

## Interim Financial Results for the Six Months Ended 30 June 2019

This commentary relates to the interim non audited financial statements for the six months ended 30 June 2019 presented in accordance with Sri Lanka Accounting Standard 34 (LKAS 34) on "Interim Financial Statements". The DFCC Group is a diversified financial organisation involved in commercial banking, development banking, investment banking, wealth management, information technology, industrial park management and consultancy businesses.

# Profitability

Core business of DFCC Bank posted a profit before tax of LKR 2,056 million and profit after tax of LKR 1,588 million for the period ended 30 June 2019 compared to profit before tax of LKR 2,373 million and profit after tax of LKR 1,837 million in the comparative period. After accounting for the one-off fair value loss on Commercial Bank of Ceylon PLC shares transferred to the trading portfolio, the Bank reported a profit before tax of LKR 1,205 million and profit after tax of LKR 737 million in comparison to profit before tax of LKR 1,843 million and a profit after tax of LKR 1,308 million in the comparative period.

## **Operating Income**

The Bank recorded total operating income from core business amounting to LKR 7,037 million for the period ended 30 June 2019 compared to LKR 6,867 in the comparative period in 2018 which is an increase of 2%. After accounting for the impact of high fair value loss in the investment of Commercial Bank of Ceylon PLC, the operating income reflects a decline of 5%. Further, a growth of 4% was recorded in fees and commission income to LKR 945 million in period of six months in 2019 from LKR 906 million in comparative period of six months in 2018. This is the outcome of a focus on non-funded business.

## **Operating Expenses**

DFCC Bank sustained its aggressive branch expansion, increasing its footprint in strategic locations from January to June 2019. Operating expenses increased from LKR 3,175 million to LKR 3,523 million (11%) compared to the corresponding period in the previous year. The recently opened Super Grade Branch at Lake House premises has become a significant customer touch point as it provides a greater customer experience with digitalized platforms. The DFCC MySpace, self banking platform has been able to attract a significant number of new customers to this location due to easy transaction facilities available 24x7 / 365 days of the year.

## Impairment

The Bank's impairment provision during the period ending 30 June 2019 was LKR 476 million which is a reduction compared to a sum of LKR 649 million provided in the comparable period. The Bank continued to identify Small and Medium Enterprises (SMEs) as a separate segment in adopting the Circular No 6 of 2019 issued by Central Bank of Sri Lanka in the financial statements for the period ended 30 June 2019.

DFCC's NPL ratio moved up to 4.63% as at 30 June 2019 from 3.28% in December 2018. This reflected an industry-wide trend, which was consequent to the challenging business environment that prevailed during the period. The ratio has however been managed at a level below the industry average.

# **Other Comprehensive Income**

Investments in equity securities and treasury bills and bonds are classified as financial assets whose variations in fair value are recorded through Other Comprehensive Income. Accordingly, fair value losses of LKR 2,015 million and net fair value gain of LKR 1,789 million were recorded on account of equity securities and fixed income securities respectively. The drop in the share price of Commercial Bank of Ceylon PLC during the period mainly contributed to the reported loss of equity securities, while prices of treasury bills and bonds were favourably impacted by decline in interest rates of government securities. Over the last few weeks Commercial Bank share price has seen a surge, and should this continue, we should see a reversal of the marked to market losses.

# **Statement of Financial Position**

## Assets

Reflecting its measured growth strategy, DFCC's Total Assets grew by LKR 25,081 million to LKR 399,988 million on 30 June 2019, which is a 7% growth on 31 December 2018. Within this, the Bank's loan portfolio grew by LKR 7,876 million to LKR 257,610million compared to LKR 249,734 million as at 31 December 2018, which is a growth of 3%. The Bank lent prudently and did not pursue aggressive growth particularly to sectors that exhibited stress.

## Liabilities

DFCC's deposit base experienced a growth of 5% recording an increase of LKR 12,328 million to LKR 254,566 million from LKR 242,238 million as at 31 December 2018. This is not only a reflection of customers' confidence in the Bank, but also the outcome of the investment in developing distribution channels and marketing innovative new products.

With this deposit growth, the Bank was able to report an improved loan to deposit ratio of 101% in June 2019 from 103% in December 2018. The Bank's CASA ratio, which represents the proportion of low cost deposits in the total deposits of the Bank, was 24.4% as at 30 June 2019. Funding costs for DFCC were also contained due to access to medium to long term concessionary credit lines. When these concessionary term borrowings are added to deposits, the ratio improved to 30.5% as at 30 June 2019.

## **Capital Management**

DFCC Bank has always been a prudent lender. Therefore, in order to support future growth and to maintain its premier development banking focus, the Bank has consistently maintained a capital ratio above the Basel III minimum capital requirements. As at 30 June 2019, DFCC recorded Tier 1 and total capital adequacy ratios of 11.40% and 16.59% respectively. Thanks to the Right Issue, the bank has improved Tier 1 and total capital adequacy ratio to well over the minimum regulatory requirements of 8.5% and 12.5% effective 2019.

Lakshman Silva Director/Chief Executive Officer 30 July 2019

#### DFCC Bank PLC Income Statement

$ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \$	DFCC Bank PLC													
Notes         Jube. 2019 LKR 000 (Restance)         Jube. 2019 (Restance)         Jub	Income Statement											•		
LKR 000         LKR 000 <t< th=""><th></th><th></th><th>For t</th><th>he period ende</th><th>ed</th><th>For th</th><th>e quarter end</th><th>ed</th><th>For th</th><th>e period ende</th><th>d</th><th>For</th><th>the quarter en</th><th>ded</th></t<>			For t	he period ende	ed	For th	e quarter end	ed	For th	e period ende	d	For	the quarter en	ded
Incres         (Ristated)         (Ristated)         (Ristated)         (Ristated)         (Ristated)           Incres         20,533,64         15,523,75         11         10,40,20.8         8,905,06         15         20,760,06         18,712,50         11         10,40,23.8         9,003,12         15           Interest income         20,533,46         15,232,75         15         20,760,06         17,70         14,520,250         16         10,752,90         3,520,17         15         20,760,06         17,70         14,520,250         12,81,027         15         20,760,06         17,70         14,520,250         12,81,027         15         20,752,90         3,520,17         17         14,520,250         12,81,027         14,91,17         3,51,17         19         3,91,17         17         14,91,17         1		Notes	30.06.2019	30.06.2018	Change	30.06.2019	30.06.2018	Change	30.06.2019	30.06.2018	Change	30.06. 2019	30.06.2018	Change
Income Interest income Interest income         20,533,64         18,528,736         11         0,490,38         899,505         15         20,60,06         18,701,241         11         0,460,35         9,100,51           Interest income Interest income         16,328,440         18,522,730         16         10,775,440         9,356,007         17         15         20,984,667         18,727,59         16         10,775,440         9,358,157         157           Net interest income         6,401,978         3,840,840         10         3,140,471         2,885,378         90,6074         4         476,535         471,689         1           Fe and commission income         76         4,917         6,401,978         3,840,840         10         3,140,971         2,71,55         1         943,778         90,6074         4         476,535         471,689         1           Fe and commission income         7         6,402,979         (238,424)         13         (189,432)         (171,55         1         943,788         90,6074         4         476,535         471,689         1           Net lass form insome income         6         (1,729,798)         64,973         (2,762)         552,734         58,769         841         (1,729,798) <t< td=""><th></th><td></td><td>LKR 000</td><td>LKR 000</td><td>%</td><td>LKR 000</td><td>LKR 000</td><td>%</td><td>LKR 000</td><td>LKR 000</td><td>%</td><td>LKR 000</td><td>LKR 000</td><td>%</td></t<>			LKR 000	LKR 000	%	LKR 000	LKR 000	%	LKR 000	LKR 000	%	LKR 000	LKR 000	%
Interest iscome Interest sponse         20.98.447         18.127.500         16         10.775.440         9.38.077         15         20.984.547         18.127.559         16         10.775.944         9.38.157         15           Interest sponse         4.438.147         12.281.654         10         3.140.471         2.885.311         9         6.423.047         5.860.906         12.445.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.918				(Restated)			(Restated)			(Restated)			(Restated)	
Interest iscome Interest sponse         20.98.447         18.127.500         16         10.775.440         9.38.077         15         20.984.547         18.127.559         16         10.775.944         9.38.157         15           Interest sponse         4.438.147         12.281.654         10         3.140.471         2.885.311         9         6.423.047         5.860.906         12.445.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.908         12.604.918														
Interest sponse         14.581,471         12.281,541         19         7.643,938         6.500,706         17         14.500,950         12.361,021         19         7.643,87         6.492,040         17           Fee and commission income Fee and commission expenses         945,314         4.906,141         4.978,857         71,756         1         945,738         906,074         4         476,855         471,659         1           Net for and commission expenses         945,314         906,171         4         478,857         1,557         1,597         8,705,74         4         476,855         471,659         1           Net for and commission expenses         945,314         906,171         4         478,857         1,5578         906,074         4         476,855         471,659         1           Net for and complication financial instruments at fair value through pofit or loss         109,131         4         478,857         53,188         1000         -         5,438         1000         -         2,810         1000         -         2,810         1000         -         2,810         1000         -         2,810         1000         -         2,810         1000         -         2,810         10000         -         2,810	Income		20,533,864	18,528,736	11	10,349,030	8,995,065	15	20,760,006	18,701,261	11	10,460,351	9,100,512	15
Net interest income         6.401.978         5.840.846         10         3.140.471         2.885.391         9         6.423.47         5.865.638         10         3.151.57         2.896.117         9           Fee and commission income         Pee and commission income <t< td=""><th>Interest income</th><td></td><td>20,983,449</td><td>18,122,500</td><td>16</td><td>10,775,409</td><td>9,386,097</td><td>15</td><td>20,984,567</td><td>18,127,559</td><td>16</td><td>10,775,944</td><td>9,388,157</td><td>15</td></t<>	Interest income		20,983,449	18,122,500	16	10,775,409	9,386,097	15	20,984,567	18,127,559	16	10,775,944	9,388,157	15
Pee and commission income Fee and commission income Fee and commission express         945,314         906,141         4         478,837         471,756         1         943,788         906,074         4         476,585         471,689         1           Net fee and commission express         5         1         945,314         906,141         4         478,837         471,756         1         943,788         906,074         4         476,585         471,689         1           Net for and commission express         5         1         906,3299         (238,542)         153         (189,632)         (531,466)         (64)         (643,299)         (238,542)         153         (189,632)         (531,466)         (64)           Net diar for ance completensive income         64,345         2,771         2,287         4,818         (100)         5,438         (100)         2,711         2,297         4,818         -100         64,434         2,771         2,287         4,818         -100         64,436         2,771         2,287         4,818         -100         10,712         7,583         (140,029)         (289,447)         301           Total operating income         7         5,92,939         6,347,082         (51         2,114,092         2,494	Interest expense		14,581,471	12,281,654	19	7,634,938	6,500,706	17	14,560,950	12,261,921	19	7,624,387	6,492,040	17
Fee and commission expenses         i<	Net interest income		6,401,978	5,840,846	10	3,140,471	2,885,391	9	6,423,617	5,865,638	10	3,151,557	2,896,117	9
Fee and commission expenses         i<														
Net fer and commission income         945.314         906.141         4         478.937         477.756         1         943.788         906.074         4         476.585         471.689         1           Net loss from trading instruments af fair value (hoses) gains from financial asses         6         (603.299)         (238.542)         153         (189.632)         (531.466)         (64)         (603.299)         (238.542)         153         (189.632)         (531.466)         (64)           Net gains from derecognition of financial assets Fair value through optior tors         6         (1.729.798)         64.973         (2.762)         552.734         58.769         841         (1.729.798)         64.973         (2.762)         552.734         58.769         841           Net other operating income         7         64.86         2.771         2.297         4.818         -         100         64.353         (100)         -         5.438         (100)         -         2.894.477         301           Total operating income         7         64.276         2.217         4.818         9.60         64.393.30         (4)         2.894.477         301           Inpairment charge / (reversal) for loans and other losses         -         2.414.402         2.424.56         (21<	Fee and commission income		945,314	906,141	4	478,037	471,756	1	943,788	906,074	4	476,585	471,689	1
Net loss from trading       5       (603,299)       (238,542)       153       (189,632)       (531,466)       (64)         Net fair value (losse) / gains from francial asets       6       (1,729,798)       64,973       (2,762)       552,734       58,769       841       (1,729,798)       64,973       (2,762)       552,734       58,769       841         Net gains from derecognition of financial asets       5       5,438       (100)       -       5,438       (100)       -       5,438       (100)       -       5,438       (100)       -       5,438       (100)       -       5,438       (100)       -       5,438       (100)       -       5,438       (100)       -       5,438       (100)       -       5,438       (100)       -       5,438       (100)       -       5,438       (100)       -       5,438       (100)       -       5,438       (100)       -       5,438       (100)       -       5,438       (100)       -       5,438       (100)       -       2,494,359       9       6,199,056       6,439,340       (4)       2,835,964       2,608,472       9         Impairment charge / (reversal) for loans and other       isosse       -       6,42,26       (2)       46	Fee and commission expenses		-	-	-	-	-	-	-	-	-	-	-	-
Net für value (10xses) / gains from financial instruments at für value through profit or loss Fäir value through off or ongerhensive income Net onder operating income         6 (4,973         (2,762)         552,734         58,769         841         (1,729,798)         64.973         (2,762)         552,734         58,769         841           Net gains from of noncial assets Fäir value through off or loss         -         5,438         (100)         -         5,438         (100)         -         5,438         (100)         -         2,810         (100)           Net other operating income         66,436         2,771         2,297         4,818         -         100         66,452         2,771         2,397         4,818         -         100         66,4973         (2,762)         552,734         58,769         841         1000           Net operating income         7         701         2,471         2,297         4,818         -         100         66,4973         (2,762)         552,734         58,769         841           Inpairment charge / (reversal) for loans and other losses         5,952,393         62,47082         (51         2,14,923         2,494,439         9         6,199,056         6,49,340         (412)         19,75         (2,1311)         15,666         (236)         (	Net fee and commission income													
instruments af ar value through profit or loss       64,973       (2,762)       SS2,794       SS2,794 <ths2,814< th="">       SS2,795       S</ths2,814<>	e	5	(603,299)	(238,542)	153	(189,632)	(531,466)	(64)	(603,299)	(238,542)	153	(189,632)	(531,466)	(64)
Instruments at all value unorging point or loss       Instruments at all value unorging point before value added tax, nation building tax and debt       Instrument at all value unorging point before value added tax, nation building tax and debt <th></th> <td>6</td> <td>(1 720 708)</td> <td>64 072</td> <td>(2762)</td> <td>552 734</td> <td>58 760</td> <td>941</td> <td>(1 720 708)</td> <td>64.073</td> <td>(2762)</td> <td>552 734</td> <td>58 760</td> <td>841</td>		6	(1 720 708)	64 072	(2762)	552 734	58 760	941	(1 720 708)	64.073	(2762)	552 734	58 760	841
Fair value through profit or loss         -         5,438         (100)         -         2,300         (28,447)         301           Total operating income         7         7         6149,249         80,922         480         492,502         634,226         (22)         469,494         80,922         480         (23)         (412)         11,973         (23)         14,800         124         16,308         9,630         69         33,178         14,800         124         1	instruments at fair value through profit or loss	0	(1,723,730)	04,975	(2,702)	332,734	58,709	041	(1,729,798)	04,973	(2,702)	552,754	58,709	041
Fair value through profit or loss         -         5,438         (100)         -         2,30,64         2,00         2,49,43         (140,00)         2,49,43         (140,01)         2,30,64         2,00,84         2,00         1,63,68         2,00,20         (63,42,26         (22)         (49,438)         (412)         1,17,73         (23,60)         (64,23)         (64,20)	Net gains from derecognition of financial assets													
Fir value through other comprehensive income         66,36         2,771         2,297         4,818         -         100         66,36         2,771         2,297         4,818         -         100           Net other operating income         7         8         7         7         7         8         7         7         8         7         7         8         7         7         8         7         7         8         7         8         8         7         7         8         7         7         8         7         7         8         7         8         7         8         8         9         6         6         3         7         8         8         9         6         3         7         7         1         8         9         6         3	· ·		-	5,438	(100)	-	2,810	(100)	-	5,438	(100)	-	2,810	(100)
Total operating income       5,952,393       6,247,082       (5)       2,714,092       2,494,359       9       6,199,056       6,439,340       (4)       2,835,964       2,608,472       9         Impairment charge / (reversal) for loans and other losses       - Loans to and receivables from other customers       - 0	Fair value through other comprehensive income		66,436	2,771	2,297	4,818	-	100	66,436	2,771	2,297	4,818	-	100
Impairment charge / (reversal) for loans and other losses       Impairment charge / (reversal) for loans and anomisation       Impairment charge / (reversal) for loans and anomisati	Net other operating income	7	871,762	(334,545)	361	(1,272,336)	(392,901)	224	1,098,312	(167,012)	(758)	(1,160,098)	(289,447)	301
losses         492,502         634,226         (22)         469,494         80,922         480         492,502         634,226         (22)         469,494         80,922         480         492,502         634,226         (22)         469,494         80,922         480         492,502         634,226         (21,11)         15,666         (23,6)         (412)         11,975         (21,311)         15,666         (23,6)         (412)         11,975         (21,311)         15,666         (23,6)         (49,748)         (412)         11,975         (21,311)         15,666         (23,6)         (49,748)         (41,0)         124         16,308         9,630         69         33,178         14,800         124         16,308         9,630         69         33,178         14,800         124         16,308         9,630         69         33,178         14,800         124         16,308         9,630         69         33,178         14,800         124         16,308         9,630         69         33,178         14,800         124         16,308         9,630         69         33,178         14,800         124         16,308         9,630         610         16,323         160         16,317         120         120,120	Total operating income		5,952,393	6,247,082	(5)	2,714,092	2,494,359	9	6,199,056	6,439,340	(4)	2,835,964	2,608,472	9
losses         492,502         634,226         (22)         469,494         80,922         480         492,502         634,226         (22)         469,494         80,922         480         492,502         634,226         (22)         469,494         80,922         480         492,502         634,226         (21,11)         15,666         (23,6)         (412)         11,975         (21,311)         15,666         (23,6)         (412)         11,975         (21,311)         15,666         (23,6)         (49,748)         (412)         11,975         (21,311)         15,666         (23,6)         (49,748)         (41,0)         124         16,308         9,630         69         33,178         14,800         124         16,308         9,630         69         33,178         14,800         124         16,308         9,630         69         33,178         14,800         124         16,308         9,630         69         33,178         14,800         124         16,308         9,630         69         33,178         14,800         124         16,308         9,630         69         33,178         14,800         124         16,308         9,630         610         16,323         160         16,317         120         120,120	· · · · · · · · · · · · · · · · · · ·													
- Loans to and receivables from other customers       492,502       634,226       (22)       469,494       80,922       480       492,502       634,226       (22)       469,494       80,922       480         - Other financial assets       - Others       (407,48)       (412)       11,975       (21,311)       15,666       (236)       (49,748)       (412)       11,975       (21,311)       15,666       (236)       (49,748)       (412)       11,975       (21,311)       15,666       (236)       (49,748)       (412)       11,975       (21,311)       15,666       (236)       (49,748)       (412)       11,975       (21,311)       15,666       (236)       (49,748)       (412)       11,975       (21,311)       15,666       (236)       (236)       (49,748)       (412)       11,975       (21,311)       15,666       (236)       (49,748)       (412)       11,975       (5,65)       (5,25)       (5,25)       (5,25)       (5,25)       (5,25)       (5,25)       (5,25)       (5,25)       (45,313)       (412,311)       (5,12,311)       (5,25,25)       (5,25)       (5,65)       (11,23,31,32)       (23,71,473)       (2,50,25,5)       (5,65,55)       (11,32,43,35)       (24,21,76,5)       (70,65)       (70,61)       (71,72,12)       (11,														
- Other financial assets       (49,748)       (412)       11,975       (21,311)       15,666       (236)       (49,748)       (412)       11,975       (21,311)       15,666       (236)       (49,748)       (412)       11,975       (21,311)       15,666       (236)       (49,748)       (412)       11,975       (21,311)       15,666       (236)       (49,748)       (412)       11,975       (21,311)       15,666       (236)       (49,748)       (412)       11,975       (21,311)       15,666       (236)       (49,748)       (412)       11,975       (21,311)       15,666       (236)       (49,748)       (412)       11,975       (21,311)       15,666       (236)       (69)       33,178       14,800       124       16,308       9,630       69       33,178       14,800       124       16,308       9,630       69       33,178       14,800       124       16,308       9,630       69       33,178       14,800       124       16,308       9,630       69       33,178       14,800       124       16,308       9,630       69       33,178       14,800       124       16,308       16,303       16,313       124       16,308       16,616       10,710       126,765       70       126,755<														
Others       33,178       14,800       124       16,308       9,630       69       33,178       14,800       124       16,308       9,630       69         Net operating income       5,476,461       5,598,468       (2)       2,249,601       2,388,141       (6)       5,723,124       5,790,726       (1)       2,371,473       2,502,254       (5,23)         Operating expenses       1,782,657       1,720,894       4       889,096       865,216       3       1,872,133       1,993,690       4       934,281       889,992       5         Depreciation and amortisation       390,842       215,018       82       201,933       109,163       85       418,335       1,23,984       11       677,582       616,622       10         Total operating expenses       3,522,785       3,174,702       11       1,773,000       1,595,399       11       3,645,303       3,261,391       12       1,826,960       1,633,379       122         Operating profit before value added tax, nation       1,953,676       2,423,766       (19)       476,601       792,742       (40)       2,077,821       2,529,335       (18)       544,513       868,875       (37)         Value added tax, nation       1,953,676       2,423,76			. ,			,.	/.		. ,	, .		,	/-	
Net operating income       5,476,461       5,598,468       (2)       2,249,601       2,388,141       (6)       5,723,124       5,790,726       (1)       2,371,473       2,502,254       (5,23)         Operating expenses       Personnel expenses       1,782,657       1,700,894       4       889,096       865,216       3       1,872,133       1,793,690       4       934,281       889,992       5         Depreciation and amortisation       390,842       215,018       82       201,933       109,163       85       418,335       243,717       72       215,097       126,765       70         Other expenses       1,349,286       1,238,790       9       681,971       621,020       10       1,354,835       1,232,984       11       67,582       616,622       10         Operating profit before value added tax, nation       3,552,788       3,174,702       11       1,773,000       1,595,399       11       3,645,303       3,261,391       12       1,826,960       1,632,379       12         Operating profit after value added tax, nation       1,953,676       2,423,766       (19)       476,601       792,742       (40)       2,077,821       2,529,335       (18)       544,513       868,875       (37)														. ,
Operating expenses       Instruction and amortisation       Instruction       Instruction <thinstructio< td=""><th></th><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>/</td><td></td><td></td><td></td><td></td></thinstructio<>										/				
Personnel expenses       1,782,657       1,720,894       4       889,096       865,216       3       1,872,133       1,793,690       4       934,281       889,992       5         Depreciation and amortisation       390,842       215,018       82       201,933       109,163       85       418,335       243,717       72       215,097       126,765       70         Other expenses       1,349,286       1,238,700       9       681,971       621,020       10       1,354,835       1,223,984       11       677,582       616,622       10         Operating profit before value added tax, nation       3,522,785       3,174.702       11       1,773,000       1,595,399       11       3,645,303       3,261,391       12       1,826,960       1,633,379       12         Operating profit before value added tax, nation       3,522,785       3,174       11       1,773,000       1,595,399       11       3,645,303       3,261,391       12       1,826,960       1,633,379       12         Value added tax, nation building tax and debt       repayment levy on financial services       1,953,676       2,423,766       (19)       476,601       792,742       (40)       2,077,821       2,529,335       (18)       544,513       868,875       (	Net operating income		5,476,461	5,598,468	(2)	2,249,601	2,388,141	(6)	5,723,124	5,790,726	(1)	2,371,473	2,502,254	(5.23)
Personnel expenses       1,782,657       1,720,894       4       889,096       865,216       3       1,872,133       1,793,690       4       934,281       889,992       5         Depreciation and amortisation       390,842       215,018       82       201,933       109,163       85       418,335       243,717       72       215,097       126,765       70         Other expenses       1,349,286       1,238,700       9       681,971       621,020       10       1,354,835       1,223,984       11       677,582       616,622       10         Operating profit before value added tax, nation       3,522,785       3,174.702       11       1,773,000       1,595,399       11       3,645,303       3,261,391       12       1,826,960       1,633,379       12         Operating profit before value added tax, nation       3,522,785       3,174       11       1,773,000       1,595,399       11       3,645,303       3,261,391       12       1,826,960       1,633,379       12         Value added tax, nation building tax and debt       repayment levy on financial services       1,953,676       2,423,766       (19)       476,601       792,742       (40)       2,077,821       2,529,335       (18)       544,513       868,875       (	0 mil													
Depreciation and amortisation       390,842       215,018       82       201,933       109,163       85       418,335       243,717       72       215,097       126,765       70         Other expenses       1,349,286       1,238,790       9       681,971       621,020       10       1,354,835       1,223,984       11       677,582       616,622       10         Total operating expenses       3,522,785       3,174,702       11       1,773,000       1,595,399       11       3,645,303       3,261,391       12       1,826,960       1,633,379       12         Operating profit before value added tax, nation       1,953,676       2,423,766       (19)       476,601       792,742       (40)       2,077,821       2,529,335       (18)       544,513       868,875       (37)         Value added tax, nation       building tax and debt       repayment levy on       financial services       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20         Operating profit after value added tax, nation       1,204,857       1,843,078       (35)       203,392       565,954       (64)       1,329,002       1,948,647       (32)       271,304			1 792 (57	1 720 804		000.007	965 216	2	1 070 100	1 702 600	4	024 201	880.002	5
Other expenses         1,349,286         1,238,790         9         681,971         621,020         10         1,354,835         1,223,984         11         677,582         616,622         10           Total operating expenses         3,522,785         3,174,702         11         1,773,000         1,595,399         11         3,645,303         3,261,391         12         1,826,960         1,633,379         12           Operating profit before value added tax, nation building tax and debt repayment levy on financial services         1,953,676         2,423,766         (19)         476,601         792,742         (40)         2,077,821         2,529,335         (18)         544,513         868,875         (37)           Value added tax, nation building tax and debt repayment levy on financial services         748,819         580,688         29         273,209         226,788         20         748,819         580,688         29         273,209         226,788         20           Operating profit after value added tax, nation building tax and debt repayment levy on financial services         1,843,078         (35)         203,392         565,954         (64)         1,329,002         1,948,647         (32)         271,304         642,087         (58)           Share of profits of associate and joint venture         -														
Total operating expenses       3,522,785       3,174,702       11       1,773,000       1,595,399       11       3,645,303       3,261,391       12       1,826,960       1,633,379       12         Operating profit before value added tax, nation building tax and debt repayment levy on financial services       1,953,676       2,423,766       (19)       476,601       792,742       (40)       2,077,821       2,529,335       (18)       544,513       868,875       (37)         Value added tax, nation building tax and debt repayment levy on financial services       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20         Operating profit after value added tax, nation building tax and debt repayment levy on financial services       1,843,078       (35)       203,392       565,954       (64)       1,329,002       1,948,647       (32)       271,304       642,087       (58)         Share of profits of associate and joint venture       -       -       -       83,389       88,587       (6)       49,572       65,753       (25)         Profit before tax       1,204,857       1,843,078       (35)       203,392       565,954       (64)       1,412,391       2,037,234       (31)       320,876														
Operating profit before value added tax, nation       1,953,676       2,423,766       (19)       476,601       792,742       (40)       2,077,821       2,529,335       (18)       544,513       868,875       (37)         Value added tax, nation building tax and debt repayment levy on financial services       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20         Operating profit after value added tax, nation building tax and debt repayment levy on financial services       1,843,078       (35)       203,392       565,954       (64)       1,329,002       1,948,647       (32)       271,304       642,087       (58)         Share of profits of associate and joint venture       -       -       -       -       83														
building tax and debt repayment levy on financial services       1,953,676       2,423,766       (19)       476,601       792,742       (40)       2,077,821       2,529,335       (18)       544,513       868,875       (37)         Value added tax, nation building tax and debt repayment levy on financial services       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20         Operating profit after value added tax, nation building tax and debt repayment levy on financial services       1,204,857       1,843,078       (35)       203,392       565,954       (64)       1,329,002       1,948,647       (32)       271,304       642,087       (58)         Share of profits of associate and joint venture       -       -       -       83,389       88,587       (6)       49,572       65,753       (25)         Profit before tax       1,204,857       1,843,078       (35)       203,392       565,954       (64)       1,412,391       2,037,234       (31)       320,876       707,840       (55)         Profit before tax       1,204,857       1,843,078       (35)       203,392       565,954       (64)       1,412,391       2,037,234       (31)       320,876 <td< td=""><th></th><td></td><td>5,522,765</td><td>5,174,702</td><td>11</td><td>1,775,000</td><td>1,373,377</td><td>11</td><td>3,043,505</td><td>5,201,571</td><td>12</td><td>1,020,700</td><td>1,055,577</td><td>12</td></td<>			5,522,765	5,174,702	11	1,775,000	1,373,377	11	3,043,505	5,201,571	12	1,020,700	1,055,577	12
financial services       1,953,676       2,423,766       (19)       476,601       792,742       (40)       2,077,821       2,529,335       (18)       544,513       868,875       (37)         Value added tax, nation building tax and debt repayment levy on financial services       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20         Operating profit after value added tax, nation building tax and debt repayment levy on financial services       1,204,857       1,843,078       (35)       203,392       565,954       (64)       1,329,002       1,948,647       (32)       271,304       642,087       (55)         Profit before tax       1,204,857       1,843,078       (35)       203,392       565,954 <th></th> <td></td>														
Value added tax, nation building tax and debt repayment levy on financial services       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20         Operating profit after value added tax, nation building tax and debt repayment levy on financial services       1,204,857       1,843,078       (35)       203,392       565,954       (64)       1,329,002       1,948,647       (32)       271,304       642,087       (58)         Share of profits of associate and joint venture       -       -       -       83,389       88,587       (6)       49,572       65,753       (25)         Profit before tax       1,204,857       1,843,078       (35)       203,392       565,954       (64)       1,412,391       2,037,234       (31)       320,876       707,840       (55)         Profit before tax       1,204,857       1,843,078       (35)       203,392       565,954       (64)       1,412,391       2,037,234       (31)       320,876       707,840       (55)         Profit before tax       1,204,857       1,843,078       (35)       203,492       505,108       578,941       (13)       26,665       353,587       (92)         Profit for the period       737,420 </td <th></th> <td></td> <td>1 953 676</td> <td>2 123 766</td> <td>(10)</td> <td>476 601</td> <td>702 742</td> <td>(40)</td> <td>2 077 821</td> <td>2 520 335</td> <td>(18)</td> <td>544 513</td> <td>868 875</td> <td>(37)</td>			1 953 676	2 123 766	(10)	476 601	702 742	(40)	2 077 821	2 520 335	(18)	544 513	868 875	(37)
repayment levy on financial services       748,819       580,688       29       273,209       226,788       20       748,819       580,688       29       273,209       226,788       20         Operating profit after value added tax, nation building tax and debt repayment levy on financial services       1,204,857       1,843,078       (35)       203,392       565,954       (64)       1,329,002       1,948,647       (32)       271,304       642,087       (58)         Share of profits of associate and joint venture       -       -       -       83,389       88,587       (6)       49,572       65,753       (25)         Profit before tax       1,204,857       1,843,078       (35)       203,392       565,954       (64)       1,412,391       2,037,234       (31)       320,876       707,840       (55)         Profit before tax       1,204,857       1,843,078       (35)       203,392       565,954       (64)       1,412,391       2,037,234       (31)       320,876       707,840       (55)         Income tax expense       467,437       535,525       (13)       6,564       326,469       (98)       506,108       578,941       (13)       26,665       353,587       (17)         Profit for the period       737,420			1,755,070	2,423,700	(1))	470,001	192,142	(40)	2,077,021	2,527,555	(10)	544,515	000,075	(57)
Operating profit after value added tax, nation building tax and debt repayment levy on financial services         1,204,857         1,843,078         (35)         203,392         565,954         (64)         1,329,002         1,948,647         (32)         271,304         642,087         (58)           Share of profits of associate and joint venture         -         -         -         83,389         88,587         (6)         49,572         65,753         (25)           Profit before tax         1,204,857         1,843,078         (35)         203,392         565,954         (64)         1,412,391         2,037,234         (31)         320,876         707,840         (55)           Income tax expense         467,437         535,525         (13)         6,564         326,469         (98)         506,108         578,941         (13)         26,665         353,587         (92)           Profit for the period         737,420         1,307,553         (44)         196,828         239,485         (18)         906,283         1,458,293         (38)         294,211         354,253         (17)			749 910	500 600	20	272 200	226 799	20	749 910	500 600	20	272 200	226 799	20
building fax and debt repayment levy on financial services         1,204,857         1,843,078         (35)         203,392         565,954         (64)         1,329,002         1,948,647         (32)         271,304         642,087         (58)           Share of profits of associate and joint venture         -         -         -         83,389         88,587         (6)         49,572         657,553         (25)           Profit before tax         1,204,857         1,843,078         (35)         203,992         565,954         (64)         1,412,391         2,037,234         (31)         320,876         707,840         (55)           Income tax expense         467,437         535,525         (13)         6,564         326,469         (98)         506,108         578,941         (13)         26,656         353,587         (92)           Profit for the period         737,420         1,307,553         (44)         196,828         239,485         (18)         906,283         1,458,293         (38)         294,211         354,253         (17)			/40,019	380,088	29	275,209	220,788	20	/40,019	380,088	29	273,209	220,788	20
financial services       1,204,857       1,843,078       (35)       203,392       565,954       (64)       1,329,002       1,948,647       (32)       271,304       642,087       (58)         Share of profits of associate and joint venture       -       -       -       83,389       88,587       (6)       49,572       65,753       (25)         Profit before tax       1,204,857       1,843,078       (35)       203,392       565,954       (64)       1,412,391       2,037,234       (31)       320,876       707,840       (55)         Income tax expense       467,437       535,525       (13)       6,564       326,469       (98)       506,108       578,941       (13)       26,665       353,587       (92)         Profit for the period       737,420       1,307,553       (44)       196,828       239,485       (18)       906,283       1,458,293       (38)       294,211       354,253       (17)														
Share of profits of associate and joint venture       -       -       -       -       83,389       88,587       (6)       49,572       65,753       (25)         Profit before tax       1,204,857       1,843,078       (35)       203,392       565,954       (64)       1,412,391       2,037,234       (31)       320,876       707,840       (55)         Income tax expense       467,437       535,525       (13)       6,564       326,469       (98)       506,108       578,941       (13)       26,665       333,587       (92)         Profit for the period       737,420       1,307,553       (44)       196,828       239,485       (18)       906,283       1,458,293       (38)       294,211       354,253       (17)			1 204 857	1 8/3 078	(35)	203 392	565 954	(64)	1 329 002	1 948 647	(32)	271 304	642.087	(58)
Profit before tax         1,204,857         1,843,078         (35)         203,392         565,954         (64)         1,412,391         2,037,234         (31)         320,876         707,840         (55)           Income tax expense         467,437         535,525         (13)         6,564         326,469         (98)         506,108         578,941         (13)         26,665         353,587         (92)           Profit for the period         737,420         1,307,553         (44)         196,828         239,485         (18)         906,283         1,458,293         (38)         294,211         354,253         (17)	mancial services		1,204,057	1,045,078	(55)	203,372	505,754	(04)	1,529,002	1,940,047	(52)	2/1,504	042,007	(58)
Profit before tax         1,204,857         1,843,078         (35)         203,392         565,954         (64)         1,412,391         2,037,234         (31)         320,876         707,840         (55)           Income tax expense         467,437         535,525         (13)         6,564         326,469         (98)         506,108         578,941         (13)         26,665         353,587         (92)           Profit for the period         737,420         1,307,553         (44)         196,828         239,485         (18)         906,283         1,458,293         (38)         294,211         354,253         (17)	Shara of profits of associate and joint venture								82 280	00 507	(6)	40 572	65 753	(25)
Income tax expense         467,437         535,525         (13)         6,564         326,469         (98)         506,108         578,941         (13)         26,665         353,587         (92)           Profit for the period         737,420         1,307,553         (44)         196,828         239,485         (18)         906,283         1,458,293         (38)         294,211         354,253         (17)	Share of profits of associate and joint venture		-	-	-	-	-	-	65,569	00,007	(0)	49,372	05,755	(23)
Income tax expense         467,437         535,525         (13)         6,564         326,469         (98)         506,108         578,941         (13)         26,665         353,587         (92)           Profit for the period         737,420         1,307,553         (44)         196,828         239,485         (18)         906,283         1,458,293         (38)         294,211         354,253         (17)	Profit before tax		1 204 857	1 843 078	(35)	203 302	565 954	(64)	1 412 301	2 037 234	(31)	320 876	707 840	(55)
Profit for the period         737,420         1,307,553         (44)         196,828         239,485         (18)         906,283         1,458,293         (38)         294,211         354,253         (17)														
Profit attributable to:	Profit attributable to:		151,420	1,001,000	(44)	170,020	237,403	(13)	200,203	1,450,295	(50)	277,211	557,255	(17)
Equity holders of the Bank <b>737,420</b> 1,307,553 (44) <b>196,828</b> 239,485 (18) <b>861,843</b> 1,422,564 (39) <b>271,311</b> 340,019 (20)			737 420	1 307 553	(44)	196 828	239 485	(18)	861 8/13	1 422 564	(30)	271 311	340.019	(20)
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	1 5			1,507,555	(++)	170,020		(10)	· · · ·					. ,
Profit for the period 737.420 1.307.553 (44) 196.828 2.39.485 (18) 906.828 1.458.293 (38) 294.211 354.253 (17)	-		737 420	1 307 552	(44)	106 879		(18)				1		
From for the period $737,420$ $1,507,535$ $(44)$ $190,626$ $239,465$ $(16)$ $900,265$ $(36)$ $294,211$ $534,235$ $(17)$ Basic earnings per ordinary share (LKR) $2.67$ $4.93$ $(46)$ $0.71$ $0.90$ $(21)$ $3.28$ $5.50$ $(40)$ $1.06$ $1.34$ $(20)$	•							. ,				,		
$Daste cannegs per ordinary state (LKK) = \frac{2.07}{1.00} + 3.73 (40) = 0.71 = 0.70 (21) = \frac{3.20}{3.20} = 3.30 (40) = 1.00 = 1.34 (20)$	Dasic carnings per orunnary share (LKR)		2.07	4.95	(40)	0./1	0.90	(21)	3.20	5.50	(40)	1.00	1.54	(20)

### Comparison of results - Core Business

		Baı	ık		Group						
For	the period end	ed	For th	e quarter end	ed	For t	the period ended For the quarter end			ded	
30.06.2019	30.06.2018	Change	30.06.2019	30.06.2018	Change	30.06.2019	30.06.2018	Change	30.06.2019	30.06.2018	Change
LKR 000	LKR 000	%	LKR 000	LKR 000	%	LKR 000	LKR 000	%	LKR 000	LKR 000	%
	(Restated)			(Restated)			(Restated)			(Restated)	
737,420	1,307,553	(44)	196,828	239,485	(18)	906,283	1,458,293	(38)	294,211	354,253	(17)
851,066	529,574	61	267,892	563,742	(52)	851,066	529,574	61	267,892	563,742	(52)
1,588,486	1,837,127	(14)	464,720	803,227	(42)	1,757,349	1,987,867	(12)	562,103	917,995	(39)

Profit for the period – reported Marked-to-market loss / (gain) on equity shares of Commercial Bank of Ceylon PLC, net of taxes Profit for the period from core activities

#### DFCC Bank PLC

Statement of Comprehensive Income

Statement of Comprehensive Income													
			Ban							Group			
	For the	e period endeo	1	For th	ne quarter end	led	For th	e period ende	d	For th	e quarter end	ed	
	30.06.2019	30.06.2018	Change	30.06.2019	30.06.2018	Change	30.06.2019	30.06.2018	Chang	30.06.2019		Change	
	LKR 000	LKR 000	%	LKR 000	LKR 000	%	LKR 000	LKR 000	%	LKR 000	LKR 000	%	
		(Restated)			(Restated)			(Restated)			(Restated)		
Profit for the period	737,420	1,307,553	(44)	196,828	239,485	(18)	906,283	1,458,293	(38)	294,211	354,253	(17)	
Other comprehensive income / (expenses) for the period, net of	151,420	1,507,555	(++)	170,020	257,405	(10)	700,205	1,450,275	(50)	274,211	554,255	(17)	
tax											1		
Items that will be reclassified to income statement											1		
Net change in fair value through other comprehensive income											1		
financial assets	1,899,161	(371,160)	612	1,185,845	(66,256)	(1,890)	1,899,161	(371,160)	612	1,185,845	(66,256)	(1,890)	
Net amount transferred to income statement on disposal of fair	(110,241)	(42,797)	(158)	-	(29,691)	(100)	(110,241)	(42,797)	(158)	-	(29,691)	(100)	
value through other comprehensive income financial assets	( .,=)	( ))	(		( . , )		· · / ·-/	, <i>,,,,,</i> ,	()		( · , )	,	
Share of other comprehensive expenses of equity accounted joint venture and associate							(15 (50)	6.024	359	5 525	9,945	(14)	
Net gain /( loss) on cash flow hedges	-	-	-	-	-	-	(15,650)	6,034	339	5,525	9,945	(44)	
Effective portion of changes in fair value	(377,145)	-	(100)	(83,242)	-	(100)	(377,145)	-	(100)	(83,242)	-	(100)	
Reclassified to profit or loss	194,400	-	100	(31,200)	-	(100)	194,400	-	100	(31,200)	-	(100)	
Deferred tax effect relating to fair value through other				(,)		()				(,,	1	()	
comprehensive income financial assets	(449,710)	115,908	(488)	(299,991)	26,865	1,217	(449,710)	115,908	488	(299,991)	26,865	1,217	
Total other comprehensive income / (expenses) that will be													
reclassified to income statement	1,156,465	(298,049)	488	771,412	(69,082)	(1,217)	1,140,815	(292,015)	491	776,937	(59,137)	(1,414)	
Items that will not be reclassified to income statement													
Losses on remeasurement of defined benefit plans Net loss on equity instruments measured at fair value through other	-	-	-	-	-	-	(49)	(119)	(59)	(49)	-	(100)	
comprehensive income	(2,015,184)	(1,260,940)	60	(607,844)	(1,278,727)	(52)	(2,015,184)	(1,260,940)	60	(607,844)	(1,278,727)	(52)	
Deferred tax effect relating to items that will not be reclassified to											1		
income statement	-	-	-	-	-	-	15	-	100	15	-	100	
Total other comprehensive expenses on items that will not be	(2,015,184)	(1.260.940)	60	(607,844)	(1,278,727)	(52)	(2,015,218)	(1.261.059)	60	(607,878)	(1,278,727)	(52)	
reclassified to income statement		(),					., , , ,					( )	
Other comprehensive (expenses)/income for the period, net of	(858,719)	(1,558,989)	45	163,568		(112)	(874,403)	(1,553,074)	44	169,059	(1,337,864)	(113)	
Total comprehensive (expenses) / income for the period	(121,299)	(251,436)	(52)	360,396	(1,108,324)	(133)	31,880	(94,781)	(134)	463,270	(983,611)	(147)	
Total comprehensive (expenses) /income attributable to:													
Equity holders of the Bank	(121,299)	(251,436)	(52)	360,396	(1,108,324)	(133)		(130,510)	(90)	440,386	(997,904)	(144)	
Non-controlling interests Total comprehensive (expenses) / income for the period	(121,299)	(251,436)	(52)	- 360,396	(1,108,324)	(133)	44,423 31,880	35,729 (94,781)	(134)	22,884 463,270	14,293 (983,611)	60 (147)	
rous comprenensive (expenses)/ meome for the period	(121,299)	(231,430)	(32)	300,390	(1,108,524)	(155)	31,080	(94,781)	(154)	405,270	(985,011)	(147)	
		•			•		-	•					

#### DFCC Bank PLC Statement of Financial Position

Statement of Financial Position							
		Baı	nk	-	Gro	up	
As at		30.06.2019	31.12.2018	Change	30.06.2019	31.12.2018	Change
			(Audited)			(Audited)	
	Notes	LKR 000	LKR 000	%	LKR 000	LKR 000	%
America							
Assets Cash and cash equivalents		6,444,704	5,039,629	28	6,453,207	5,049,823	28
Balances with Central Bank of Sri Lanka		9,273,141	11,841,814	(22)	9,273,141	11,841,814	(22)
Placements with banks		11,005,577	425,087	2,489	11,133,463	439,727	2,432
Derivative assets held - for - risk - management		1,068,487	3,414,549	(69)	1,068,487	3,414,549	(69)
Financial assets measured at fair value through profit or loss		5,008,376	6,078,862	(18)	5,008,376	6,078,862	(18)
Financial assets at amortised cost - Loans to and receivables from banks		8,239,988	12,854,880	(36)	8,239,988	12,854,880	(36)
Financial assets at amortised cost - Loans to and receivables from other		0,233,300	12,054,000	(50)	0,233,300	12,054,000	(30)
customers	8	257,610,196	249,733,718	3	257,610,196	249,733,718	3
Financial assets at amortised cost - Debt and other instruments.	0	24,241,365	22,874,088	6	24,241,365	22,874,088	6
Financial assets measured at fair value through other comprehensive income		69,114,961	55,313,553	25	69,114,961	55,313,553	25
Investments in subsidiaries		167,036	167,036	-			-
Investments in associate		35,270	35,270	-	30,610	31,107	(2)
Investments in joint venture		755,000	755,000	-	2,025,693	1,957,455	3
Due from subsidiaries		7,587	9,505	(20)	_,,	-	-
Investment properties		9,879	9,879	-	479,033	496,559	(4)
Property, plant and equipment		2,771,075	1,620,375	71	2,859,185	1,718,904	66
Intangible assets		696,042	668,834	4	711,431	686,288	4
Goodwill on consolidation		-	-	-	156,226	156,226	-
Deferred tax asset		238,618	491,523	(51)	239,699	492,678	(51)
Other assets		3,301,178	3,574,276	(8)	3,430,790	3,621,780	(5)
Total assets		399,988,480	374,907,878	7	402,075,851	376,762,011	7
Liabilities		14.000 (00	0.116.161	50	14.000 (00	0.446.464	50
Due to banks		14,992,689	9,446,464	59 494	14,992,689	9,446,464	59 494
Derivative liabilities held- for- risk -management Financial liabilities at amortised cost - Due to depositors	9	720,602 254,565,729	121,373 242,237,596	494	720,602 254,253,474	121,373 241,914,870	494
Financial liabilities at amortised cost - Due to depositors	2	47,448,509	47,413,727	0	47,448,509	47,388,679	0
Debt securities issued		13,314,365	8,898,441	50	13,314,365	8,898,441	50
Retirement benefit obligation		431,726	408,704	6	456,337	433,315	5
Current tax liability		1,047,771	1,221,117	(14)	1,100,024	1,294,540	(15)
Deferred tax liability		-	-	-	87,723	90,402	(3)
Other liabilities		5,111,754	4,458,721	15	5,383,844	4,662,423	15
Subordinated term debt		16,747,685	16,855,352	(1)	16,747,685	16,855,352	(1)
Total liabilities		354,380,830	331,061,495	7	354,505,252	331,105,859	7
Equity		7 520 271	4 715 014	(0)	5 520 251	4 715 014	60
Stated capital		7,530,371 2,358,275	4,715,814 2,358,275	60	7,530,371 2,358,275	4,715,814 2,358,275	60 (0)
Statutory reserves Retained earnings		16,992,691	17,187,262	(1)	2,358,275	2,338,273	(0)
Other reserves		18,726,313	19,585,032	(1)	17,345,910	18,216,689	(5)
Total equity attributable to equity holders of the Bank		45,607,650	43,846,383	4	47,267,952	45,397,928	4
Non-controlling interests		-	-		302,647	258,224	17
Total equity		45,607,650	43,846,383	4	47,570,599	45,656,152	4
Total equity and liabilities		399,988,480	374,907,878	7	402,075,851	376,762,011	7
		112	107.112.55		142.001.151	107 1 10 111	
Contingent liabilities and commitments		143,284,166	137,143,668	4	143,284,166	137,143,668	4
Net assets value per share, LKR		149.93	165.40	(9)	155.39	171.25	(9)
Information on shares of the Bank for the quarter ended		30.06.2019	31.12.2018				
- Highest price LKR		77	101				
Lowest price LKR		67	87				

- Lowest price LKR	67	87		
- Market price LKR	72	93		
	Banl	κ.	Grou	ıp
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Memorandum Information				
Number of Employees	1,967	1,860	2,079	1,963
Number of Branches	114	110		
Extension offices and postal units	25	28		

# **Statement of Changes in Equity**

		Statutory reserves	0	ther reserves			
	Stated Capital	Reserve fund	Fair value	Hedging	General	Retained earnings	Total
	LKR 000	LKR 000	reserve LKR 000	reserve LKR 000	reserves LKR 000	LKR 000	equity LKR 000
Bank							
Balance as at 01.01.2018	4,715,814	2,224,275	13,298,686	-	13,779,839	13,858,152	47,876,766
Adjustment on initial application of SLFRS 9, net of tax	-	-	(4,551,014)	-	-	2,017,938	(2,533,076)
Restated balance as at 01.01.2018	4,715,814	2,224,275	8,747,672	-	13,779,839	15,876,090	45,343,690
Profit for the period	-	-	-	-	-	1,307,553	1,307,553
Other comprehensive expenses, net of tax	-	-	(1,558,989)	-	-	-	(1,558,989)
Total comprehensive (expenses)/income for the period	-	-	(1,558,989)	-	-	1,307,553	(251,436)
Transfer of gains / (losses) on disposal / write off of equity							
investments at fair value through other comprehensive income to	-	-	(62,673)	-	-	46,601	(16,072)
retained earnings							
Transactions with equity holders, recognised directly in equity							
Final dividend approved on 20.02.2018	-	-	-	-	-	(1,325,489)	(1,325,489)
Total contributions from and distribution to equity holders	-	-	-	-	-	(1,325,489)	(1,325,489)
Balance as at 30.06.2018	4,715,814	2,224,275	7,126,010	-	13,779,839	15,904,755	43,750,693
Balance as at 01.01.2019	4,715,814	2,358,275	5,745,025	60,168	13,779,839	17,187,262	43,846,383
Profit for the period	-	-	-	-	-	737,420	737,420
Other comprehensive expenses, net of tax	-	-	(727,143)	(131,576)	-	-	(858,719)
Total comprehensive ( expenses) / income for the period	-	-	(727,143)	(131,576)		737,420	(121,299)
Transfer of gains on disposal of equity investments at fair value						1.00.5	1.00.5
through other comprehensive income to retained earnings	-	-	-	-	-	4,886	4,886
Transactions with equity holders, recognised directly in equity							
Final dividend approved on 18.02.2019	-	-	-	-	-	(927,841)	(927,841)
Rights issue	2,814,557	-	-	-	-	(9,036)	2,805,521
Total contributions from and distribution to equity holders	2,814,557	-	-	-	-	(936,877)	1,877,680
Balance as at 30.06.2019	7,530,371	2,358,275	5,017,882	(71,408)	13,779,839	16,992,691	45,607,650

# Statement of Changes in Equity

Balance as at 01.01.2018       4,715,814       2,224,275       11,032,483       13,061       13,779,839       17,359,513       49,124,985       276,872       49,401,857         Adjustment on initial application of SLFRS 9, net of tax       -       (3,707,124)       -       -       1,189,617       (2,517,507)       -       (4,58,030       -       -       1,422,564       1,422,564       1,52,453       3,5671       (9,4782)       -       -       -       -						Attributable	to the equity hol	lders of the Bank	2		
Capital         fund         reserve reserve         reserve company         reserve reserve		Si	tatutory reserves		Other r	eserves					
Capital Part of part of pa		Stated	Reserve	Fair value	Exchange	Hedging	General	Retained	Total	Non- controlling	Total
LKR 000LKR 000LSI 01500LSI 000LSI 000LS		Capital	fund	reserve	0	reserve	reserve	earnings		interests	
Group         Balance as al 0.01.2018         4.715.814         2.224.275         11,032.483         13,061         13,779.839         17,359.513         49,124.985         276,572         49,401,857           Adjustment on initial application of SLFRS 9, net of ax         -         -         -         1,189,617         (2,517,507)         -         2,517,507)         -         2,517,507)         -         2,517,507)         -         2,517,507)         -         2,517,507)         -         -         1,422,564         1,422,564         3,5729         1,458,293           Profit for the period         -         -         -         -         1,422,564         1,422,564         3,5,571         0(47,82)           Transfer of gains / (Doses) / income, net of tax         -         -         1,561,873         8,916         -         1,422,564         1,62,273         3,5,571         0(47,82)           Transections with equity holders, recognised directly in equity         -         -         -         46,601         (1,60,72)         -         (1,60,72)         1,632,789)           Transections with equity holders, recognised directly in equity         -         -         -         760         760         760         760         760         760         760         760					reserve						
Balance as at 01.01.2018         4,715,814         2,224,275         11,032,483         13,061         13,779,839         17,359,513         49,124,985         276,872         49,401,857           Adjustment on initial application of SLFRS 9, net of tax         -         -         -         1,189,617         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         (2,517,507)         -         -         -         -         -         -         -         -         -		LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
Adjustment on initial application of SLFRS 9, net of tax </th <th>Group</th> <th></th>	Group										
Restated balance at 01.01.2018       4,715,814       2,224,275       7,325,359       13,061       13,779,839       18,549,130       46,607,478       276,872       46,884,350         Profit for the period       -       -       -       -       -       1,422,564       1,422,564       35,729       1,458,230         Other comprehensive (expenses) / income, net of tax       -       (1,561,873)       8,916       -       1,422,564       (1,30,453)       35,671       (947,82)         Transfer of gains / (losses) on disposal / write off of equity investments at fair value through other comprehensive income to retained earnings       -       -       -       46,601       (16,072)       -       (16,072)         Transfer of gains / (losses) on disposal / write off of equity investments at fair value through other comprehensive income to retained earnings       -       -       -       760       700       -       760       760       -       760       760       -       760       760       -       760       760       -       1(1,325,489)       -       (1,325,489)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)	Balance as at 01.01.2018	4,715,814	2,224,275	11,032,483	13,061	-	13,779,839	17,359,513	49,124,985	276,872	49,401,857
Profit for the period       -       -       -       -       -       1,422,564       1,6072       1,6072       1,6072       1,6072       1,6072       1,6072       1,6072       1,6072       1,6072       1,6172       1,6172       1,6172       1,6172       1,6172       1,6172       1,6172       1,6172       1,6172       1,6172       1,6172       1,6172       1,6172       1,6172       1,6172       1,6172       1,6172       1,6172 <th< td=""><td>Adjustment on initial application of SLFRS 9, net of tax</td><td>-</td><td>-</td><td>(3,707,124)</td><td>-</td><td>-</td><td>-</td><td>1,189,617</td><td>(2,517,507)</td><td>-</td><td>(2,517,507)</td></th<>	Adjustment on initial application of SLFRS 9, net of tax	-	-	(3,707,124)	-	-	-	1,189,617	(2,517,507)	-	(2,517,507)
Other comprehensive (expenses) / income, net of tax       -       -       (1,561,873)       8,916       -       (60)       (1,553,017)       (58)       (1,553,075)         Total comprehensive (expenses) / income for the period       -       (1,561,873)       8,916       -       1,422,504       (130,453)       35,671       (94,782)         Transfer of gains / (losses) on disposal / write off of equity investments       -       (62,673)       -       -       46,601       (16,072)       -       (16,072)         Transactions with equity holders, recognised directly in equity       -       -       -       -       760       760       -       760         Final dividend approved on 20.02.2018       -       -       -       -       -       -       (1,324,729)       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       -       (1,324,729)       (1,324,729)       -       (	Restated balance at 01.01.2018	4,715,814	2,224,275	7,325,359	13,061	-	13,779,839	18,549,130	46,607,478	276,872	46,884,350
Total comprehensive (expenses) / income for the period       -       -       (1,561,873)       8,916       -       -       1,422,504       (130,453)       35,671       (94,782)         Transfer of gains / (losses) on disposal / write off of equity investments at fair value through other comprehensive income to retained earnings       -       (62,673)       -       -       46,601       (16,072)       -       (16,072)         Transactions with equity holders, recognised directly in equity       -       -       -       -       760       760       -       760         Final dividend approved on 20.02.2018       -       -       -       -       -       -       1,324,729)       (1,324,729)       (1,324,729)       1,324,729)       -       1,324,729)       -       (1,324,729)       -       1,324,729)       -       1,324,729)       -       1,324,729)       -       1,324,729)       -       1,324,729)       -       1,324,729)       -       1,324,729)       -       1,324,729)       -       1,324,729)       -       1,324,729)       -       1,324,729)       -       1,324,729)       -       1,324,729)       -       1,324,729)       -       1,324,729)       -       1,324,729)       -       -       -       -       1,325,483       46,4	Profit for the period	-	-	-	-	-	-	1,422,564	1,422,564	35,729	1,458,293
Transfer of gains / (losses) on disposal / write off of equity investments at fair value through other comprehensive income to retained earnings       (62,673)       -       46,601       (16,072)       (16,072)         Transactions with equity holders, recognised directly in equity       (62,673)       -       -       760       760       760         Change in holding through joint venture       -       -       -       -       760       760       760         Final dividend approved on 20.02.2018       -       -       -       -       -       -       760       1(325,489)       (1,324,729)       (1,324,729)         Balance as at 30.06.2018       4,715,814       2,224,275       5,700,813       21,977       -       13,779,839       18,693,506       45,136,224       312,543       45,648,767         Balance at 01.01.2019       4,715,814       2,358,275       4,293,847       82,835       60,168       13,779,839       20,107,150       45,397,928       258,224       45,656,152         Profit for the period       -       -       -       -       -       861,843       861,843       44,440       906,283         Other comprehensive (expenses) / income, net of tax       -       -       (722,666)       (20,126)       (131,576)       -       (18)	Other comprehensive (expenses) / income, net of tax	-	-	(1,561,873)	8,916	-	-	(60)	(1,553,017)	(58)	(1,553,075)
at fair value through other comprehensive income to retained earnings       1	Total comprehensive (expenses) / income for the period	-	-	(1,561,873)	8,916		-	1,422,504	(130,453)	35,671	(94,782)
Change in holding through joint venture       -       -       -       760       760       -       760         Final dividend approved on 20.02.2018       -       -       -       (1,325,489)       (1,325,489)       (1,325,489)       (1,325,489)       (1,324,729)	Transfer of gains / (losses) on disposal / write off of equity investments at fair value through other comprehensive income to retained earnings	-	-	(62,673)	-	-	-	46,601	(16,072)	) -	(16,072)
Change in holding through joint venture       -       -       -       760       760       -       760         Final dividend approved on 20.02.2018       -       -       -       (1,325,489)       (1,325,489)       (1,325,489)       (1,325,489)       (1,324,729)	Transactions with equity holders, recognised directly in equity										
Total contributions from and distribution to equity holders       .<	Change in holding through joint venture	-	-	-	-	-	-	760	760	-	760
Balance as at 30.06.2018       4,715,814       2,224,275       5,700,813       21,977       -       13,779,839       18,693,506       45,136,224       312,543       45,448,767         Balance as at 30.06.2018       4,715,814       2,224,275       5,700,813       21,977       -       13,779,839       20,107,150       45,397,928       258,224       45,646,152         Balance at 01.01.2019       4,715,814       2,358,275       4,293,847       82,835       60,168       13,779,839       20,107,150       45,397,928       258,224       45,656,152         Profit for the period       -       -       -       -       861,843       861,843       44,440       906,283         Other comprehensive (expenses) / income, net of tax       -       -       (722,666)       (20,126)       (131,576)       -       (18)       (874,386)       (17)       (874,403)         Transfer of gains on disposal of equity investments at fair value through other comprehensive income to retained earnings       -       -       -       1,297       4,886       -       4,886         Transactions with equity holders, recognised directly in equity       -       -       -       -       -       -       -       2,97,841       -       (927,841)       -       (927,841)       - <td>Final dividend approved on 20.02.2018</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>(1,325,489)</td> <td>(1,325,489)</td> <td>) –</td> <td>(1,325,489)</td>	Final dividend approved on 20.02.2018	-	-	-	-	-	-	(1,325,489)	(1,325,489)	) –	(1,325,489)
Balance as at 30.06.2018       4,715,814       2,224,275       5,700,813       21,977       -       13,779,839       18,693,506       45,136,224       312,543       45,448,767         Balance as at 30.06.2018       4,715,814       2,358,275       4,293,847       82,835       60,168       13,779,839       20,107,150       45,397,928       258,224       45,656,152         Profit for the period       -       -       -       -       861,843       861,843       44,440       906,283         Other comprehensive (expenses) / income, net of tax       -       (722,666)       (20,126)       (131,576)       -       (18)       (874,386)       (17)       (874,403)         Transfer of gains on disposal of equity investments at fair value through other comprehensive income to retained earnings       -       -       -       -       1,297       4,886       -       4,886         Transactions with equity holders, recognised directly in equity       -       -       -       -       -       1,297       4,886       -       4,886         Transactions with equity holders, recognised directly in equity       -       -       -       -       -       1,297       4,886       -       4,886         Transactions with equ	Total contributions from and distribution to equity holders	-	-	-	-	-	-	(1,324,729)	(1,324,729)		(1,324,729)
Profit for the period       -       -       -       -       -       -       861,843       861,843       44,440       906,283         Other comprehensive (expenses) / income, net of tax       -       -       (722,666)       (20,126)       (131,576)       -       (18)       (874,386)       (17)       (874,403)         Total comprehensive (expenses) / income for the period       -       -       (722,666)       (20,126)       (131,576)       -       861,825       (12,543)       44,423       31,880         Transfer of gains on disposal of equity investments at fair value through other comprehensive income to retained earnings       -       -       3,589       -       -       1,297       4,886       -       4,886         Transactions with equity holders, recognised directly in equity       -       -       -       -       927,841       -       (927,841)       -       (927,841)       -       (927,841)       -       2,805,521       <	Balance as at 30.06.2018	4,715,814	2,224,275	5,700,813	21,977	-	13,779,839	18,693,506	45,136,224	312,543	45,448,767
Other comprehensive (expenses) / income for the period-(722,666) $(20,126)$ $(131,576)$ - $(18)$ $(874,386)$ $(17)$ $(874,403)$ Total comprehensive (expenses) / income for the period- $(722,666)$ $(20,126)$ $(131,576)$ - $861,825$ $(12,543)$ $44,423$ $31,880$ Transfer of gains on disposal of equity investments at fair value through other comprehensive income to retained earnings- $3,589$ $1,297$ $4,886$ - $4,886$ Transactions with equity holders, recognised directly in equity $(927,841)$ - $(927,841)$ - $(927,841)$ Rights issue $2,814,557$ $(936,877)$ $1,877,680$ - $1,877,680$	Balance at 01.01.2019	4,715,814	2,358,275	4,293,847	82,835	60,168	13,779,839	20,107,150	45,397,928	258,224	45,656,152
Total comprehensive (expenses) / income for the period(722,666)(20,126)(131,576)-861,825(12,543)44,42331,880Transfer of gains on disposal of equity investments at fair value through other comprehensive income to retained earnings $3,589$ $1,297$ $4,886$ - $4,886$ Transactions with equity holders, recognised directly in equityFinal dividend approved on 18.02.2019(927,841)-(927,841)Rights issue2,814,557(936,877)1,877,680-1,877,680	Profit for the period	-	-	-	-	-	-	861,843	861,843	44,440	906,283
Transfer of gains on disposal of equity investments at fair value through other comprehensive income to retained earnings3,5891,2974,886-4,886Transactions with equity holders, recognised directly in equity1,2974,886-4,886Transactions with equity holders, recognised directly in equity1,2974,886-4,886Transactions with equity holders, recognised directly in equity0927,841-927,841-927,841Rights issue2,814,557(90,036)2,805,521-1,877,680-1,877,680-1,877,680-1,877,680-1,877,680-1,877,680-1,877,680-1,877,680-1,877,680-1,877,680-1,877,680-1,877,680-1,877,680-1,877,680-1,877,680-1,872,680-1,872,680-1,872	Other comprehensive (expenses) / income, net of tax	-	-	(722,666)	(20,126)	(131,576)	-	(18)	(874,386)	(17)	(874,403)
through other comprehensive income to retained earnings       -       3,589       -       -       1,297       4,886       -       4,886         Transactions with equity holders, recognised directly in equity       -       -       -       1,297       4,886       -       4,886         Final dividend approved on 18.02.2019       -       -       -       -       -       927,841       927,841       -       927,841         Rights issue       2,814,557       -       -       -       -       9(90,36)       2,805,521       -       2,805,521         Total contributions from and distribution to equity holders       2,814,557       -       -       -       -       936,877       1,877,680       -       1,877,680	Total comprehensive ( expenses) / income for the period	-	-	(722,666)	(20,126)	(131,576)	-	861,825	(12,543)	44,423	31,880
Transactions with equity holders, recognised directly in equity       - <t< td=""><td>Transfer of gains on disposal of equity investments at fair value</td><td></td><td></td><td>2 590</td><td></td><td></td><td></td><td>1 207</td><td>4.000</td><td></td><td>4.000</td></t<>	Transfer of gains on disposal of equity investments at fair value			2 590				1 207	4.000		4.000
Final dividend approved on 18.02.2019       -       -       -       -       -       (927,841)       -       2,805,521       2,805,521       2,805,521       2,805,521       -       2,805,521       -       1,877,680       -       1,877,680       -       1,877,680       -       1,877,680       -       -       -       -       -       -	through other comprehensive income to retained earnings	-	-	3,589	-	-	-	1,297	4,880	-	4,886
Rights issue       2,814,557       -       -       -       -       (9,036)       2,805,521       -       2,805,521         Total contributions from and distribution to equity holders       2,814,557       -       -       -       -       (936,877)       1,877,680       -       1,877,680       -       1,877,680	Transactions with equity holders, recognised directly in equity										
Total contributions from and distribution to equity holders         2,814,557         -         -         -         -         (936,877)         1,877,680         -         1,877,680	Final dividend approved on 18.02.2019	-	-	-	-	-	-	(927,841)	(927,841)	-	(927,841)
	Rights issue	2,814,557	-	-	-	-	-	(9,036)	2,805,521	-	2,805,521
Balance as at 30.06.2019         7,530,371         2,358,275         3,574,770         62,709         (71,408)         13,779,839         20,033,396         47,267,952         302,647         47,570,598	Total contributions from and distribution to equity holders	2,814,557	-	-	-	-	-	(936,877)	1,877,680	-	1,877,680
	Balance as at 30.06.2019	7,530,371	2,358,275	3,574,770	62,709	(71,408)	13,779,839	20,033,396	47,267,952	302,647	47,570,598

## **Statement of Cash Flows**

Interest payments         (16,183,332)         (12,2706,930)         (16,164,433)         (12,2706,930)           Net commission receips         94,514         906,141         945,514         906,111         945,514         906,101         933         14,863,713         1337         933         14,963,711         1,6450,733         14,963,711         1,6450,733         14,963,711         1,6450,733         14,963,711         1,6450,733         14,645,713         1,6450,733         14,645,713         1,6450,733         1,635,143         1,6451,143         1,6450,733         1,6450,733         1,635,143         1,652,733         1,633,143         1,537,443         1,6444,12,7740         N,537,443	_	Bank	5	Grou	р
Interest receipts         15,517,451         13,381,373         15,515,380         13,380,37           Interest receipts         94,514         900,141         945,514         900,415         970,141         91,505         910,100,100,100,100,100 </th <th>For the six months ended 30 June</th> <th></th> <th></th> <th></th> <th></th>	For the six months ended 30 June				
Interest payments         (16,183,332)         (12,200,930)         (02,104,943)         (12,2700,943)           Net commission receipts         90,571         8334         900,141         995,141         900,131         933           Recovereics on loss previously writen off         10,12         7,318         10,12         7,318         10,12         7,318         10,12         7,318         10,12         7,318         10,12         7,318         10,455,012         (16,73,85         10,455,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,444)         (16,85,700)         (20,27,90,451)         (14,412,714)         N8,45,70)         (16,85,700)         (21,714	Cash flows from operating activities				
Net commission receipts         945,314         906,141         945,314         906,141           Net Trading Income         20,71         8:394         20,71         8:394         20,71         8:394         20,71         8:394         20,71         8:394         20,71         8:394         20,71         8:394         20,71         8:394         20,71         8:37093         1,446,417         1,656,71         1,656,71         1,656,71         1,656,71         1,656,71         1,656,72         6:66,82         (1,673,83,709)         1,856,71         1,658,750         0,269,744         0,656,82         (1,674,727)         (1,120,198)         (2,667,697)         0,22,66         (1,658,72)         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)	Interest receipts	15,517,451	13,381,373	15,515,380	13,380,397
Net Trading Income       20,371       8,394       20,371       8,374         Recoveries on lows previously writen off       1,012       7,818       1,012       7,8         Recoveries on other operating activities       1,128,596       1,337,093       1,438,517       1,645,612       (1,655,780)       (2,027,44)       (1,655,780)       (2,027,44)       (1,655,780)       (2,027,44)       (1,655,780)       (2,027,44)       (1,655,780)       (2,027,44)       (1,655,780)       (2,07,797)       (023,66)       (074,246)       (066,250)       (074,246)       (066,250)       (074,246)       (066,250)       (074,246)       (066,250)       (074,246)       (066,250)       (074,246)       (066,250)       (074,246)       (066,250)       (074,246)       (066,250)       (075,25,58)       (2,675,2,660)       (7,582,558)       (2,675,2,660)       (7,582,558)       (2,675,2,660)       (7,582,558)       (2,675,2,660)       (7,582,558)       (2,675,2,660)       (7,582,558)       (2,675,2,660)       (7,582,558)       (2,675,2,660)       (7,582,558)       (2,675,2,660)       (7,582,558)       (2,675,2,660)       (7,582,558)       (2,675,2,660)       (7,582,558)       (2,675,2,660)       (7,582,558)       (2,675,2,660)       (7,582,558)       (2,675,2,660)       (7,582,558)       (2,672,48)       (3,73,48)       (3,73,48)	Interest payments	(16,183,332)	(12,706,930)	(16,164,943)	(12,670,963)
Recoreirs on loans period only writen off         1.012         7.81         1.012         7.81           Receips from other operating activities         1.128,596         1.337,093         1.436,171         1.645,00           Payments on other operating activities         1.128,596         1.337,093         1.436,171         1.645,00           Cach payments to employees         (1.658,612)         (1.521,841)         (1.658,612)         (2.027,441)         (1.658,612)           Value added tax, nation building tax and debt repayment levy on financial services         (674,337)         (1.451,193)         (2.307,097)         (022,66)           (Increase / decrease in operating assets:         Balances with Central Bank / Deposits held for regulatory or monetary control purposes         (1.652,258)         (2.6,752,660)         (7.582,558)         (2.6,752,660)         (7.582,558)         (2.6,752,660)         (7.582,558)         (2.6,752,660)         (7.582,558)         (2.6,752,660)         (7.582,558)         (2.6,752,660)         (7.582,558)         (2.6,752,660)         (7.582,558)         (2.6,752,660)         (7.582,558)         (2.6,752,660)         (7.582,558)         (2.6,752,660)         (7.582,558)         (2.6,752,660)         (7.582,558)         (2.6,752,660)         (7.582,558)         (2.6,752,660)         (7.582,558)         (2.6,752,660)         (7.582,558)         (2.6,752,660)	Net commission receipts	945,314	906,141	945,314	906,141
Receips from other operating activities       1,28,596       1,337,093       1,436,171       1,645,612         Cash payments on there operating activities       (1,685,612)       (1,673,837)       (666,8520)       (674,346)       (666,8520)         Value added tax, mation building tax and debt repayment levy on financial services       (674,337)       (666,8520)       (724,546)       (666,8520)         Operating Cash flows before changes in operating assets and liabilities       (7,477,277)       (1,120,179)       (2,207,444)       (1,865,720)         Operating Cash flows before changes in operating assets and liabilities       (7,477,277)       (1,451,173)       2,318,671       (1,451,173)       2,318,671       (1,451,173)       2,318,671       (1,451,173)       362,904       1,980,663       328,73         Increase /(decrease) in operating activities       (7,582,558)       (26,752,660)       (7,582,589)       (26,752,660)       (7,582,589)       (26,752,670)       (2,881,163)       (56,225)       1,683,162       (56,225)       1,683,162       (26,752,670)       (2,882,858)       (26,752,670)       (2,882,858)       (3,652,271)       1,980,963       328,77         Increase /(decrease) in operating activities before income tax       (7,582,5451)       (1,421,774)       8,720,639       (1,421,774)       8,720,639       (1,421,427,71)       8,720,641		20,371	8,394	20,371	8,394
Payments on other operating activities         (1.658,612)         (1.521,431)         (1.658,612)         (1.521,431)           Cach payments to comployees         (1.841,190)         (1.865,780)         (2.027,444)         (1.865,780)           Value added tax, nation building tax and debt repayment levy on financial services         (674,337)         (666,832)         (674,346)         (666,832)           (Increase / decrease in operating assets:         Balances with Central Bank / Deposits held for regulatory or monetary control purposes         2,318,671         (1.451,193)         2,318,671         (1.451,193)           Financial Assets at amortised cost - Leans: to and receivables from other customers (decrease) in operating liabilities:         (7,582,558)         (26,752,660)         (7,582,558)         (26,752,660)         (7,582,558)         (26,722,660)         (7,582,558)         (26,722,660)         (7,582,558)         (26,722,660)         (7,582,558)         (26,722,660)         (1,412,774)         8,724,51         (1,412,774)         8,724,51         (1,412,774)         8,724,51         (1,412,774)         8,724,613         (1,420,42)         (1,420,42)         (1,420,42)         (1,420,42)         (1,420,42)         (1,420,42)         (1,420,42)         (1,420,42)         (1,420,42)         (1,420,42)         (1,420,42)         (1,420,42)         (1,420,42)         (1,420,42)         (1,420,42)         <	Recoveries on loans previously written off	1,012	7,818	1,012	7,818
Cash payments to employes         (1,44,190)         (1,85,780)         (2,42,744)         (1,86,780)           Operating Cash flows before changes in operating assets and liabilities         (674,336)         (666,826)         (674,346)         (666,826)           Operating Cash flows before changes in operating assets:         Balances with Central Bank / Deposits held for regulatory or monetary control purposes         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,711         (1,606,63)         328,731         (1,606,63)         328,731         (1,612,174)         8,732,81         (6,61,275)         (1,421,740)         8,757,451         (1,412,740)         8,757,451         (1,412,740)         8,757,451         (1,412,740)         8,757,451         (1,412,740)         8,757,451         (1,412,740)         8,757,451         (1,412,740)         8,757,451         (1,412,740)         8,757,451         (1,412,740)         8,757,451         (1,412	Receipts from other operating activities	1,128,596	1,337,093	1,436,171	1,645,025
Value added tax, nution building tax and debt repsyment levy on financial services         (674,337)         (666,826)         (674,346)         (666,836)           Operating Cash flows before changes in operating assets:         Balances with Certari Bank, Deposits held for regulatory or monetary control purposes         2,318,671         (1,451,193)         2,318,671         (1,451,193)         2,318,671         (1,451,193)           Financial Assets at amortised cost - Loans to and receivables from other customers Others         0,582,558)         (26,752,660)         (7,582,558) <td< td=""><td>Payments on other operating activities</td><td>(1,658,612)</td><td>(1,521,481)</td><td>(1,658,612)</td><td>(1,673,837)</td></td<>	Payments on other operating activities	(1,658,612)	(1,521,481)	(1,658,612)	(1,673,837)
Operating Cash flows before changes in operating assets and liabilities         (2,747,727)         (1,120,198)         (2,607,097)         (929,62)           (Increase // decrease in operating assets:         Balances with Central Bank / Deposits beld for regulatory or monetary control purposes         2,318,671         (1,451,193)         2,318,671         2,318,671         (1,451,193)	Cash payments to employees	(1,844,190)	(1,865,780)	(2,027,444)	(1,865,780)
Cherease // decrease in operating assets:         Balances with Central Bank / Deposits held for regulatory or monetary control purposes         2,318,671         (1.451,193)         2,318,671         (1.451,193)           Financial Assets at amortised cost - Loans to and receivables from other customers         (7,582,558)         (26,752,660)         (7,582,558)         (26,752,660)         (7,582,558)         (26,752,660)         (7,582,558)         (26,752,660)         (7,582,558)         (26,752,660)         (7,582,558)         (27,138)         (23,18,671)         (1.451,193)         (23,18,671)         (1.451,193)         (23,18,671)         (1.451,193)         (23,18,671)         (1.451,193)         (23,72,660)         (7,582,558)         (26,752,660)         (7,582,558)         (26,752,660)         (7,582,558)         (26,752,660)         (1.451,193)         (23,18,671)         (1.451,193)         (23,18,671)         (1.451,193)         (23,18,671)         (1.451,193)         (23,18,671)         (1.451,193)         (23,18,671)         (1.451,193)         (23,17,38)         (23,73,38)         (23,73,38)         (23,73,38)         (24,73,18)         (24,73,18)         (24,73,18)         (24,73,18)         (24,73,18)         (24,73,18)         (24,74,73)         (23,61,61)         (24,73,73)         (24,74,73)         (24,74,74)         (23,73,74,744)         (33,73,74,744)         (33,73,74,744)         (33,73		. , , ,			(666,844)
Balances with Central Bank / Deposits held for regulatory or monetary control purposes         2,318,671         (1,451,193)         2,318,671         (1,451,193)           Financial Assets at amortised cost - Loans to and receivables from other customers Others         (7,582,558)         (26,752,660)         (7,582,558)         (26,752,672,672,672,672,672,672,672,672,672,67	Operating Cash flows before changes in operating assets and liabilities	(2,747,727)	(1,120,198)	(2,607,097)	(929,649)
purposes         2,318,671         (1,451,193)         2,318,671         (1,451,193)           Financial Assets at amortised cost - Loans to and receivables from other customers         (7,582,558)         (26,752,660)         (7,582,558)         (26,752,660)           Others         1,082,310         362,904         1,080,663         328,77           Increase /(decrease) in operating liabilities:         13,852,731         15,105,970         13,854,935         15,072,44           Negotiable certificates of deposits         (27,138)         7,328         (27,138)         7,328           Others         2,718,667         (449,490)         (449,490)         (449,490)           Net cash flows from /(used in) operating activities         55,201         304,957         351,701         394,957           Others         3,478,444         3,326,445         3,494,64         3,434,43         3,434,43         3,434,44         3,326,445         3,449,44         3,326,445         3,449,43         3,449,457         351,701         394,957           Dividends received         3,455,844         3,434,44         3,326,445         3,449,451         3,449,451         3,449,451         3,449,453         3,493,414         3,436,445         3,449,341         3,454,453         3,493,414         3,4557         1,625,252					
Financial Assets at amortised cost - Loans to and receivables from other customers Others       (7,582,558)       (26,752,660)       (7,582,558)       (26,752,660)       (328,75)         Increase /(decrease) in operating liabilities:       Financial liabilities at amortised cost - due to depositors       13,852,731       15,105,970       13,854,935       15,072,44         Prinancial liabilities at amortised cost - due to depositors       13,852,731       15,105,970       13,854,935       15,072,44         Net cash flows from/ (used in) operating activities       1683,162       (564,225)       1.683,163       (55,201)         Net cash flows from/ (used in) operating activities       7,782,846       (144,862,264)       7,865,592       (14,74,72)         Dividends received       3478,444       3,326,845       3,493,614       3,345,52         Government Securities net       (12,122,729)       (5,250,289)       (12,122,727)       (5,250,289)         Proceeds from sale and redemption of securities       19,9658       862,916       184,688       862,99         Purchase of property, equipment and investment property       (10,65,757       -       2,814,557       -       2,814,557       -         Proceeds from sale of equipment and investment property       (10,65,65       (12,22,171)       (12,21,727)       (5,312,450)       -         P					
Others         1,082,310         362,904         1,080,663         328,73           Increase /(decrease) in operating liabilities:         Increase /(decrease) in operating liabilities:         Increase /(decrease) in operating liabilities:         Increase /(decrease) in operating activities         Increase /(decrease) / decrease in activities         Increase /(decrease) / decrease in activities         Increase /(decrease) / decrease in activities         Increase	purposes	2,318,671	(1,451,193)	2,318,671	(1,451,192)
Increase /(decrease) in operating liabilities:         Financial liabilities at amortised cost - due to depositors         Negotiable certificates of deposits         Others         Net cash flows from / (used in) operating activities before income tax         Increase /(decrease)         Income tax paid         Net cash flows from / (used in) operating activities         Dividends received         Cash flows from investing activities         Dividends received         Ordereds from sale and redemption of securities         Purchase of property , equipment, intangibles and investment property         Purchase of roporty, equipment, intangibles and investment property         Purchase of from funancing activities         Issue of new shares under Right Issue         Istities <tr< td=""><td>Financial Assets at amortised cost - Loans to and receivables from other customers</td><td>(7,582,558)</td><td>(26,752,660)</td><td>(7,582,558)</td><td>(26,752,660)</td></tr<>	Financial Assets at amortised cost - Loans to and receivables from other customers	(7,582,558)	(26,752,660)	(7,582,558)	(26,752,660)
Financial liabilities at amortised cost - due to depositors       13,852,731       15,105,970       13,854,935       15,072,44         Negotiable certificates of deposits $(27,138)$ 7,328 $(27,138)$ 7,328         Others       16,83,162 $(564,925)$ 1,683,163 $(556,22)$ Net cash flows from (used in) operating activities $(796,6015)$ $(449,490)$ $(855,047)$ $(457,00)$ Net cash flows from investing activities $7,782,846$ $(14,862,264)$ $7,865,592$ $(14,747,22)$ Cash flows from investing activities $7,782,846$ $(14,862,264)$ $7,865,592$ $(14,747,22)$ Cash flows from investing activities $3478,444$ $3326,845$ $3,493,614$ $3,345,22$ Government Securities - net $(21,212,72)$ $(5,250,289)$ $(12,122,77)$ $(5,250,289)$ Purchase of from sale and redemption of securities $159,658$ $862,916$ $184,658$ $862,916$ Purchase of property, equipment atinangibles and investment property $(104,555)$ $(664,371)$ $(105,510)$ $(12,27,70,61)$ $(12,27,70,61)$ Proceeds from sale and redemption of deputures $(2,814,557)$ $(3,6732,61)$ $(16,350,52)$ $(8,260,19$	Others	1,082,310	362,904	1,080,663	328,734
Negotiable certificates of deposits $(27,138)$ $7,328$ $(27,138)$ $7,328$ Others $1,683,162$ $(564,925)$ $1,683,163$ $(565,925)$ Net cash flows from/ (used in) operating activities $8,579,451$ $(14,412,774)$ $8,720,439$ $(14,290,2)$ Income tax paid $(796,605)$ $(449,490)$ $(855,047)$ $(457,0)$ Net cash flows from investing activities $7,782,846$ $(14,862,264)$ $7,865,592$ $(14,747,21)$ Cash flows from investing activities $3478,444$ $3,326,845$ $3,493,614$ $3,345,22$ Government Securities - net $(12,122,729)$ $(5,250,289)$ $(12,122,727)$ $(5,250,289)$ Purchase of financial investments $9(36,732)$ $(307,02)$ $(35,732)$ $(307,02)$ Purchase of inancial investment property $(104,565)$ $(664,371)$ $(105,410)$ $(813,66)$ Purchase of inancial investment property $10,524$ $10,505$ $10,900,900$ $7,900,000$ Purchase of inmedium and long - term $7,877,365$ $5,720,813$ $7,877,365$ $5,720,810$ $7,877,365$ $5,720,810$ $7,840,910,90$ Su	Increase /(decrease) in operating liabilities:				
Others         1,683,162         (564,925)         1,683,163         (552,20)           Net cash flows from (used in) operating activities         8,779,451         (14,412,774)         8,720,639         (14,290,22)           Income tax paid         (796,605)         (449,490)         (855,407)         (457,00)           Net cash flows from (used in) operating activities         7,782,846         (14,862,264)         7,865,592         (14,747,21)           Cash flows from investing activities         355,201         394,957         351,701         394,92           Dividends received         3,478,444         3,226,545         3,493,614         3,345,22           Government Securities net         (12,27,29)         (5,250,289)         (12,122,727)         (5,250,289)           Purchase of financial investment         (36,732)         (305,110)         (36,732)         (307,02)           Purchase of from sale of equipment and investment property         (10,556)         (64,371)         (10,5410)         (813,65           Proceeds from sale of equipment and investment property         (10,556)         (64,371)         (10,67,80)         -           Issue of new shares under Right Issue         2,814,557         -         2,814,557         -         2,814,557         -         2,814,550         -	Financial liabilities at amortised cost - due to depositors	13,852,731	15,105,970	13,854,935	15,072,482
Net cash flows from/ (used in) operating activities before income tax paid       8,579,451 $(14,412,774)$ 8,720,639 $(14,290,2)$ Income tax paid       7,782,846 $(14,862,264)$ 7,865,592 $(14,77,2)$ Cash flows from investing activities       7,782,846 $(14,862,264)$ 7,865,592 $(14,77,2)$ Cash flows from investing activities       355,201       394,957       351,701       394,957         Dividends received       3,478,444       3,326,845       3,493,614       3,345,22         Government Securities net       (12,122,729) $(5,250,289)$ $(12,122,727)$ $(5,250,289)$ $(12,122,727)$ $(5,250,289)$ $(12,122,727)$ $(5,250,289)$ $(12,122,727)$ $(5,250,289)$ $(12,122,727)$ $(5,250,289)$ $(12,122,727)$ $(5,250,289)$ $(12,122,727)$ $(5,250,289)$ $(12,122,727)$ $(5,250,289)$ $(12,122,727)$ $(5,250,289)$ $(12,122,727)$ $(5,250,289)$ $(12,122,727)$ $(5,250,289)$ $(12,122,727)$ $(5,250,289)$ $(12,122,727)$ $(5,250,289)$ $(12,128,128,129)$ $(12,128,128,129)$ $(12,128,128,129)$ $(12,128,128)$ $(12,128,128,129)$ $(12,128,128,128)$ $(12,128,128,128)$ $(12,128,128,128)$ $(12,128,128,1$	Negotiable certificates of deposits	(27,138)	7,328	(27,138)	7,328
Income tax paid       (796,605)       (449,490)       (855,047)       (457,047)         Net cash flows from (used in) operating activities       7,782,846       (14,862,264)       7,865,592       (14,747,22)         Cash flows from investing activities       3,478,444       3,326,845       3,493,614       3,345,22         Government Securities - net       (12,122,729)       (5,250,289)       (12,122,727)       (5,250,289)       (12,122,727)         Proceeds from sale and redemption of securities       159,658       862,916       184,658       862,99         Purchase of financial investments       (36,732)       (305,110)       (36,732)       (307,02)         Proceeds from sale of equipment and investment property       (104,555)       (664,371)       (105,410)       (813,66         Proceeds from financing activities       (8,260,199)       (1,635,052)       (8,224,391)       (1,767,80)         Issue of new shares under Right Issue       2,814,557       -       2,814,557       -         Issue of debentures       (9,000,000       7,000,000       10,000,000       7,000,000         Redemption of debentures       (2,473,102)       (2,045,99)       (2,473,102)       (2,045,99)         Issue of debentures       (921,468)       (1,280,107)       (928,467)       (1,280,107) <td>Others</td> <td>1,683,162</td> <td>(564,925)</td> <td>1,683,163</td> <td>(565,285)</td>	Others	1,683,162	(564,925)	1,683,163	(565,285)
Net cash flows from / (used in) operating activities $7,782,846$ $(14,862,264)$ $7,865,592$ $(14,747,23)$ Cash flows from investing activities $355,201$ $394,957$ $351,701$ $394,957$ Dividends received $3478,444$ $3,326,845$ $3,493,614$ $3,345,22$ Government Securities - net $(12,122,729)$ $(5,250,289)$ $(12,122,777)$ $(5,250,289)$ Purchase of financial investments $(36,732)$ $(305,110)$ $(36,732)$ $(305,110)$ $(813,66)$ Proceeds from sale of equipment and investment property $(104,565)$ $(64,371)$ $(105,410)$ $(813,66)$ Proceeds from financing activities $(8260,199)$ $(1,635,052)$ $(8,224,391)$ $(1,767,80)$ Cash flows from financing activities $2,814,557$ $ 10,900,000$ $7,000,000$ $7,000,000$ Redemption of debentures $2,814,557$ $ (5,315,450)$ $ (5,315,450)$ $-$ Borrowing, medium and long - term $7,877,365$ $5,720,813$ $7,877,365$ $5,720,813$ $7,877,365$ $5,720,813$ $7,877,365$ $5,720,813$ $7,877,365$ $5,720,813$ $7,877$	Net cash flows from/ (used in) operating activities before income tax	8,579,451	(14,412,774)	8,720,639	(14,290,242)
Cash flows from investing activities           Dividends received         355,201         394,957         351,701         394,957           Interest received         3,478,444         3,26,845         3,493,614         3,345,22           Government Securities- net         (12,122,729)         (5,250,289)         (12,122,727)         (5,250,22           Purchase of francial investments         (36,732)         (305,110)         (36,732)         (307,02)           Purchase of property, equipment and investment property         (104,565)         (664,371)         (105,410)         (813,65)           Proceeds from sale of equipment and investment property         10,524         -         10,505         -           Net cash used in investing activities         (8,260,199)         (1,635,052)         (8,224,391)         (1,767,86)           Issue of debentures         2,814,557         -         2,814,557         -         10,900,000         7,000,000         10,000,000,7,000,000         10,000,000,7,000,000         10,000,000,7,000,000         10,000,000,7,000,000         10,000,000,7,000,000         10,000,000,7,000,000         10,000,000,7,000,000         10,000,000,7,000,000         10,000,000,7,000,000         10,000,000,7,000,000         10,000,000,7,000,000         10,000,000,7,000,000         10,000,000,7,000,000         10,000,000,7,000,000	· _				(457,042)
Dividends received       355,201       394,957       351,701       394,957         Interst received       3,478,444       3,236,2845       3,493,614       3,235,221         Government Securities- net       (12,122,729)       (5,250,289)       (12,122,727)       (5,250,289)         Purchase of financial investments       (139,558       862,916       184,658       862,916         Purchase of property, equipment , intangibles and investment property       (104,565)       (664,371)       (105,410)       (813,66)         Proceeds from sale of equipment and investment property       (104,565)       (664,371)       (105,410)       (813,66)         Proceeds from sale of equipment and investment property       (104,565)       (664,371)       (105,410)       (813,66)         Net cash used in investing activities       (8,260,199)       (1,635,052)       (8,224,391)       (1,767,80)         Issue of new shares under Right Issue       2,814,557       -       2,814,557       -       2,814,557       -       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000 <td>Net cash flows from/ (used in) operating activities</td> <td>7,782,846</td> <td>(14,862,264)</td> <td>7,865,592</td> <td>(14,747,284)</td>	Net cash flows from/ (used in) operating activities	7,782,846	(14,862,264)	7,865,592	(14,747,284)
Interest received $3,478,444$ $3,326,845$ $3,493,614$ $3,345,22$ Government Securities - net $(12,122,729)$ $(5,250,289)$ $(12,122,777)$ $(5,250,28)$ Proceeds from sale and redemption of securities $159,658$ $862,916$ $184,658$ $862,926$ Purchase of financial investments $(36,732)$ $(305,110)$ $(36,732)$ $(307,02)$ Purchase of property, equipment , intangibles and investment property $(104,565)$ $(664,371)$ $(105,410)$ $(813,62)$ Proceeds from sale of equipment and investment property $10,524$ - $10,505$ -Net cash used in investing activities $(8,260,199)$ $(1,635,052)$ $(8,224,391)$ $(1,767,86)$ Cash flows from financing activities $(5,315,450)$ - $(5,315,450)$ -Issue of debentures $(5,315,450)$ - $(5,315,450)$ -Borrowing, medium and long - term $7,877,365$ $5,720,813$ $7,877,365$ $5,720,810$ Other borrowing r, medium and long - term $(2,473,102)$ $(2,2445,995)$ $(2,473,102)$ $(2,045,995)$ Dividends paid $(921,468)$ $(1,280,107)$ $(928,467)$ $(1,280,107)$ $(928,467)$ Net (ash flows from financing activities $11,985,565$ $(3,191,605)$ $12,997,120$ $(3,209,42)$ Cash and cash equivalents at the equipalents with items $7,606,001$ $17,586,670$ $7,622,92$ Reconciliation of cash & cash equivalents with items $7,606,001$ $17,586,670$ $7,622,92$ Reconciliation of cash & cash equivalents	6				
Government Securities- net $(12,122,729)$ $(5,250,289)$ $(12,122,727)$ $(5,250,28)$ Proceeds from sale and redemption of securities $159,658$ $862,916$ $184,658$ $862,92$ Purchase of financial investments $(36,732)$ $(305,110)$ $(36,732)$ $(307,02)$ Purchase of property , equipment , intangibles and investment property $(104,565)$ $(664,371)$ $(105,410)$ $(813,62)$ Proceeds from sale equipment and investment property $(10,524)$ - $10,505$ $(8,224,391)$ $(1,767,84)$ <b>Cash flows from financing activities</b> $2,814,557$ - $2,814,557$ - $2,814,557$ -Issue of debentures $10,000,000$ $7,000,000$ $10,000,000$ $7,000,000$ $7,000,000$ Redemption of debentures $(5,315,450)$ - $(5,315,450)$ -Borrowing , medium and long - term $(2,473,102)$ $(2,2045,995)$ $(2,473,102)$ $(2,045,995)$ Dividends paid $(921,468)$ $(1,280,107)$ $(928,467)$ $(1,280,107)$ $(928,467)$ Net Cash flows from financing activities $12,462,918$ $13,305,711$ $12,455,919$ $13,305,71$ Net (increase) / decrease in cash & cash equivalents $11,985,565$ $(3,191,605)$ $12,097,120$ $(3,209,42)$ Cash and cash equivalents at the beginning of year $5,464,716$ $10,797,606$ $5,489,550$ $10,832,207$ Cash and cash equivalents with items $6,444,704$ $4,961,584$ $6,453,207$ $4,962,77$ Placements with banks $6,444,704$ $4,961,58$		,	,	,	,
Proceeds from sale and redemption of securities       159,658       862,916       184,658       862,9         Purchase of financial investments       (36,732)       (305,110)       (36,732)       (307,02)         Purchase of property, equipment intangibles and investment property       (104,565)       (664,371)       (105,410)       (813,65)         Proceeds from sale of equipment and investment property       (10,524)       -       10,505       -         Net cash used in investing activities       (8,260,199)       (1,635,052)       (8,224,391)       (1,767,86)         Cash flows from financing activities       159,658       (5,315,450)       -       2,814,557       -       2,814,557       -       2,814,557       -       2,814,557       -       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000       7,000,000       10,000,000 <td< td=""><td></td><td>, ,</td><td></td><td></td><td></td></td<>		, ,			
Purchase of financial investments $(36,732)$ $(305,110)$ $(36,732)$ $(307,02)$ Purchase of property, equipment intangibles and investment property $(104,565)$ $(664,371)$ $(105,410)$ $(813,62)$ Proceeds from sale of equipment and investment property $10,524$ - $10,505$ -Net cash used in investing activities $(8,260,199)$ $(1.635,052)$ $(8,224,391)$ $(1.767,86)$ Cash flows from financing activities $(8,260,199)$ $(1.635,052)$ $(8,224,391)$ $(1.767,86)$ Issue of new shares under Right Issue $2,814,557$ - $2,814,557$ -Issue of debentures $10,000,000$ $7,000,000$ $10,000,000$ $7,000,000$ Redemption of debentures $(5,315,450)$ - $(5,315,450)$ -Borrowing, medium and long - term $7,877,365$ $5,720,813$ $7,877,365$ $5,720,813$ Other borrowing, nedium and long - term $(2,473,102)$ $(2,045,995)$ $(2,473,102)$ $(2,045,995)$ Dividends paid $(921,468)$ $(1,280,107)$ $(928,467)$ $(1,280,107)$ Net (increase) / decrease in cash & cash equivalents $11,985,565$ $(3,191,605)$ $12,097,120$ $(3,209,42)$ Cash and cash equivalents at the end of the period $17,450,281$ $7,606,001$ $17,586,670$ $7,622,92$ Reconciliation of cash & cash equivalents with items $6,444,704$ $4,961,584$ $6,453,207$ $4,962,70$ Placements with banks $11,005,577$ $2,644,417$ $11,133,463$ $2,660,22$		. , , .		. , , .	,
Purchase of property , equipment , intangibles and investment property $(104,565)$ $(664,371)$ $(105,410)$ $(813,65)$ Proceeds from sale of equipment and investment property $10,524$ - $10,505$ -Net cash used in investing activities $(8,260,199)$ $(1,635,052)$ $(8,224,391)$ $(1,767,80)$ Issue of new shares under Right Issue $2,814,557$ - $2,814,557$ - $2,814,557$ -Issue of debentures $10,000,000$ $7,000,000$ $10,000,000$ $7,000,000$ $7,000,000$ Redemption of debentures $(5,315,450)$ - $(5,315,450)$ -Borrowing , medium and long - term $7,877,365$ $5,720,813$ $7,877,365$ $5,720,85$ Other borrowing , medium and long - term $(2,473,102)$ $(2,045,995)$ $(2,4473,102)$ $(2,045,995)$ Dividends paid $(2,473,102)$ $(2,045,995)$ $(2,4473,102)$ $(2,045,995)$ $(2,473,102)$ $(2,045,995)$ Net (increase) / decrease in cash & cash equivalents $11,985,565$ $(3,191,605)$ $12,097,120$ $(3,209,42)$ Cash and cash equivalents at the beginning of year $5,464,716$ $10,797,606$ $5,489,550$ $10,832,30$ Cash and cash equivalents with items $6,444,704$ $4,961,584$ $6,453,207$ $4,962,702$ Placements with banks $6,444,704$ $4,961,584$ $6,453,207$ $4,962,702$	•	,		,	
Proceeds from sale of equipment and investment propertyNet cash used in investing activities $10,524$ - $10,505$ -Net cash used in investing activities $(8,260,199)$ $(1,635,052)$ $(8,224,391)$ $(1,767,80)$ Cash flows from financing activities $2,814,557$ - $2,814,557$ - $2,814,557$ -Issue of debentures $10,000,000$ $7,000,000$ $10,000,000$ $7,000,000$ $10,000,000$ $7,000,000$ $7,000,000$ $10,000,000$ $7,000,000$ $10,000,000$ $7,000,000$ $10,000,000$ $7,000,000$ $10,000,000$ $7,000,000$ $10,000,000$ $7,000,000$ $10,000,000$ $10,000,000$ $10,000,000$ $10,000,00$			,		
Net cash used in investing activities $(8,260,199)$ $(1,635,052)$ $(8,224,391)$ $(1,767,80)$ Cash flows from financing activitiesIssue of new shares under Right IssueIssue of debenturesIssue of debenturesRedemption of debenturesBorrowing , medium and long - termOther borrowing s - netRepayment of borrowing , medium and long - termDividends paidNet Cash flows from financing activitiesNet Cash flows from financing activitiesNet Cash flows from financing activitiesNet Cash flows from financing of yearCash and cash equivalents at the end of the periodReconciliation of cash & cash equivalentsCash and cash equivalentsCash and cash equivalentsPlacements with banks6,444,7044,961,5846,444,7044,961,5846,444,70411,005,5772,644,41711,133,4632,660,22		. , .			(813,629)
Cash flows from financing activities         Issue of new shares under Right Issue         Issue of debentures         Issue of debentures         Borrowing , medium and long - term         Other borrowing s - net         Repayment of borrowing , medium and long - term         Dividends paid         Net Cash flows from financing activities         Net Cash flows from financing activities         Net Cash flows from financing activities         Cash & cash equivalents at the beginning of year         Cash and cash equivalents at the end of the period         Reconciliation of cash & cash equivalents with items         reported in the statement of financial position         Cash and cash equivalents         Gash and cash equivalents		,		· · · · · ·	(1 767 863)
Issue of new shares under Right Issue       2,814,557       -       2,814,557       5,720,813       3,910,000       <		(8,200,199)	(1,055,052)	(0,224,371)	(1,707,803)
Issue of debentures       10,000,000       7,000,000       10,000,000       7,000,000         Redemption of debentures       (5,315,450)       -       (5,315,450)       -         Borrowing , medium and long - term       7,877,365       5,720,813       7,877,365       5,720,813         Other borrowings - net       481,016       3,911,000       481,016       3,911,000         Repayment of borrowing , medium and long - term       (2,473,102)       (2,045,995)       (2,473,102)       (2,045,995)         Dividends paid       (921,468)       (1,280,107)       (928,467)       (1,280,107)         Net Cash flows from financing activities       11,985,565       (3,191,605)       12,097,120       (3,209,42)         Cash & cash equivalents at the beginning of year       5,464,716       10,797,606       5,489,550       10,832,33         Cash and cash equivalents with items       reported in the statement of financial position       17,450,281       7,606,001       17,586,670       7,622,99         Reconciliation of cash & cash equivalents with items       6,444,704       4,961,584       6,453,207       4,962,704         Placements with banks       11,005,577       2,644,417       11,133,463       2,660,22	Cash flows from financing activities				
Redemption of debentures       (5,315,450)       -       (5,315,450)       -         Borrowing , medium and long - term       7,877,365       5,720,813       7,877,365       5,720,8         Other borrowings - net       481,016       3,911,000       481,016       3,911,00         Repayment of borrowing , medium and long - term       (2,473,102)       (2,045,995)       (2,473,102)       (2,045,995)         Dividends paid       (921,468)       (1,280,107)       (928,467)       (1,280,107)         Net Cash flows from financing activities       11,985,565       (3,191,605)       12,097,120       (3,209,42)         Cash & cash equivalents at the beginning of year       5,464,716       10,797,606       5,489,550       10,832,30         Cash and cash equivalents with items       reported in the statement of financial position       17,450,281       7,606,001       17,586,670       7,622,92         Reconciliation of cash & cash equivalents       6,444,704       4,961,584       6,453,207       4,962,70         Placements with banks       11,005,577       2,644,417       11,133,463       2,660,22	e e	2,814,557	-	2,814,557	-
Borrowing , medium and long - term       7,877,365       5,720,813       7,877,365       5,720,813         Other borrowings - net       481,016       3,911,000       481,016       3,911,000         Repayment of borrowing , medium and long - term       (2,473,102)       (2,045,995)       (2,473,102)       (2,045,995)         Dividends paid       (921,468)       (1,280,107)       (928,467)       (1,280,107)         Net Cash flows from financing activities       11,985,565       (3,191,605)       12,097,120       (3,209,42)         Cash & cash equivalents at the beginning of year       5,464,716       10,797,606       5,489,550       10,832,30         Cash and cash equivalents with items       reported in the statement of financial position       7,622,92       7,606,001       17,586,670       7,622,92         Reconciliation of cash & cash equivalents       6,444,704       4,961,584       6,453,207       4,962,70         Placements with banks       11,005,577       2,644,417       11,133,463       2,660,22	Issue of debentures	10,000,000	7,000,000	10,000,000	7,000,000
Other borrowings - net       481,016       3,911,000       481,016       3,911,00         Repayment of borrowing , medium and long - term       (2,473,102)       (2,045,995)       (2,473,102)       (2,045,995)         Dividends paid       (921,468)       (1,280,107)       (928,467)       (1,280,107)         Net Cash flows from financing activities       12,462,918       13,305,711       12,455,919       13,305,77         Net (increase) / decrease in cash & cash equivalents       11,985,565       (3,191,605)       12,097,120       (3,209,42)         Cash & cash equivalents at the beginning of year       5,464,716       10,797,606       5,489,550       10,832,30         Cash and cash equivalents at the end of the period       17,450,281       7,606,001       17,586,670       7,622,92         Reconciliation of cash & cash equivalents with items       6,444,704       4,961,584       6,453,207       4,962,70         Placements with banks       11,005,577       2,644,417       11,133,463       2,660,22	Redemption of debentures	(5,315,450)	-	(5,315,450)	-
Repayment of borrowing ,medium and long - term       (2,473,102)       (2,045,995)       (2,473,102)       (2,045,995)         Dividends paid       (921,468)       (1,280,107)       (928,467)       (1,280,107)         Net Cash flows from financing activities       12,462,918       13,305,711       12,455,919       13,305,77         Net (increase) / decrease in cash & cash equivalents       11,985,565       (3,191,605)       12,097,120       (3,209,42)         Cash & cash equivalents at the beginning of year       5,464,716       10,797,606       5,489,550       10,832,30         Cash and cash equivalents at the end of the period       17,450,281       7,606,001       17,586,670       7,622,92         Reconciliation of cash & cash equivalents with items       6,444,704       4,961,584       6,453,207       4,962,70         Placements with banks       11,005,577       2,644,417       11,133,463       2,660,22	Borrowing, medium and long - term	7,877,365	5,720,813	7,877,365	5,720,813
Dividends paid       (921,468)       (1,280,107)       (928,467)       (1,280,107)         Net Cash flows from financing activities       12,462,918       13,305,711       12,455,919       13,305,77         Net (increase) / decrease in cash & cash equivalents       11,985,565       (3,191,605)       12,097,120       (3,209,42)         Cash & cash equivalents at the beginning of year       5,464,716       10,797,606       5,489,550       10,832,30         Cash and cash equivalents at the end of the period       17,450,281       7,606,001       17,586,670       7,622,92         Reconciliation of cash & cash equivalents with items       6,444,704       4,961,584       6,453,207       4,962,70         Placements with banks       11,005,577       2,644,417       11,133,463       2,660,22	-				3,911,000
Net Cash flows from financing activities         12,462,918         13,305,711         12,455,919         13,305,771           Net (increase) / decrease in cash & cash equivalents         11,985,565         (3,191,605)         12,097,120         (3,209,42)           Cash & cash equivalents at the beginning of year         5,464,716         10,797,606         5,489,550         10,832,30           Cash and cash equivalents at the end of the period         17,450,281         7,606,001         17,586,670         7,622,92           Reconciliation of cash & cash equivalents with items         6,444,704         4,961,584         6,453,207         4,962,70           Placements with banks         11,005,577         2,644,417         11,133,463         2,660,22				.,,,,	(2,045,995)
Net (increase) / decrease in cash & cash equivalents       11,985,565       (3,191,605)       12,097,120       (3,209,42)         Cash & cash equivalents at the beginning of year       5,464,716       10,797,606       5,489,550       10,832,30         Cash and cash equivalents at the end of the period       17,450,281       7,606,001       17,586,670       7,622,92         Reconciliation of cash & cash equivalents with items       reported in the statement of financial position       6,444,704       4,961,584       6,453,207       4,962,70         Placements with banks       11,005,577       2,644,417       11,133,463       2,660,22					(1,280,106)
Cash & cash equivalents at the beginning of year       5,464,716       10,797,606       5,489,550       10,832,34         Cash and cash equivalents at the end of the period       17,450,281       7,606,001       17,586,670       7,622,92         Reconciliation of cash & cash equivalents with items       reported in the statement of financial position       6,444,704       4,961,584       6,453,207       4,962,70         Placements with banks       11,005,577       2,644,417       11,133,463       2,660,22					13,305,712
Cash and cash equivalents at the end of the period       17,450,281       7,606,001       17,586,670       7,622,92         Reconciliation of cash & cash equivalents with items       reported in the statement of financial position       7,622,92         Cash and cash equivalents       6,444,704       4,961,584       6,453,207       4,962,70         Placements with banks       11,005,577       2,644,417       11,133,463       2,660,22	Net (increase) / decrease in cash & cash equivalents	11,985,565	(3,191,605)	12,097,120	(3,209,435)
Reconciliation of cash & cash equivalents with itemsreported in the statement of financial positionCash and cash equivalents6,444,704Placements with banks11,005,5772,644,41711,133,4632,660,22					10,832,361
reported in the statement of financial position         6,444,704         4,961,584         6,453,207         4,962,70           Cash and cash equivalents         6,444,704         4,961,584         6,453,207         4,962,70           Placements with banks         11,005,577         2,644,417         11,133,463         2,660,22		17,450,281	7,606,001	17,586,670	7,622,926
Cash and cash equivalents         6,444,704         4,961,584         6,453,207         4,962,70           Placements with banks         11,005,577         2,644,417         11,133,463         2,660,22	-				
Placements with banks 11,005,577 2,644,417 11,133,463 2,660,22	• •	6 444 704	4 061 594	6 452 207	4.062.704
	-	, ,			4,962,704
<b>17,450,281</b> 7,606,001 <b>17,586,670</b> 7,622,92	riacements with Danks			, ,	7,622,926

The Cash Flow Statement of the bank includes the results of associate, joint venture and subsidiary companies only to the extent of the cash flows between Bank and respective companies as required by Sri Lanka Accounting Standards

#### **Explanatory Notes**

#### Note 1. Statement of Compliance

The consolidated financial statements of the Group and the separate financial statements of the Bank have been presented in accordance with the Sri Lanka Accounting Standards 34 (LKAS 34) "Interim Financial Statements" issued by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and in compliance with the requirements of the Companies Act, No. 07 of 2007 and the Banking Act No. 30 of 1988 and amendments thereto.

#### Note 2. Accounting Policies and Accounting Estimates

There are no changes to the accounting policies and method of computation since the publication of the last annual financial statements except for;

1. SLFRS 16 - "Leases" effective from 1st January 2019 requires recognizing lease liabilities and right-of -use assets for some leases classified as operating leases under LKAS 17 "Leases".

2. Circular No 6 of 2019 on the adoption of Sri Lanka Accounting Standard - SLFRS 9 "Financial Instruments" issued by the Bank Supervision Department of Central Bank of Sri Lanka.

#### **Note 3 Comparative Figures**

Comparative figures have been re-stated/re-classified where necessary, to conform to the current period presentation.

The following line items of the Interim Financial Statements for the quarter ended 30.06.2018 were restated due to the adoption of SLFRS 9 and the circular No. 02 of 2019 issued by the Bank Supervision Department of the Central Bank of Sri Lanka.

	Restated	As previously
	LKR 000	Reported LKR 000
Income	18,528,736	19,943,545
Interest income	18,122,500	18,837,488
Net (loss) / gain from trading	(238,542)	171,593
Net fair value (losses) / gains from financial instruments at fair value through profit		
or loss	64,973	103,833
Net gain from financial investments	-	783,853
Net gains from derecognition of financial assets		
Fair value through profit or loss	5,438	-
Fair value through other comprehensive income	2,771	-
Net other operating income	(334,545)	(859,363)
Impairment charge / (reversal) for loans and other losses	648,614	1,407,319
Other expenses	1,238,790	1,242,323
Value added tax, nation building tax and debt repayment levy on financial services	580,688	674,646
Profit before tax	1,843,078	2,401,691
Income tax expense	535,525	691,750
Profit for the period	1,307,553	1,709,941
Other comprehensive expenses for the period, net of tax	(1,558,989)	(2,205,141)

\* Group Financial Statements also have been restated accordingly.

#### Note 4. Group Financial Statements

The Group Financial Statements comprise the Bank and its subsidiaries DFCC Consulting (Pvt) Limited, Lanka Industrial Estates Limited and Synapsys Limited and group interest in associate company National Asset Management Limited and group interest in joint venture Acuity Partners (Pvt) Ltd. Investments in Subsidiaries, joint venture and associate companies are accounted under cost method in Bank's financial statements. Investment in associate and joint venture are accounted under equity method in group's financial statements.

## Note 4.1 31 March Financial Year Company

This is Lanka Industrial Estates Ltd.

### Note 5. Net loss from trading

	Ban	k	Gro	up
For the six months ended 30th June	2019	2018	2019	2018
	LKR 000	LKR 000	LKR 000	LKR 000
		(Restated)		(Restated)
Foreign exchange from banks	255,907	168,041	255,907	168,041
Government securities				-
- Net marked to market loss	-	(172)	-	(172)
- Net capital gain/(loss)	20,370	(3,553)	20,370	(3,553)
Equity securities				-
Net marked to market loss	(1,084,574)	(619,601)	(1,084,574)	(619,601)
Net capital gain	2,447	7,080	2,447	7,080
Dividend income	202,551	209,663	202,551	209,663
	(603,299)	(238,542)	(603,299)	(238,542)

Note 6. Net fair value (losses) / gains from financial instruments at fair value through profit or loss

	Bar	ık	Group		
For the six months ended 30th June	2019	2018	2019	2018	
	LKR 000	LKR 000	LKR 000	LKR 000	
		(Restated)		(Restated)	
Forward exchange fair value changes					
Contracts with commercial banks (Note 6.1)	(1,660,464)	146,040	(1,660,464)	146,040	
Contracts with CBSL	-	(59,082)	-	(59,082)	
Interest rate swap fair value changes	(4,671)	16,876	(4,671)	16,876	
Loss on financial assets fair value through profit or loss - equity securities	(64,663)	(38,861)	(64,663)	(38,861)	
	(1,729,798)	64,973	(1,729,798)	64,973	

#### Note 6.1

The bank has applied the fair value hedge accounting for a part of its foreign currency liabilities using forward contracts during the period ended 30th June 2019

### Note 7. Net Other Operating Income

	Bai	nk	Gro	up
For the six months ended 30th June	2019	2018	2019	2018
	LKR 000	LKR 000	LKR 000	LKR 000
		(Restated)		(Restated)
Financial assets measured at fair value through other comprehensive income				
Gain on sale of equity shares	-	5,438	-	5,438
Dividend income	384,050	394,903	384,050	394,903
Equities measured at fair value through Profit or Loss				
Dividend income	-	1,162	-	1,162
Dividend income from subsidiaries, joint venture and associate	3,010	27,162	-	-
Net gain from repurchase transactions	125,874	96,154	125,874	96,154
Gains /(Losses) on revaluation of foreign exchange	317,122	(1,307,815)	317,122	(1,307,815)
Amortization of deferred Income Government Grant - CBSL SWAP	-	415,332	-	415,332
Others	41,706	33,119	271,266	227,813
	871,762	(334,545)	1,098,312	(167,012)

## Note 8 Financial Assets at Amortized Cost Loans to and Receivables from Other Customers

	Bank		Gro	up
As at	30.06.2019	31.12.2018	30.06.2019	31.12.2018
	LKR 000	LKR 000	LKR 000	LKR 000
Gross loans and receivables (Note 8.1)	269,038,639	261,299,294	269,038,639	261,299,294
Less: Allowance for impairment (Note 8.2.)	(11,428,443)	(11,565,576)	(11,428,443)	(11,565,576)
Net loans and receivables	257,610,196	249,733,718	257,610,196	249,733,718

## Note 8.1 Loans to and Receivables from Other Customers - By product

	Bank		Gro	oup
As at	30.06.2019	31.12.2018	30.06.2019	31.12.2018
	LKR 000	LKR 000	LKR 000	LKR 000
By product-Domestic Currency				
Overdrafts	42,262,810	40,503,314	42,262,810	40,503,314
Trade finance	26,462,930	28,411,748	26,462,930	28,411,748
Credit cards	741,269	504,613	741,269	504,613
Pawning	3,287,789	3,194,318	3,287,789	3,194,318
Staff loans	2,046,683	1,966,944	2,046,683	1,966,944
Term loans	145,170,314	133,524,069	145,170,314	133,524,069
Lease rentals receivable	19,217,451	18,312,071	19,217,451	18,312,071
Commercial papers and asset back notes	1,953,883	1,329,351	1,953,883	1,329,351
Preference shares	75,000	112,500	75,000	112,500
	241,218,129	227,858,928	241,218,129	227,858,928
By product-Foreign Currency				
Overdrafts	349,920	282,662	349,920	282,662
Trade finance	10,119,320	11,530,783	10,119,320	11,530,783
Term loans	17,351,270	21,626,921	17,351,270	21,626,921
	27,820,510	33,440,366	27,820,510	33,440,366
Gross loans and receivables	269,038,639	261,299,294	269,038,639	261,299,294

### Note 8.2. Movement in Impairment during the period

	Bank		Gro	up
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
	LKR 000	LKR 000	LKR 000	LKR 000
Stage 1				
Balance at beginning	786,160	805,471	786,160	805,471
Charge / (write back) to income statement	155,978	(12,651)	155,978	(12,651)
Write-off during the period	(255)	(6,660)	(255)	(6,660)
Balance at end	941,883	786,160	941,883	786,160
Stage 2				
Balance at beginning	2,355,960	2,347,630	2,355,960	2,347,630
(Write back ) / charge to income statement	(825,996)	10,491	(825,996)	10,491
Write-off during the period	(1,512)	(2,161)	(1,512)	(2,161)
Balance at end	1,528,452	2,355,960	1,528,452	2,355,960
Stage 3				
Balance at beginning	8,423,456	7,966,994	8,423,456	7,966,994
Charge to income statement	1,162,520	988,089	1,162,520	988,089
Effect of foreign currency movement	(20,974)	166,694	(20,974)	166,694
Write-off during the period	(604,880)	(696,652)	(604,880)	(696,652)
Other movements	(2,014)	(1,669)	(2,014)	(1,669)
Balance at end	8,958,108	8,423,456	8,958,108	8,423,456
Total Impairment	11,428,443	11,565,576	11,428,443	11,565,576

## Note 9. Financial liabilities at amortized cost - Due to depositors

	Bank		Gro	սթ
As at	30.06.2019	31.12.2018	30.06.2019	31.12.2018
	LKR 000	LKR 000	LKR 000	LKR 000
By product-Domestic Currency				
Demand deposits (current accounts)	3,542,807	4,002,920	3,543,406	4,002,630
Savings deposits	23,871,351	21,605,527	23,863,138	21,593,927
Fixed deposits	169,987,952	152,022,880	169,693,508	151,722,204
Other deposits	384,860	2,523,726	384,860	2,523,726
Certificate of deposits	514,704	553,593	514,704	553,593
	198,301,674	180,708,646	197,999,616	180,396,080
By product- Foreign Currency				
Demand deposits (current accounts)	437,060	337,898	437,060	337,898
Savings deposits	33,967,055	24,234,949	33,961,051	24,232,892
Fixed deposits	21,842,750	36,915,668	21,838,557	36,907,565
Other deposits	17,190	40,435	17,190	40,435
-	56,264,055	61,528,950	56,253,858	61,518,790
Total	254,565,729	242,237,596	254,253,474	241,914,870

### Note 10. Events after the reporting period

No circumstances have arisen which would require disclosure or adjustment to the Financial Statements.

### Note 11. Disclosures under Appendix 7B of the Listing Rules

**11.1** During the period, there were no material changes in the composition of assets, liabilities and contingent liabilities and use of fund raised through debentures. All known expenditure items have been provided for. There is no management fees or similar expenditure provided for in the interim financial statements

### 11.2 Stated capital

Number of shares

Number of shares of the Bank on 30th June 2019 304,188,756

## 11.3 Twenty Major Shareholders as at 30.06.2019

	Name of Shareholder/Company	Shareholding	%
1	Hatton National Bank PLC A/c No.1	45,354,596	14.91
2	Bank of Ceylon No.2 - A/C	38,039,994	12.51
3	Mr.M.A. Yaseen	30,418,875	10.00
4	Sri Lanka Insurance Corporation Ltd-Life Fund	26,509,832	8.71
5	Employees Provident Fund	24,368,995	8.01
6	Melstacorp PLC	22,383,614	7.36
7	Seafeld International Limited	17,716,794	5.82
8	BPSS Lux- Aberdeen standard sicav I-Asia Pacific Equity Fund	13,780,057	4.53
9	CB London S/A Aberdeen Asia Pacific Equity Fund	7,614,136	2.50
10	Citi Bank New York S/A Norges Bank Account 2	7,350,530	2.42
11	Renuka City Hotels PLC	6,926,870	2.28
12	BP2S London - Edinburgh Dragon Trust PLC	6,339,659	2.08
13	BP2S London - Aberdeen Standard Asia Focus PLC	5,413,710	1.78
14	Renuka Hotels PLC	4,073,360	1.34
15	Employees Trust Fund Board	3,987,952	1.31
16	Akbar Brothers Pvt Ltd A/C No.01	2,578,688	0.85
17	Cargo Boat Development Company PLC	2,498,200	0.82
18	BP2S London - Aberdeen New Dawn Investment Trust XCC6	2,030,435	0.67
19	Stassen exports (Pvt) Ltd	1,896,791	0.62
20	Anverally International (pvt) Limited	1,682,148	0.55

### 11.4 Public Holdings as at 30.06.2019

Public holdings percentage	72.55%
Number of Public shareholders	9,099
Float adjusted market capitalisation	LKR 15,889 million
Applicable option as per CSE Listing Rule 7.13.1 (a)	Option 1

#### 11.5 Directors' Interests in Shares

	No of Shares As at 30.06.2019
C R Jansz	1,400
P M B Fernando	2,000
T Dharmarajah	2,700
K.P Cooray	Nil
S.R Thambiayah (Ms.)	Nil
V J Senaratne (Ms.)	1,814
L H A L Silva	24,866
L.K.A.H. Fernando (Ms.)	Nil
N.K.G.K. Nemmawatta	Nil
J. Durairatnam	Nil

### Certification

We, the undersigned, being the Chairman, the Chief Executive Officer and the Chief Financial Officer of DFCC Bank PLC certify 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 and the Group, unless indicated as audited.

Royle Jansz Chairman Lakshman Silva Director & Chief Executive Officer Chinthika Amarasekera Chief Financial Officer

26-Jul-19

## Listed Debentures

	Interest rate	Applicable	Interest rate of Comparative Government Securities (Gross)					
	Frequency	Interest Rate	p.a.	Balance as at				
		%	%	30.06.2019		arket pri		Yield
				LKR 000	Highest	Lowest	Last Traded	Last Traded %
Debenture Category								
Fixed Rate								
2015/2020	Annually	9.4	8.50	2,010,849	94.54	94.54	94.54	13.50
2015/2020	Annually	9.1	8.50	3,012,109	100.00	100.00	100.00	9.04
2016/2021	Annually	12.15	8.60	1,027,890	N/T	N/T	N/T	N/A
2016/2023	Annually	12.75	9.60	6,510,718	99.80	99.80	99.80	12.75
2018/2023	Annually	12.60	9.50	2,993,975	99.73	99.73	99.73	12.65
2018/2025	Annually	13.00	9.80	4,202,166	N/T	N/T	N/T	N/A
2019/2024	Annually	13.50	9.70	3,918,764	N/T	N/T	N/T	N/A
2019/2026	Annually	13.75	9.95	1,838,509	N/T	N/T	N/T	N/A
2019/2029	Annually	13.90	10.05	4,547,069	N/T	N/T	N/T	N/A
N/T -Not traded								
Other Ratios (Bank)		30.06.2019	31.12.2018					

Debt to equity ratio (times)	2.03	1.88
Interest cover (times)	0.83	0.89

### Disclosures regarding the utilization of funds as per the objectives stated in the Debenture Prospectus

Objective as per Prospectus	Proposed Date of allocation as per Prospectus				% of utilization against	Clarification if not fully utilized including where the funds are invested (eg:Whether lent to related party/s etc.)
To support the lending activities of the bank.	Over the period of twelve months from the date of allotment.	LKR 10 Billion	100%	LKR 5.3 Billion	53%	Invested in government securities

### Disclosures regarding the utilization of funds as per the objectives stated in the Rights issue Circular

Objective as per Circular	Proposed Date of utilization as per Circular	Amount allocated from Proceeds (LKR)(A)	% of Total	Amount utilized as at 30.06.2019 (LKR)(B)	0	Clarification if not fully utilized
To improve the capital adequacy ratio(CAR) of the Bank in the light of regulatory requirement introduced in line with the Basel III accord.	By 31 December 2019	LKR 2.814 Billion	100%	LKR 2.814 Billion	100%	N/A
Support the Bank's asset growth.	Over the period of twelve months from the date of allotment.	LKR 2.814 Billion	100%	Nil	0%	Invested in government securities

	Ban	k	Group	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Regulatory Capital ( LKR '000)				
Common Equity Tier I	33,228,139	31,633,211	32,177,090	32,106,706
Tier 1 Capital	33,228,139	31,633,211	32,177,090	32,106,706
Total Capital	48,368,810	47,203,364	47,317,761	47,676,859
Regulatory Capital Ratios %				
Common Equity Tier 1 Capital Ratio				
(Minimum Requirement -7%)	11.400	N/A	10.992	N/A
(Minimum Requirement -6.375%)	N/A	10.766	N/A	10.888
Tier 1 Capital Ratio				
(Minimum Requirement - 8.5%)	11.400	N/A	10.992	N/A
(Minimum Requirement - 7.875%)	N/A	10.766	N/A	10.888
Total Capital Ratio				
(Minimum Requirement - 12.5%)	16.595	N/A	16.164	N/A
(Minimum Requirement - 11.875%)	N/A	16.065	N/A	16.168
Leverage Ratio ( Minimum requirement is 3%)	7.20	N/A	7.00	N/A
Regulatory Liquidity				
Statutory liquid assets LKR 000				
Domestic Banking Unit	83,870,939	65,391,771		
Off-Shore Banking Unit	6,858,614	9,267,388		
Statutory liquid assets ratio % (Minimum requirement 20%)				
Domestic Banking Unit	25.96	22.24		
Off-Shore Banking Unit	36.14	44.36		
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 2019 - 100%, 2018 -90%)	425.16	195.71		
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement - 2019 - 100%, 2018 -90%)	200.46	113.49		
Net Stable Funding Ratio (%) (minimum requirement 90%)	119.79	N/A		
Asset Quality				
Non-performing loans and advances - Gross exposure %	4.63	3.28		
(Net of interest in suspense)	-1.05	5.20		
Non-performing loans and advances - Net exposure %	1.96	1.20		
(Net of interest in suspense and provisions)	100	1120		
Profitability				
Interest margin %	3.3	3.5		
Return on assets ( profit before tax) %	0.7	1.2		

	Fair value through profit or loss	Fair value through other comprehensive	Amortised cost	Total
As at 30 June 2019		income		
Analysis of Financial Instruments by Measurement Basis	LKR 000	LKR 000	LKR 000	LKR 000
Bank				
Financial Assets				
Cash and cash equivalents	-	-	6,444,704	6,444,704
Balances with Central Bank of Sri Lanka	-	-	9,273,141	9,273,141
Placements with banks	-	-	11,005,577	11,005,577
Derivative assets held-for-risk management	1,068,487	-	-	1,068,487
Financial assets measured at fair value through profit or loss	5,008,376	-	- 8 220 088	5,008,376
Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost -Loans to and receivables from other customers	-	-	8,239,988 257,610,196	8,239,988 257,610,196
	-	-		
Due from subsidiaries Financial investments	-	- 69,114,961	7,587 24,241,365	7,587 93,356,326
Other assets	-	-	3,188,121	3,188,121
Other assets	6,076,864	69,114,961	320,010,679	395,202,503
	2,370,001			
Financial Liabilities				
	-	_	14,992,689	14,992,689
Due to banks			14,992,009	
Derivative liabilities held-for-risk management	720,602	-	-	720,602
Financial liabilities at amortised cost - Due to depositors	-	-	254,565,729	254,565,729
Financial liabilities at amortised cost - Due to other borrowers Debt securities issued	-	-	47,448,509	47,448,509
Subordinated term debt	-	-	13,314,365 16,747,685	13,314,365 16,747,685
Other liabilities	-	_	4,902,303	4,902,303
	720,602	-	351,971,278	352,691,882
	,			,
	Fair value through	Fair value through other	Amortised cost	Total
As at 31 December 2018	profit or loss -			
	mandatory	comprehensive		
	mandatory LKR 000	income LKR 000	LKR 000	LKR 000
Bank	-	income	LKR 000	LKR 000
Bank Financial Assets	-	income	LKR 000	LKR 000
Financial Assets	-	income		
	-	income	LKR 000 5,039,629 11,841,814	LKR 000 5,039,629 11,841,814
Financial Assets Cash and cash equivalents	-	income LKR 000	5,039,629	5,039,629
Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management	-	income LKR 000	5,039,629 11,841,814	5,039,629 11,841,814
Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss	LKR 000	income LKR 000	5,039,629 11,841,814 425,087 -	5,039,629 11,841,814 425,087 3,414,549 6,078,862
Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks	LKR 000	income LKR 000 - - - - -	5,039,629 11,841,814 425,087 - 12,854,880	5,039,629 11,841,814 425,087 3,414,549 6,078,862 12,854,880
Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers	LKR 000	income LKR 000 - - - - - - -	5,039,629 11,841,814 425,087 - 12,854,880 249,733,718	5,039,629 11,841,814 425,087 3,414,549 6,078,862 12,854,880 249,733,718
Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost -Loans to and receivables from other customers Financial investments	LKR 000	income LKR 000 - - - - -	5,039,629 11,841,814 425,087 - 12,854,880 249,733,718 22,874,088	5,039,629 11,841,814 425,087 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641
Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers Financial investments Due from subsidiaries	LKR 000	income LKR 000 - - - - - - -	5,039,629 11,841,814 425,087 - 12,854,880 249,733,718 22,874,088 9,505	5,039,629 11,841,814 425,087 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 9,505
Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost -Loans to and receivables from other customers Financial investments	LKR 000 - - - 3,414,549 6,078,862 - - - - - -	income LKR 000	5,039,629 11,841,814 425,087 - 12,854,880 249,733,718 22,874,088	5,039,629 11,841,814 425,087 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641
Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers Financial investments Due from subsidiaries Other assets	LKR 000 - - - 3,414,549 6,078,862 - - - - - - - - - - - - - - - - - - -	income LKR 000	5,039,629 11,841,814 425,087 - 12,854,880 249,733,718 22,874,088 9,505 3,431,061	5,039,629 11,841,814 425,087 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 9,505 3,431,061
Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers Financial investments Due from subsidiaries Other assets	LKR 000	income LKR 000	5,039,629 11,841,814 425,087 - 12,854,880 249,733,718 22,874,088 9,505 3,431,061 306,209,782	5,039,629 11,841,814 425,087 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 9,505 3,431,061 371,016,746
Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers Financial investments Due from subsidiaries Other assets Financial Liabilities Due to banks	LKR 000	income LKR 000	5,039,629 11,841,814 425,087 - 12,854,880 249,733,718 22,874,088 9,505 3,431,061 306,209,782 9,446,464	5,039,629 11,841,814 425,087 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 9,505 3,431,061 371,016,746
Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers Financial investments Due from subsidiaries Other assets Financial Liabilities Due to banks Derivative liabilities held-for-risk management	LKR 000	income LKR 000	5,039,629 11,841,814 425,087 - 12,854,880 249,733,718 22,874,088 9,505 3,431,061 306,209,782 9,446,464 -	5,039,629 11,841,814 425,087 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 9,505 3,431,061 371,016,746 9,446,464 121,373
Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers Financial investments Due from subsidiaries Other assets Financial Liabilities Due to banks Derivative liabilities held-for-risk management Financial liabilities at amortised cost - Due to depositors	LKR 000	income LKR 000	5,039,629 11,841,814 425,087 - 12,854,880 249,733,718 22,874,088 9,505 3,431,061 306,209,782 9,446,464 - 242,237,596	5,039,629 11,841,814 425,087 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 9,505 3,431,061 371,016,746 9,446,464 121,373 242,237,596
Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost -Loans to and receivables from other customers Financial investments Due from subsidiaries Other assets Financial Liabilities Due to banks Derivative liabilities held-for-risk management	LKR 000	income LKR 000	5,039,629 11,841,814 425,087 - 12,854,880 249,733,718 22,874,088 9,505 3,431,061 306,209,782 9,446,464 - 242,237,596 47,413,727	5,039,629 11,841,814 425,087 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 9,505 3,431,061 371,016,746 9,446,464 121,373 242,237,596 47,413,727
Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers Financial investments Due from subsidiaries Other assets Financial Liabilities Due to banks Derivative liabilities held-for-risk management Financial liabilities at amortised cost - Due to other borrowers	LKR 000	income LKR 000	5,039,629 11,841,814 425,087 - 12,854,880 249,733,718 22,874,088 9,505 3,431,061 306,209,782 9,446,464 - 242,237,596	5,039,629 11,841,814 425,087 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 9,505 3,431,061 371,016,746 9,446,464 121,373 242,237,596
Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from other customers Financial assets at amortised cost -Loans to and receivables from other customers Financial investments Due from subsidiaries Other assets  Financial Liabilities Due to banks Derivative liabilities held-for-risk management Financial liabilities at amortised cost - Due to other borrowers Debt securities issued	LKR 000	income LKR 000	5,039,629 11,841,814 425,087 - 12,854,880 249,733,718 22,874,088 9,505 3,431,061 306,209,782 9,446,464 - 242,237,596 47,413,727 8,898,441	5,039,629 11,841,814 425,087 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 9,505 3,431,061 371,016,746 9,446,464 121,373 242,237,596 47,413,727 8,898,441

	Fair value through profit or loss -	Fair value through other comprehensive	Amortised cost	Total
As at 30 June 2019	mandatory	income		
Group				
Financial Assets				
Cash and cash equivalents	-	-	6,453,207	6,453,207
Balances with Central Bank of Sri Lanka	-	-	9,273,141	9,273,141
Placements with banks	-	-	11,133,463	11,133,463
Derivative assets held-for-risk management	1,068,487	-	-	1,068,487
Financial assets measured at fair value through profit or loss	5,008,376	-	-	5,008,376
Financial assets at amortised cost - Loans to and receivables from banks	-	-	8,239,988	8,239,988
Financial assets at amortised cost -Loans to and receivables from other customers	-	-	257,610,196	257,610,196
Financial investments	-	69,114,961	24,241,365	93,356,326
Other assets	-	-	3,317,733	3,317,733
	6,076,863	69,114,961	320,269,093	395,460,917
Financial Liabilities			14,000,000	14.000 (00)
Due to banks	-	-	14,992,689	14,992,689
Derivative liabilities held-for-risk management	720,602	-	-	720,602
Financial liabilities at amortised cost - Due to depositors	-	-	254,253,474	254,253,474
Financial liabilities at amortised cost - Due to other borrowers	-	-	47,448,509	47,448,509
Debt securities issued	-	-	13,314,365	13,314,365
Subordinated term debt	-	-	16,747,685	16,747,685
Other liabilities	-	-	5,174,393	5,174,393
	720,602	-	351,931,115	352,651,717
	Fair value through	Fair value through other	Amortised cost	Total
	through profit or loss -	through other comprehensive		Total
As at 31 December 2018	through	through other		Total
Group	through profit or loss -	through other comprehensive		Total
Group Financial Assets	through profit or loss -	through other comprehensive	cost	
Group Financial Assets Cash and cash equivalents	through profit or loss -	through other comprehensive	<b>cost</b> 5,049,823	5,049,823
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka	through profit or loss -	through other comprehensive	cost 5,049,823 11,841,814	5,049,823 11,841,814
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks	through profit or loss - mandatory - -	through other comprehensive	cost 5,049,823 11,841,814 439,727	5,049,823 11,841,814 439,727
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management	through profit or loss - mandatory - - - - 3,414,549	through other comprehensive	cost 5,049,823 11,841,814 439,727	5,049,823 11,841,814 439,727 3,414,549
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss	through profit or loss - mandatory - - - - - - - - - - - - - - - - - - -	through other comprehensive income - - - - - - -	cost 5,049,823 11,841,814 439,727 -	5,049,823 11,841,814 439,727 3,414,549 6,078,862
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks	through profit or loss - mandatory - - - - 3,414,549	through other comprehensive income - - - - - - - - -	cost 5,049,823 11,841,814 439,727 - 12,854,880	5,049,823 11,841,814 439,727 3,414,549 6,078,862 12,854,880
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers	through profit or loss - mandatory - - - 3,414,549 6,078,862 - -	through other comprehensive income - - - - - - - - - - - -	cost 5,049,823 11,841,814 439,727 - 12,854,880 249,733,718	5,049,823 11,841,814 439,727 3,414,549 6,078,862 12,854,880 249,733,718
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost -Loans to and receivables from other customers Financial investments	through profit or loss - mandatory - - - - - - - - - - - - - - - - - - -	through other comprehensive income - - - - - - - - -	cost 5,049,823 11,841,814 439,727 - 12,854,880 249,733,718 22,874,088	5,049,823 11,841,814 439,727 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers	through profit or loss - mandatory - - - - 3,414,549 6,078,862 - - - - - - - - - - - - - - - - - - -	through other comprehensive income - - - - - - 55,313,553 -	cost 5,049,823 11,841,814 439,727 - 12,854,880 249,733,718 22,874,088 3,478,564	5,049,823 11,841,814 439,727 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 3,478,564
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost -Loans to and receivables from other customers Financial investments	through profit or loss - mandatory - - - - 3,414,549 6,078,862 - -	through other comprehensive income - - - - - - - - - - - -	cost 5,049,823 11,841,814 439,727 - 12,854,880 249,733,718 22,874,088	5,049,823 11,841,814 439,727 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost -Loans to and receivables from other customers Financial investments	through profit or loss - mandatory - - - - 3,414,549 6,078,862 - - - - - - - - - - - - - - - - - - -	through other comprehensive income - - - - - - 55,313,553 -	cost 5,049,823 11,841,814 439,727 - 12,854,880 249,733,718 22,874,088 3,478,564	5,049,823 11,841,814 439,727 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 3,478,564
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers Financial investments Other assets	through profit or loss - mandatory - - - - 3,414,549 6,078,862 - - - - - - - - - - - - - - - - - - -	through other comprehensive income - - - - - - 55,313,553 -	cost 5,049,823 11,841,814 439,727 - 12,854,880 249,733,718 22,874,088 3,478,564	5,049,823 11,841,814 439,727 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 3,478,564
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers Financial investments Other assets	through profit or loss - mandatory - - - - 3,414,549 6,078,862 - - - - - - - - - - - - - - - - - - -	through other comprehensive income - - - - - - 55,313,553 -	cost 5,049,823 11,841,814 439,727 12,854,880 249,733,718 22,874,088 3,478,564 <b>306,272,614</b>	5,049,823 11,841,814 439,727 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 3,478,564 <b>371,079,578</b>
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers Financial investments Other assets <b>Financial Liabilities</b> Due to banks	through profit or loss - mandatory - - - - - - - - - - - - - - - - - - -	through other comprehensive income - - - - - - 55,313,553 -	cost 5,049,823 11,841,814 439,727 12,854,880 249,733,718 22,874,088 3,478,564 <b>306,272,614</b>	5,049,823 11,841,814 439,727 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 3,478,564 <b>371,079,578</b>
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers Financial investments Other assets <b>Financial Liabilities</b> Due to banks Derivative liabilities held-for-risk management	through profit or loss - mandatory - - - - - - - - - - - - - - - - - - -	through other comprehensive income - - - - - - 55,313,553 -	cost 5,049,823 11,841,814 439,727 - 12,854,880 249,733,718 22,874,088 3,478,564 <b>306,272,614</b> 9,446,464	5,049,823 11,841,814 439,727 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 3,478,564 <b>371,079,578</b> 9,446,464 121,373
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers Financial investments Other assets <b>Financial Liabilities</b> Due to banks Derivative liabilities held-for-risk management Financial liabilities at amortised cost - Due to depositors	through profit or loss - mandatory - - - - - - - - - - - - - - - - - - -	through other comprehensive income - - - - - - 55,313,553 -	cost 5,049,823 11,841,814 439,727 12,854,880 249,733,718 22,874,088 3,478,564 <b>306,272,614</b> 9,446,464 241,914,870	5,049,823 11,841,814 439,727 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 3,478,564 <b>371,079,578</b> 9,446,464 121,373 241,914,870
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers Financial investments Other assets <b>Financial Liabilities</b> Due to banks Derivative liabilities held-for-risk management Financial liabilities at amortised cost - Due to depositors Financial liabilities at amortised cost - Due to other borrowers	through profit or loss - mandatory - - - - - - - - - - - - - - - - - - -	through other comprehensive income - - - - - - 55,313,553 -	cost 5,049,823 11,841,814 439,727 12,854,880 249,733,718 22,874,088 3,478,564 <b>306,272,614</b> 9,446,464 241,914,870 47,388,679	5,049,823 11,841,814 439,727 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 3,478,564 <b>371,079,578</b> 9,446,464 121,373 241,914,870 47,388,679
Group Financial Assets Cash and cash equivalents Balances with Central Bank of Sri Lanka Placements with banks Derivative assets held-for-risk management Financial assets measured at fair value through profit or loss Financial assets at amortised cost - Loans to and receivables from banks Financial assets at amortised cost - Loans to and receivables from other customers Financial investments Other assets <b>Financial Liabilities</b> Due to banks Derivative liabilities held-for-risk management Financial liabilities at amortised cost - Due to depositors Financial liabilities at amortised cost - Due to other borrowers Debt securities issued	through profit or loss - mandatory - - - - - - - - - - - - - - - - - - -	through other comprehensive income - - - - - - 55,313,553 -	cost 5,049,823 11,841,814 439,727 12,854,880 249,733,718 22,874,088 3,478,564 <b>306,272,614</b> 9,446,464 9,446,464 241,914,870 47,388,679 8,898,441	5,049,823 11,841,814 439,727 3,414,549 6,078,862 12,854,880 249,733,718 78,187,641 3,478,564 <b>371,079,578</b> 9,446,464 121,373 241,914,870 47,388,679 8,898,441

#### **Business Segment Information**

	Bank	ing	Fina	ncial	Invest	ing in	Othe	r	Unalle	ocated	Elimin	ations	То	tal
		0	Lea	sing	Equ	ity								
For the six months ended 30th June	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
Group														(Restated)
Revenue														
Interest income	19,683,416	17,017,767	1,300,033	1,104,734	-	-	21,640	24,792		-	(20,522)	(19,733)	20,984,567	18,127,559
Net fees and commission income	945,314	906,141		-		-	-	-		-	(1,526)	(67)	943,788	906,074
Net loss from trading	276,277	164,316		-	(879,576)	(402,858)		-		-	-	-	(603,299)	(238,542)
Net fair value (losses) / gains from financial														
instruments at fair value through profit or loss	(1,729,798)	64,973		-				-		-	-	-	(1,729,798)	64,973
Net gains from derecognition of financial assets														
Fair value through profit or loss						5,438							-	5,438
Fair value through other comprehensive income	66,436	2,771			-	-						-	66,436	2,771
Net other operating income	484,701	(826,769)		-	387,060	492,219	325,025	302,952			(98,475)	(135,414)	1,098,312	(167,012)
Total Income	19,726,346	17,329,199	1,300,033	1,104,734	(492,516)	94,799	346,665	327,744	-	-	(120,522)	(155,214)	20,760,006	18,701,261
Percentage *	95	87	6	6	(2)	7	2	1	-	-	(1)	(1)	100	100
					~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~									
Expense														
Impairment charge / (reversal) for loans and other	432,442	729,731	43,490	(81,117)	-	-	-	-	-	-	-	-	475,932	648,614
Depreciation	-	-	-	-	-	-	27,297	28,654	-	-	-	-	27,297	28,654
Other operating and interest expenses	15,889,141	14,335,727	1,103,926	478,908	-	-	192,208	162,144	-	-	(117,511)	(44,797)	17,067,763	14,931,982
	16,321,583	15,065,458	1,147,416	397,791		-	219,504	190,798		-	()	(44,797)	17,570,992	15,609,250
Result	3,404,762	2,263,741	152,617	706,943	(492,516)	94,799	127,160	136,946		-	(3,011)	(110,417)	3,189,014	3,092,011
Unallocated expenses													1,111,192	562,676
Value added tax													748,819	580,688
												-	1,329,002	1,948,647
Share of profits of associates and Joint venture													83,389	88,587
Profit before tax												-	1,412,391	2,037,234
Income tax on profit on ordinary activities													506,108	578,941
Profit after tax												-	906,283	1,458,293
Other Comprehensive Income / ( expense) net of tax													(874,403)	(1,553,074)
Total Comprehensive Income / (expense)												-	31,880	(94,781)
Total Comprehensive Income - Non controlling													·	,
interests													44,423	35,729
Total comprehensive income / (expense) for the												-		
Equity Holders of the Bank												-	(12,543)	(130,510)
Assets	288,722,216	296,083,720	19,217,451	17,038,089	51,433,872	17,571,339	1,157,932	1,102,279	39,980,897	26,464,346	(492,820)	(616,307)	400,019,548	357,643,466
Percentage*	72	82	5	5	13	6		-	10	7	-	-	100	100
Investment in associate and Joint venture													2,056,303	1,673,658
													402,075,851	359,317,124
													, ,	
Liabilities	259,849,994	269,239,847	17,295,706	15,448,343	-	-	421,647	347,521	77,263,420	30,294,107	(325,516)	(448,985)	354,505,252	314,880,833

\* Net of eliminations

Revenue and expenses attributable to the incorporated business segments of industrial estate management, information technology services and consultancy services are included in the column for others. Property & equipment and depreciation attributable to an incorporated business segment is included in the relevant segment and the balance is unallocated.

Eliminations are the consolidation adjustments for inter company transactions, dividend and dividend payable attributable to minority shareholders.