

FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2018

AAA/STABLE/P1
RAM Ratings

STATEMENT OF FINANCIAL POSITION

As at

ASSETS	BANK (Rs.'000)		GROUP (RM.'000)	
	31-March-2018	31-December-2017 (Audited)	31-March-2018	31-December-2017 (Audited)
Cash and cash equivalents	801,667	824,354	12,576,452	14,066,541
Statutory Deposit with Central Bank of Sri Lanka / Other Central Banks	96,918	106,816	10,377,330	9,525,927
Reverse Repurchases Agreements	-	-	753,079	651,065
Derivative Financial Instruments	-	-	318,620	226,319
Financial assets at fair value through profit or loss	-	-	4,085,174	-
Government Securities - Held-for-trading	-	-	-	699,796
Other Financial Assets held-for-trading	-	-	-	676,745
Loans and Receivables	6,841,409	6,495,382	304,918,316	303,044,127
Financial investments at fair value through other comprehensive income	-	-	35,207,843	-
Financial Investments Available-for-Sale	-	-	-	30,325,057
Financial investments at amortised cost	-	-	23,138,164	-
Government Securities - Held-to-maturity	715,125	551,506	-	14,695,148
Financial Investments - Held-to-maturity	-	-	-	13,883,188
Investments in Associates	-	-	39,758	35,068
Property, Plant & Equipment	52,128	47,315	1,503,930	1,564,427
Investment properties	-	-	679,490	688,052
Intangible assets	6,590	7,061	2,358,607	2,432,058
Deferred Tax Assets	1,266	60,080	81,039	70,984
Other Assets	227,232	-	2,165,848	2,751,745
TOTAL ASSETS	8,742,335	8,093,780	398,203,650	395,276,247
LIABILITIES				
Deposits from banks	90,232	27,297	7,944,809	11,446,057
Deposits from Customers	2,245,870	2,105,907	325,891,195	319,259,426
Obligations on securities sold under repurchase agreements	-	-	1,082,928	1,237,528
Derivative Financial Instruments	-	-	418,995	568,129
Other Borrowings	155,842	-	6,197,097	6,208,955
Debt securities issued and other borrowed funds	-	-	12,180,899	12,328,073
Current Tax Liabilities	95,192	80,841	683,883	702,063
Retirement Benefit Obligation	31,111	29,632	-	-
Deferred Tax Liabilities	-	-	137,769	164,655
Other Liabilities	344,440	137,778	5,013,277	4,915,701
TOTAL LIABILITIES	2,962,687	2,381,455	359,550,852	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	1,735,146	1,673,601	25,159,641	24,723,059
Total Other Reserves	164,598	158,820	3,006,950	3,193,276
Total Shareholders' equity	5,779,648	5,712,325	37,614,962	37,364,706
Non-controlling Interests	-	-	1,037,836	1,080,956
Total Equity	5,779,648	5,712,325	38,652,798	38,445,660
TOTAL LIABILITIES AND EQUITY	8,742,335	8,093,780	398,203,650	395,276,247
Contingent liabilities and commitments				
Contingencies	2,571,788	1,742,625	94,882,297	95,442,831
Commitments	2,015,787	1,241,384	3,260,572	3,268,176
	556,001	501,241	91,621,725	92,174,655
Memorandum Information				
Number of Employees	61	60	18,448	18,553
Number of Branches	3	3	266	204

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

	BANK (Rs.'000)		GROUP (RM.'000)	
	For the period ended 31 March 2018	For the period ended 31 March 2017	For the period ended 31 March 2018	For the period ended 31 March 2017
Interest Income	224,641	196,102	3,892,839	3,732,826
Less: Interest Expenses	40,000	27,680	1,995,447	1,908,646
Net Interest Income	184,641	168,422	1,897,392	1,824,180
Net Income From Islamic Banking Business	-	-	265,747	247,718
Net Interest Income and net Income from Islamic Banking Business	184,641	168,422	2,163,139	2,071,898
Fee and Commission Income	6,634	6,368	676,531	599,212
Less: Fee and Commission Expenses	1,638	1,482	220,317	192,063
Net Fee and Commission Income	4,996	4,886	456,214	407,149
Net Trading Income	6,224	516	95,355	79,046
Other Operating Income	1,596	1,523	43,148	28,268
Total Operating Income	197,457	175,347	2,757,856	2,586,361
Allowance for impairment on loans, advances and financing				
Individual Allowance for impairment	2,466	1,241	42,607	55,044
Collective Allowance for impairment	859	469	74,351	65,861
Impaired loans and financing recovered (-)	-	-	48,525	53,842
Others - net	-	-	858	476
Net Operating Income	194,132	173,637	2,688,565	2,518,822
Personnel Expenses	35,826	32,185	634,497	617,595
Depreciation and amortization	5,922	7,719	54,793	53,442
Premises, Equipment and establishment Expenses	21,824	21,607	104,856	107,426
Other Overhead Expenses	12,914	12,402	105,114	108,405
Operating Profit before Value Added Tax (VAT)	117,646	99,724	1,789,305	1,631,954
Value Added Tax (VAT) on Financial Services	19,422	18,145	-	-
Operating Profit after Value Added Tax (VAT)	98,224	81,579	1,789,305	1,631,954
Shares of profit / (lose) after tax of equity accounted associated companies	-	-	4,654	(482)
Profit before Tax	98,224	81,579	1,793,959	1,631,472
Income Tax expenses	36,679	27,279	371,180	366,129
Profit for the period	61,545	54,300	1,422,779	1,265,343
Attributable to:				
Equity Holders of the Parent	61,545	54,300	1,405,380	1,247,981
Non-Controlling Interest	-	-	17,399	17,362
	61,545	54,300	1,422,779	1,265,343
Earnings per RM 1.00 share:				
- basic / diluted (sen)	-	-	36.4	32.3

LOANS AND RECEIVABLES	Bank (Rs.'000)		Group (RM.'000)	
	31-March-2018	31-December-2017	31-March-2018	31-December-2017
As at				
Gross loans and receivables	6,895,426	6,546,051	306,772,500	304,453,277
Less				
Individual assessment allowance	(22,474)	(20,008)	(95,513)	(91,190)
Collective assessment allowance	(31,543)	(30,661)	(1,758,671)	(1,317,960)
Net loans and receivables	6,841,409	6,495,382	304,918,316	303,044,127
Less				
Loans and receivables designated at fair value through profit or loss	-	-	-	-
Net loans and receivables	6,841,409	6,495,382	304,918,316	303,044,127

LOANS AND RECEIVABLES - BY PRODUCT	Bank (Rs.'000)		Group (RM.'000)	
	31-March-2018	31-December-2017	31-March-2018	31-December-2017
As at				
By Product - Domestic Currency				
Government Securities Eligible for Reducing with Central Bank of Sri Lanka	84,500	-	-	-
Overdrafts	812,862	851,635	20,978	22,993
Housing loans / financing	937,490	961,425	29,419	32,149
Vehicle Loans	590,035	619,315	-	-
Hire purchase receivables	3,398,403	3,320,230	14,734	16,451
Other term loans / financing	377,663	281,959	85,630	88,857
Bills receivables	43,735	37,815	10,343	8,237
Staff loans	-	-	-	-
Sub Total	6,244,238	6,072,369	161,104	168,687
By Product - Foreign Currency				
Sri Lanka Development Bonds	314,836	155,942	-	-
Overdrafts	44,941	29,627	11,516,617	11,312,814
Housing loans / financing	243,368	251,575	105,713,135	103,624,781
Hire purchase receivables	-	-	50,282,523	50,407,916
Other term loans / financing	6,006	6,488	121,861,234	121,675,266
Credit Card Receivables	-	-	1,899,017	1,965,180
Bills receivables	42,037	30,050	151,835	138,455
Trust Receipts	-	-	231,998	254,011
Staff Loans	-	-	1,915,533	1,899,165
Other Loans	-	-	13,399,504	13,007,002
Sub Total	651,188	473,682	306,611,396	304,284,590
Total	6,895,426	6,546,051	306,772,500	304,453,277

MOVEMENT IN INDIVIDUAL AND COLLECTIVE ALLOWANCE FOR IMPAIRMENT FOR LOANS AND RECEIVABLES OTHER CUSTOMERS	Bank (Rs.'000)		Group (RM.'000)	
	31-March-2018	31-December-2017	31-March-2018	31-December-2017
As at				
Individual Assessment Allowance	20,008	15,408	91,190	121,894
Opening balance at 01 January (as previously stated)	-	-	(8,550)	-
Effects of changes in accounting policies	-	-	82,640	121,894
Opening balance at 01 January (as restated)	-	-	11,443	-
Net amount transfer from collective assessment allowance	2,466	4,600	44,826	222,342
Allowances made during the period / year	-	-	(2,219)	(84,142)
Amounts written back in respect of recoveries	-	-	(37,987)	(197,591)
Amounts transferred to allowances for impairment loss on foreclosed properties	-	-	-	(376)
Exchange difference	-	-	(3,190)	(20,937)
Closing balance	22,474	20,008	95,513	91,190
Collective Assessment Allowance	30,661	28,546	1,317,960	1,408,104
Opening balance at 01 January (as previously stated)	-	-	459,942	-
Effects of changes in accounting policies	-	-	1,777,502	1,408,104
Opening balance at 01 January (as restated)	-	-	-	-
Changes due to loans, advances and financing recognised as at 1 January 2018	-	-	(11,443)	-
Allowances made / (reversed) during the period / year	859	2,080	74,351	230,844
Amounts written off	-	-	(74,812)	(312,992)
Exchange difference	-	-	(3,227)	(7,996)
Closing balance	31,543	30,661	1,789,874	1,317,960
Total impairment	54,017	50,669	1,884,184	1,409,150

DEPOSITS FROM CUSTOMERS - BY PRODUCTS	Bank (Rs.'000)		Group (RM.'000)	
	31-March-2018	31-December-2017	31-March-2018	31-December-2017
As at				
By Product - Domestic Currency				
Demand deposits	317,195	170,555	9,305	5,328
Savings deposits	91,540	107,605	5,359	8,310
Fixed deposits	1,302,437	1,270,096	39,159	40,847
Other deposits	5,131	10,680	1,086	333
Sub Total	1,716,303	1,558,936	54,909	54,818
By Product - Foreign Currency				
Demand deposits	58,033	31,247	47,038,390	47,606,416
Savings deposits	124,667	207,275	35,798,989	35,499,229
Fixed deposits	307,679	305,991	189,396,669	186,562,422
Negotiable instruments of deposit	-	-	77,006	36,439
Money market deposits	-	-	53,498,387	49,452,587
Other deposits	39,188	2,458	26,845	47,515
Sub Total	529,567	546,971	325,836,286	319,204,608
Total	2,245,870	2,105,907	325,891,195	319,259,426

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

For the period ended 31 March 2018

	Stated Capital / Assigned capital			Reserves			
	Ordinary 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	-	-	-	-	-	61,545	61,545
Total comprehensive income for the period	-	-	-	-	-	61,545	61,545
Transactions with equity holders, recognised directly in equity:							
Gain on Translation of FCBU	-	-	-	-	5,778	-	5,778
Total transactions recorded directly in equity	-	-	-	-	5,778	-	5,778
Balance as at 31 March 2018 (Closing Balance)	-	-	3,792,318	87,586	164,598	1,735,146	5,779,648

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

For the period ended 31 March 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	-</			