

## FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2019

AAA/STABLE/P1  
RAM Ratings

### STATEMENT OF FINANCIAL POSITION

As at	BANK (Rs.'000)		GROUP (RM.'000)	
	30-June-2019	31-December-2018 (Audited)	30-June-2019	31-December-2018 (Audited)
<b>ASSETS</b>				
Cash and cash equivalents	976,504	871,016	15,283,466	14,740,218
Statutory deposit with Central Bank of Sri Lanka / other Central Banks	66,890	111,642	11,133,233	10,279,227
Reverse repurchases agreements	-	-	1,093,680	200,881
Derivative financial instruments	-	-	130,380	185,891
Financial assets at fair value through profit or loss	-	-	2,787,573	2,380,134
Financial investments at fair value through other comprehensive income	19,351	19,351	37,326,913	42,342,483
Loans, advances and financing	6,690,748	6,877,469	321,699,445	315,259,166
Financial investments at amortized cost	1,369,593	1,194,626	27,903,341	27,018,444
Investments in Associates	-	-	72,454	70,416
Property, Plant & Equipment	180,930	151,267	1,466,649	1,567,199
Right-of-use assets	-	-	1,046,843	-
Investment properties	-	-	757,571	719,207
Intangible assets	3,688	3,508	2,457,015	2,454,755
Deferred Tax Assets	4,680	4,680	79,166	81,374
Other Assets	92,228	26,371	2,440,384	2,393,887
<b>TOTAL ASSETS</b>	<b>9,404,612</b>	<b>9,259,930</b>	<b>425,678,113</b>	<b>419,693,282</b>
<b>LIABILITIES</b>				
Deposits from banks	687,280	434,849	9,117,919	9,483,154
Deposits from customers	2,311,118	2,543,579	349,099,445	339,159,892
Obligations on securities sold under repurchase agreements	-	-	198,502	4,045,605
Derivative financial instruments	-	-	255,698	297,664
Other Borrowings	-	-	5,716,525	5,714,595
Debt securities issued and other borrowed funds	-	-	10,735,375	13,436,794
Current Tax Liabilities	83,598	73,322	500,342	341,697
Retirement Benefit Obligation	35,598	33,439	-	-
Deferred Tax Liabilities	-	-	146,717	141,948
Lease liabilities	-	-	1,113,696	-
Other Liabilities	155,989	137,219	5,229,192	4,975,470
<b>TOTAL LIABILITIES</b>	<b>3,273,583</b>	<b>3,222,408</b>	<b>382,113,411</b>	<b>377,596,819</b>
<b>Equity</b>				
Share capital/Assigned capital	3,792,318	3,792,318	9,417,653	9,417,653
Statutory reserve fund	100,683	100,683	36,682	36,682
Retained earnings	2,002,474	1,890,530	29,410,727	28,317,913
Total other reserves	235,554	253,991	3,543,487	3,200,808
Equity attributable to equity holders of the Bank	6,131,029	6,037,522	42,408,549	40,973,056
Non-controlling interests	-	-	1,156,153	1,123,407
Total Equity	6,131,029	6,037,522	43,564,702	42,096,463
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>9,404,612</b>	<b>9,259,930</b>	<b>425,678,113</b>	<b>419,693,282</b>
<b>Contingent liabilities and commitments</b>				
Contingencies	2,864,055	2,821,175	94,519,284	96,368,336
Commitments	2,117,259	2,352,904	3,241,236	3,199,016
	746,796	468,271	91,278,048	93,169,320
<b>Memorandum Information</b>				
Number of Employees	62	62	18,891	18,721
Number of Branches	3	3	270	270

### STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

As at	BANK (Rs.'000)		GROUP (RM.'000)	
	For the period ended 30 June 2019	For the period ended 30 June 2018	For the period ended 30 June 2019	For the period ended 30 June 2018
Interest Income	509,397	458,093	8,187,260	7,918,599
Less: Interest Expenses	95,221	83,005	4,456,700	4,141,476
<b>Net Interest Income</b>	<b>414,176</b>	<b>375,088</b>	<b>3,730,560</b>	<b>3,777,123</b>
Net Income From Islamic Banking Business	-	-	543,220	528,308
Net Interest Income and net Income from Islamic Banking Business	414,176	375,088	4,273,780	4,305,431
Fee and Commission Income	11,085	12,775	1,260,213	1,324,053
Less : Fee and Commission Expenses	3,217	3,516	380,225	423,951
<b>Net Fee and Commission Income</b>	<b>7,868</b>	<b>9,259</b>	<b>879,988</b>	<b>900,102</b>
Net Trading Income	8,499	10,906	138,034	139,604
Other Operating Income	3,927	4,540	201,670	88,883
Total Operating Income	434,470	399,793	5,493,472	5,434,020
(Allowance)/ Writeback of allowance for impairment on loans, advances and financing	(9,515)	(4,755)	(175,607)	(195,085)
Expected credit losses	-	-	113,603	109,130
Impaired loans and financing recovered	-	-	(1,202)	(1,953)
Others - net	-	-	11,603	(1,953)
<b>Net Operating Income</b>	<b>424,955</b>	<b>395,038</b>	<b>5,430,266</b>	<b>5,346,112</b>
Personnel Expenses	71,955	71,981	1,351,919	1,267,394
Depreciation and amortization	11,244	11,885	170,275	208,570
Premises, Equipment and establishment Expenses	59,446	44,247	176,982	110,152
Other Overhead Expenses	23,236	21,711	182,207	211,477
<b>Operating Profit before VAT, NBT on financial service and Debt Repayment Levy</b>	<b>259,074</b>	<b>245,214</b>	<b>3,548,883</b>	<b>3,548,519</b>
Value Added Tax (VAT) on Financial Services	42,476	40,376	-	-
National Building Tax (NBT) on Financial Services	5,214	5,021	-	-
Debt Repayment Levy (DRL)	21,853	-	-	-
<b>Operating Profit after VAT, NBT on financial service and Debt Repayment Levy</b>	<b>189,531</b>	<b>199,817</b>	<b>3,548,883</b>	<b>3,548,519</b>
Shares of profit / (loss) after tax of equity accounted associated companies	-	-	951	3,166
<b>Profit before Tax</b>	<b>189,531</b>	<b>199,817</b>	<b>3,549,834</b>	<b>3,551,685</b>
Income Tax expenses	77,587	69,784	769,429	713,394
<b>Profit for the Period</b>	<b>111,944</b>	<b>130,033</b>	<b>2,780,405</b>	<b>2,838,291</b>
Attributable to:				
Equity Holders of the Parent	111,944	130,033	2,743,039	2,801,600
Non-Controlling Interest	-	-	37,366	36,691
	111,944	130,033	2,780,405	2,838,291
Earnings per RM 1.00 share:				
- basic / diluted (sen)	-	-	70.7	72.5

### LOANS, ADVANCES AND FINANCING

As at	Bank (Rs.'000)		Group (RM.'000)	
	30-June-2019	31-December-2018	30-June-2019	31-December-2018
Gross loans, advances and financing at amortised cost	6,774,264	6,954,971	323,692,880	317,301,579
Less : Allowances for impairment	(24,999)	(26,921)	(1,094,240)	(1,086,325)
Expected credit losses	(4,271)	(3,966)	(493,185)	(546,221)
- stage 1	(4,271)	(3,966)	(493,185)	(546,221)
- stage 2	(54,246)	(46,615)	(406,010)	(409,867)
- stage 3	-	-	-	-
Net loans, advances and financing receivables	6,690,748	6,877,469	321,699,445	315,259,166

### LOANS, ADVANCES AND FINANCING - BY PRODUCT

As at	Bank (Rs.'000)		Group (RM.'000)	
	30-June-2019	31-December-2018	30-June-2019	31-December-2018
Overdrafts	1,010,566	950,861	11,534,636	11,558,286
Housing loans / financing	1,105,697	1,139,058	116,304,536	112,302,675
Other term loans / financing	3,763,247	3,961,864	122,819,447	121,090,161
Credit card receivables	393,859	315,132	139,712	155,074
Bills receivables	446,967	535,103	1,995,449	1,971,073
Vehicle loans	53,928	52,953	51,006,386	50,487,731
Staff loans	-	-	222,992	254,809
Hire purchase receivables	-	-	3,656,940	3,803,866
Trust receipts	-	-	10,431,015	10,483,874
Claims on customers under acceptance credits	-	-	3,596,712	3,129,190
Revolving credits	-	-	-	-
Syndicated term loans / financing	-	-	-	-
	6,774,264	6,954,971	323,692,880	317,301,579

### MOVEMENT IN EXPECTED CREDIT LOSSES DURING THE PERIOD / YEAR FOR LOANS, ADVANCES AND FINANCING

As at	Bank (Rs.'000)		Group (RM.'000)	
	30-June-2019	31-December-2018	30-June-2019	31-December-2018
Opening balance at 01 January 2019	77,502	74,750	2,042,413	2,097,362
Net expected credit losses during the year	6,074	3,265	-	-
reversal of write-off during the year	-	(798)	-	-
Loans, advances and financing derecognised (other than write-off)	-	(97,577)	(174,778)	-
New loans, advances and financing originated	-	144,327	304,228	-
Net remeasurement due to changes in credit risk	-	129,966	284,852	-
Modifications to contractual cash flows	-	636	5,647	-
Amounts written off	-	(226,146)	(482,440)	-
Losses transferred to allowances for impairment	-	796	(36)	-
Exchange difference	(60)	285	796	737
Closing balance as at 30 June 2019	83,516	77,502	1,993,435	2,042,413

### DEPOSITS FROM CUSTOMERS - BY PRODUCTS

As at	Bank (Rs.'000)		Group (RM.'000)	
	30-June-2019	31-December-2018	30-June-2019	31-December-2018
Demand deposits	275,333	436,130	50,363,537	50,023,160
Savings deposits	285,383	307,304	37,869,768	37,034,511
Fixed deposits	1,723,360	1,782,920	196,540,998	196,788,732
Negotiable instruments of deposit	-	-	72,902	133,528
Call deposits	13,160	13,564	-	-
Money market deposits	-	-	64,218,375	55,129,516
Other deposits	13,882	3,661	33,865	50,445
Total	2,311,118	2,543,579	349,099,445	339,159,892

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

For the year ended 30 June 2019	Stated Capital / Assigned capital				Reserves			
	Ordinary Voting Shares	Ordinary Non-Voting Shares	Assigned Capital	Statutory Reserve Fund	FCBU Revaluation reserve	Other reserves	Retained earnings	Total Equity
Balance as at 01 January 2019 - as previously stated	-	-	3,792,318	100,683	236,669	17,322	1,890,530	6,037,522
- effect of changes in accounting policies	-	-	-	-	-	-	-	-
At 01 January 2019, as restated	-	-	3,792,318	100,683	236,669	17,322	1,890,530	6,037,522
Profit for the Period	-	-	-	-	-	-	111,944	111,944
Gain on translation of FCBU	-	-	-	-	(18,437)	-	(18,437)	(18,437)
Deferred tax expense on other comprehensive income	-	-	-	-	-	-	-	-
Net Change in fair value of equity instruments	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the Period</b>	-	-	-	-	(18,437)	-	111,944	93,507
Transactions with equity holders, recognised directly in equity:								
Transfer to Statutory Reserve Fund	-	-	-	-	-	-	-	-
<b>Total transactions recorded directly in equity</b>	-	-	-	-	-	-	-	-
Balance as at 30 June 2019 (Closing Balance)	-	-	3,792,318	100,683	218,232	17,322	2,002,474	6,131,029

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

For the year ended 30 June 2019	Stated Capital / Assigned capital				Reserves			
	Share Capital	Share Premium	Statutory Reserve Fund	Other Reserves	Retained Profits	Total Shareholders' Equity	Non-controlling Interests	Total Equity
Balance as at 01 January 2019 - as previously stated	9,417,653	-	36,682	3,200,808	28,317,913	40,973,056	1,123,407	42,096,463
- effect of changes in accounting policies	-	-	-	-	(38,630)	(38,630)	(931)	(39,561)
At 01 January 2019, as restated	9,417,653	-	36,682	3,200,808	28,279,283	40,934,426	1,122,476	42,056,902
Profit for the Period	-	-	-	-	2,743,039	2,743,039	37,366	2,780,405
Other comprehensive income for the Period	-	-	-	167,470	5	167,475	4,097	171,572
Total comprehensive income for the Period	-	-	-	167,470	2,743,044	2,910,514	41,463	2,951,977
Transactions with owners / other equity movements :								
Transfer to regulatory reserves	-	-	-	92,484	(92,484)	-	-	-
Transfer from general reserves	-	-	-	82,725	(82,725)	-	-	-
Dividends paid	-	-	-	(1,436,391)	(1,436,391)	(7,786)	(1,444,177)	(1,451,964)
Balance as at 30 June 2019 (Closing Balance)	9,417,653	-	36,682	3,543,487	29,410,727	42,408,549	1,156,153	43,564,702

### STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2019

For the
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