

Key Regulatory Ratios - Capital and Liquidity		
Item	Reporting Period as at 30th Jun 2018	Previous Reporting Period as at 31st Mar 2018
Regulatory Capital (LKR '000)		
Common Equity Tier 1	29,044,250	27,092,874
Tier 1 Capital	29,044,250	27,092,874
Total Capital	29,449,609	27,524,440
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 6.375%)	18.22%	16.40%
Tier 1 Capital Ratio (Minimum Requirement - 7.875%)	18.22%	16.40%
Total Capital Ratio (Minimum Requirement - 11.875%)	18.47%	16.66%
Regulatory Liquidity		
Statutory Liquid Assets (LKR'000)	141,429,836	77,838,124
Statutory Liquid Assets Ratio (Minimum Requirement -20%)		
Domestic Banking Unit (%)	109.01%	64.10%
Off-Shore Banking Unit (%)	57.19%	51.80%
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 90%)	484.59%	422.13%
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement - 90%)	253.24%	271.18%

Basel III Computation of Capital Ratios		
Item	Amount (LKR '000)	
	Reporting Period as at 30.06.2018	Previous Reporting Period as at 31.03.2018
Common Equity Tier 1 (CET1) Capital after Adjustments	29,044,250	27,092,874
Common Equity Tier 1 (CET1) Capital	29,455,481	29,455,481
Equity Capital (Stated Capital)/Assigned Capital	3,317,705	3,317,705
Reserve Fund	1,860,443	1,860,443
Published Retained Earnings/(Accumulated Retained Losses)	22,360,540	22,360,540
Published Accumulated Other Comprehensive Income (OCI)	(251,312)	(251,312)
General and other Disclosed Reserves	2,168,105	2,168,105
Unpublished Current Year's Profit/Loss and Gains reflected in OCI	-	-
Ordinary Shares issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-
Total Adjustments to CET1 Capital	411,231	2,362,607
Goodwill (net)	-	-
Intangible Assets (net)	-	-
Deferred tax assets (net)	8,349	8,349
Defined benefit pension fund assets	274,179	274,179
Amount due to head office & branches outside Sri Lanka in Sri Lanka Rupees	(138,038)	(103,785)
Amount due from head office & branches outside Sri Lanka in Foreign Currency (net)	266,741	2,183,864
Additional Tier 1 (AT1) Capital after Adjustments	-	-
Additional Tier 1 (AT1) Capital	-	-
Qualifying Additional Tier 1 Capital Instruments		
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties		
Total Adjustments to AT1 Capital	-	-
Investment in Own Shares		
Others (specify)		
Tier 2 Capital after Adjustments	405,359	431,566
Tier 2 Capital	405,359	431,566
Qualifying Tier 2 Capital Instruments		
Revaluation Gains		
Loan Loss Provisions		
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties		
General Provisions	405,359	431,566
Total Adjustments to Tier 2	-	-
Investment in Own Shares		
Others (specify)		
CET1 Capital	29,044,250	27,092,874
Total Tier 1 Capital	29,044,250	27,092,874
Total Capital	29,449,609	27,524,440
Total Risk Weighted Assets (RWA)	159,414,513	165,220,441
RWAs for Credit Risk	141,782,567	145,858,842
RWAs for Market Risk	3,240,861	5,411,801
RWAs for Operational Risk	14,391,085	13,949,797
CET1 Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	18.22%	16.40%
of which: Capital Conservation Buffer (%)	-	-
of which: Countercyclical Buffer (%)	-	-
of which: Capital Surcharge on D-SIBs (%)	-	-
Total Tier 1 Capital Ratio (%)	18.22%	16.40%
Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	18.47%	16.66%
of which: Capital Conservation Buffer (%)	-	-
of which: Countercyclical Buffer (%)	-	-
of which: Capital Surcharge on D-SIBs (%)	-	-

Note: Banks are expected to supplement the template with a narrative commentary to explain any significant change over the reporting period and the key drivers of such changes.

Basel III Computation of Liquidity Coverage Ratio				
Item	Amount (LKR '000)			
	30.06.18		31.03.18	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)	34,173,569	34,173,569	31,944,319	31,944,319
Total Adjusted Level 1A Assets	34,258,000	34,258,000	32,013,117	32,013,117
Level 1 Assets	34,173,569	34,173,569	31,944,319	31,944,319
Total Adjusted Level 2A Assets	-	-	-	-
Level 2A Assets	-	-	-	-
Total Adjusted Level 2B Assets	-	-	-	-
Level 2B Assets	-	-	-	-
Total Cash Outflows	259,537,907	53,978,263	242,510,142	47,119,428
Deposits	28,159,481	2,815,948	27,610,052	2,761,005
Unsecured Wholesale Funding	102,154,980	42,236,189	92,457,447	38,315,487
Secured Funding Transactions	663,196	-	675,232	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	128,560,251	8,926,126	121,767,411	6,042,936
Additional Requirements	-	-	-	-
Total Cash Inflows	79,311,230	57,181,574	70,129,730	44,671,382
Maturing Secured Lending Transactions Backed by Collateral	-	-	-	-
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing within 30 Days	77,248,539	56,786,462	67,512,612	44,286,704
Operational Deposits	1,323,071	-	1,879,919	-
Other Cash Inflows	739,621	395,112	737,200	384,678
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days) * 100		253.24%		271.18%

Credit Risk under Standardised Approach – Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects						
Asset Class	Amount (LKR'000) as at 30.06.2018				RWA and RWA Density (%)	
	Exposures before Credit Conversion Factor (CCF) and CRM		Exposures post CCF and CRM		RWA	RWA Density(ii)
	On-Balance Sheet Amount	Off-Balance Sheet Amount	On-Balance Sheet Amount	Off-Balance Sheet Amount		
Claims on Central Government and CBSL	53,882,030	-	14,277,374	-	-	0%
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	0%
Claims on Public Sector Entities	-	-	-	-	-	0%
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	0%
Claims on Banks Exposures	23,914,824	77,463,498	23,914,824	2,299,562	9,584,876	37%
Claims on Financial Institutions	300,000	-	300,000	-	150,000	50%
Claims on Corporates	65,927,376	162,145,324	66,724,010	63,378,684	112,337,991	86%
Retail Claims	17,636,344	-	14,455,956	-	10,849,281	75%
Claims Secured by Residential Property	2,746,045	-	2,746,045	-	1,602,090	58%
Claims Secured by Commercial Real Estate	-	-	-	-	-	0%
Non-Performing Assets (NPAs)(i)	882,049	-	882,049	-	989,045	112%
Higher-risk Categories	-	-	-	-	-	0%
Cash Items and Other Assets	7,456,228	-	8,208,990	-	6,269,284	76%
Total	172,744,895	239,608,821	131,509,247	65,678,247	141,782,567	72%

Note: 0%

(i) NPAs – As per Banking Act Directions on Classification of loans and advances, income recognition and provisioning.

(ii) RWA Density – Total RWA/Exposures post CCF and CRM.

(iii) Banks are expected to supplement the template with a narrative commentary to explain any significant change over the reporting period and the key drivers of such changes.

Credit Risk under Standardised Approach: Exposures by Asset Classes and Risk Weights

Risk Weight	Amount (LKR'000) as at 30.06.2018 (Post CCF & CRM)								Total Credit Exposures Amount
	0%	20%	50%	60%	75%	100%	150%	>150%	
Asset Classes									
Claims on Central Government and CBSL	14,277,374	0							14,277,374
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-	-	-	-
Claims on Public Sector Entities	-	-	-	-	-	-	-	-	-
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	-	-	-	-
Claims on Banks Exposures	-	13,368,079	11,870,094	-	-	976,213	-	-	26,214,386
Claims on Financial Institutions	-	-	300,000	-	-	-	-	-	300,000
Claims on Corporates	-	4,861,301	30,073,471	-	-	92,845,776	2,322,146	-	130,102,694
Retail Claims	-	-	-	-	14,426,698	29,258	-	-	14,455,956
Claims Secured by Residential Property	-	-	2,287,911	-	-	458,134	-	-	2,746,045
Claims Secured by Commercial Real Estate	-	-	-	-	-	-	-	-	-
Non-Performing Assets (NPAs)(i)	-	-	-	-	-	668,058	213,991	-	882,049
Higher-risk Categories	-	-	-	-	-	-	-	-	-
Cash Items and Other Assets	883,065	1,320,801	-	-	-	6,005,124	-	-	8,208,990
Total	15,160,439	19,550,181	44,531,476		14,426,698	100,982,562	2,536,138	-	197,187,494

(0)

Note: Banks are expected to supplement the template with a narrative commentary to explain any significant change over the reporting period and the key drivers of such changes.

Market Risk under Standardised Measurement Method	
Item	RWA Amount (LKR'000) as at 30th Jun 2018
(a) RWA for Interest Rate Risk	370,352
General Interest Rate Risk	370,352
(i) Net Long or Short Position	370,352
(ii) Horizontal Disallowance	-
(iii) Vertical Disallowance	-
(iv) Options	-
Specific Interest Rate Risk	-
(b) RWA for Equity	-
(i) General Equity Risk	-
(ii) Specific Equity Risk	-
(c) RWA for Foreign Exchange & Gold	14,500
Capital Charge for Market Risk [(a) + (b) + (c)] * CAR	3,240,861

Operational Risk under Basic Indicator Approach/The Standardised Approach/The Alternative Standardised Approach						
Standardised Approach						
Capital Charge	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 30th Jun 2018			
			1st Year	2nd Year	3rd Year	
The Basic Indicator Approach	15%		8,770,619	12,272,281	13,135,928	
The Standardised Approach			0	0	0	
Corporate Finance	18%		0	0	0	
Trading and Sales	18%		1,581,645	1,976,766	2,374,163	
Payment and Settlement	18%		158,512	180,642	185,967	
Agency Services	15%		42,722	35,104	51,818	
Asset Management	12%		-	-	-	
Retail Brokerage	12%		-	-	-	
Retail Banking	12%		2,067,966	3,201,915	2,974,387	
Commercial Banking	15%		4,919,774	6,875,853	7,549,592	
The Alternative Standardised Approach			0	0	0	
Corporate Finance	18%		0	0	0	
Trading and Sales	18%		1,581,645	1,976,766	2,374,163	
Payment and Settlement	18%		158,512	180,642	185,967	
Agency Services	15%		42,722	35,104	51,818	
Asset Management	12%		0	0	0	
Retail Brokerage	12%		0	0	0	
Retail Banking	12%	0.035	15,015,490	17,463,677	19,798,028	
Commercial Banking	15%	0.035	94,980,842	96,630,559	125,081,256	
Capital Charges for Operational Risk (LKR'000)						
The Basic Indicator Approach			1,708,841			
The Standardised Approach			1,691,056			
The Alternative Standardised Approach			1,021,344			
Risk-Weighted Amount for operational Risk (LKR'000)						
The Basic Indicator Approach			14,393,085			
The Standardised Approach			14,240,469			
The Alternative Standardised Approach			8,600,793			

Differences between Accounting and Regulatory Scopes and Mapping of Financial Statement Categories with Regulatory Risk Categories – Bank Only

Item	Amount (LKR '000) as at 30.06.2018				
	a	b	c	d	e
	Carrying Values as Reported in Published Financial Statement	Carrying Values under Scope of Regulatory Reporting	Subject to Credit Risk Framework	Subject to Market Risk Framework	Not subject to Capital Requirements or Subject to Deduction from Capital
Assets					
Cash and Cash Equivalents	16,913,065	6,473,344	5,590,279		883,065
Balances with Central Banks	5,497,374	5,497,374			5,497,374
Placements with Banks	24,257,571	32,170,503	32,170,503		-
Derivative Financial Instruments	1,775,973	-			-
Other Financial Assets Held-For-Trading	5,984,091	39,604,656	39,604,656	39,604,656	
Financial Assets Designated at Fair Value Through Profit and Loss Account	-	-	-		-
Loans and Receivables to Banks	-	-	-		-
Loans and Receivables to Other Customers	86,999,308	87,381,287	87,381,287		-
Financial Investments - Available-For-Sale	33,622,405	-			-
Financial Investments - Held-To-Maturity	-	1,840	1,840		-
Investments in Subsidiaries	-	-			-
Investments in Associates and Joint Ventures	-	-			-
Property, Plant and Equipment	510,214	509,021	509,021		-
Investment Properties	-	-			-
Goodwill and Intangible Assets	-	-			-
Deferred Tax Assets	60,808	-			-
Other Assets	8,860,866	6,005,098	6,005,098		-
Liabilities					
Due to Banks	7,395,724	3,934,471	6,576,472		
Derivative Financial Instruments	1,671,159	-			-
Other Financial Liabilities Held-For-Trading	-	-			-
Financial Liabilities Designated at Fair Value Through Profit or Loss	-	-			-
Due to Other Customers	129,553,618	129,553,618	449,270		129,104,348
Other Borrowings	663,196	663,196			663,196
Debt Securities Issued	-	-			-
Current Tax Liabilities	2,379,646	2,576,021			2,576,021
Deferred Tax Liabilities	-	(381,653)	(381,653)		-
Other Provisions	22,644	-			-
Other Liabilities	9,355,076	7,187,908			7,187,908
Due to Subsidiaries	-	-			-
Subordinated Term Debts	-	-			-
Off-Balance Sheet Liabilities					
Guarantees	83,663,836	83,663,836	83,663,836		
Performance Bonds	-	-			-
Letters of Credit	10,001,724	10,001,724	10,001,724		
Other Contingent Items	29,661,506	29,661,506	29,661,506		
Undrawn Loan Commitments	25,530,092	25,530,092	25,530,092		
Other Commitments	122,130,535	122,130,535	122,130,535		
Shareholders' Equity					
Equity Capital (Stated Capital)/Assigned Capital	3,317,705	3,317,706	3,317,706		
of which Amount Eligible for CET1	3,317,705	3,317,706	3,317,706		
of which Amount Eligible for AT1	-	-			
Retained Earnings	24,694,666				
Accumulated Other Comprehensive Income	-	-			
Other Reserves	5,428,241	30,791,856	26,137,776		
Total Shareholders' Equity					

Notes:
(1) Other Financial Assets Held-For-Trading represent Government securities classified as "Trading Portfolio", which is treated as zero risk weighted for credit risk and separately treated under market risk (general interest rate risk). Hence, classified under both categories of risk.