-	-	-	-
Net loans and receivables	6,059,524	6,056,508	297,013,943	292,429,184

As at	Bank (Rs.'000)		Group (RM.'000)	
	30-June-2017	31-December-2016	30-June-2017	31-December-2016
By product - Domestic Currency				
Government Securities Eligible for Rediscouting with Central Bank of Sri Lanka	-	98,038	-	-
Overdrafts	606,842	650,123	18,158	20,285
Housing loans/financing	954,587	959,226	34,168	37,932
Vehicle loans	645,993	674,385	18,000	20,291
Other term loans / financing	3,087,687	2,786,163	88,074	84,701
Bills receivables	281,246	373,003	7,948	12,071
Staff loans	40,141	36,913	-	-
Sub total	5,614,496	5,577,851	166,348	175,280
By product - Foreign Currency				
Sri Lanka Development Bonds	155,890	152,947	-	-
Overdrafts	42,830	33,159	11,536,882	11,362,190
Housing loans/financing	267,852	303,568	98,917,909	95,579,510
Hire purchase receivables	-	-	51,247,855	51,964,419
Other term loans / financing	2,498	2,905	119,733,886	117,742,307
Credit card receivables	-	-	1,833,757	1,894,574
Bills receivables	22,658	30,032	150,515	181,528
Trust receipts	-	-	272,842	330,262
Staff loans	-	-	1,859,530	1,824,156
Other loans	-	-	12,753,716	12,904,956
Sub total	491,728	522,611	298,306,892	293,783,902
Total	6,106,224	6,100,462	298,473,240	293,959,182

As at	Bank (Rs.'000)		Group (RM.'000)	
	30-June-2017	31-December-2016	30-June-2017	31-December-2016
Individual Assessment Allowance				
Opening balance at 01 January	15,408	12,675	121,894	121,947
Allowances made during the period / year	2,998	2,733	99,999	240,200
Amounts written back in respect of recoveries	-	-	(8,895)	(32,481)
Amounts written off	-	-	(106,707)	(230,741)
Amounts transferred to allowances for impairment loss on foreclosed properties	-	-	-	(1,690)
Amount arising from acquisition of Public Bank Vietnam Limited	-	-	-	3,372
Exchange difference	17,806	15,408	(7,254)	21,287
Closing balance	28,546	31,516	1,406,104	1,510,637
Collective Assessment Allowance				
Opening balance at 01 January	315	8,652	119,138	203,158
Allowances made / reversed during the period / year	-	-	(162,386)	(317,365)
Amounts written off	-	-	-	-
Amount arising from acquisition of Public Bank Vietnam Limited	-	-	-	7,742
Exchange difference	33	80	(3,596)	3,332
Closing balance	28,884	28,546	1,361,260	1,408,104
Total impairment	46,700	43,954	1,459,297	1,529,998

As at	Bank (Rs.'000)		Group (RM.'000)	
	30-June-2017	31-December-2016	30-June-2017	31-December-2016
By product - Domestic Currency				
Demand deposits	219,039	216,997	8,647	7,799
Savings deposits	140,045	208,521	6,861	10,136
Fixed deposits	938,703	828,825	34,111	28,316
Other deposits	3,676	738	750	138
Sub total	1,301,463	1,255,481	50,369	46,389
By product - Foreign Currency				
Demand deposits	90,361	43,412	46,769,946	45,462,664
Savings deposits	105,443	129,532	34,499,482	32,492,067
Fixed deposits	308,849	131,495	183,427,760	180,154,360
Other deposits	-	-	-	-
Sub total	504,653	294,439	164,697,208	168,119,131
Total	1,829,274	1,563,785	317,268,696	309,973,568

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

For the period ended 30 June 2017	Stated Capital / Assigned capital				Reserves		
	Ordinary Shares	Voting Shares	Assigned Capital	Statutory Reserve Fund	FCBU Revaluation reserve	Retained earnings	Total Equity
Balance as at 01 January 2017 (opening balance)	-	-	3,792,318	75,276	151,477	1,436,650	5,455,721
Profit for the period	-	-	-	-	-	118,796	118,796
Gain on translation of FCBU	-	-	-	-	7,240	-	7,240
Total comprehensive income for the period	-	-	-	-	7,240	118,796	126,036
Transactions with equity holders / other equity movements:							
Transfers	-	-	-	-	-	-	-
Total transactions recorded directly in equity	-	-	-	-	-	-	-
Balance as at 30 June 2017 (Closing Balance)	-	-	3,792,318	75,276	158,717	1,555,446	5,581,757

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

For the period ended 30 June 2017	Stated Capital / Assigned capital				Reserves				
	Share Capital	Share Premium	Statutory Reserve Fund	Retained Profits	Treasury Shares	Total Shareholders' Equity	Non-controlling Interests	Total Equity	
Balance as at 01 January 2017 (opening balance)	3,882,138	5,535,515	4,950,283	3,096,399	16,898,317	(149,337)	34,213,315	1,150,456	35,363,771
Profit for the period	-	-	-	2,579,807	-	2,579,807	37,537	2,617,344	-
Other comprehensive (loss)/ income for the period	-	-	-	(33,010)	-	(33,010)	(51,465)	(84,475)	-
Total comprehensive (loss)/ income for the period	-	-	-	2,546,797	-	2,546,797	(13,928)	2,532,869	-
Transactions with owners / other equity movements:									
Transfer pursuant to Companies Act 2016	5,535,515	(5,535,515)	-	-	-	-	-	-	-
Transfer to Profit Equalisation Reserve of the Islamic Banking Institution	-	-	(4,925						