



**Quantitative Disclosures as per Schedule III of Banking Act Direction  
No. 01 of 2016, Capital Requirements under Basel III**

**(Un Audited)**

**31st March 2022**

**Key Regulatory Ratios - Capital and Liquidity**

Item	31.03.2022		31.12.2021	
	Bank	Group	Bank	Group
<b>Regulatory Capital (LKR '000)</b>				
Regulatory Capital (LKR '000)				
Common Equity Tier 1	35,303,307	34,686,114	34,259,288	34,265,838
Tier 1 Capital	35,303,307	34,686,114	34,259,288	34,265,838
<b>Total Capital</b>	<b>48,209,772</b>	<b>47,592,579</b>	<b>47,968,017</b>	<b>47,974,567</b>
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 2021- 6.50%)	8.97%	8.79%	9.31%	9.28%
Tier 1 Capital Ratio (Minimum Requirement- 2021- 8.00% )	8.97%	8.79%	9.31%	9.28%
Total Capital Ratio (Minimum Requirement - 2021 - 12.00%)	12.25%	12.06%	13.03%	13.00%
Statutory Liquid Assets (LKR'000)	117,987,957	N/A	129,242,574	N/A
Statutory Liquid Assets Ratio (20%)				
Domestic Banking Unit (%)	29.62%	N/A	24.23%	N/A
Off-Shore Banking Unit (%)	96.33%		66.25%	
Liquidity Coverage Ratio (%) - Rupee (Minimum Requirement - 90%)	175.91%	N/A	135.32%	N/A
Liquidity Coverage Ratio (%) - All Currency (Minimum Requirement - 90%)	113.96%	N/A	111.15%	N/A

**Basel III Computation of Capital Ratios**

Item	Amount (LKR '000)			
	31.03.2022		31.12.2021	
	Bank	Group	Bank	Group
<b>Common Equity Tier 1 (CET1) Capital after Adjustments</b>	<b>35,303,307</b>	<b>34,686,114</b>	<b>34,259,288</b>	<b>34,265,838</b>
<b>Common Equity Tier 1 (CET1) Capital</b>	<b>44,537,150</b>	<b>48,286,139</b>	<b>46,687,119</b>	<b>50,436,550</b>
Equity Capital (Stated Capital)/Assigned Capital	9,562,024	9,562,024	8,600,457	8,600,457
Reserve Fund	2,746,968	2,746,968	2,746,968	2,746,968
Published Retained Earnings/(Accumulated Retained Losses)	21,130,082	24,870,022	22,091,649	25,831,589
Published Accumulated Other Comprehensive Income (OCI)	(531,794)	(522,745)	(531,794)	(522,303)
General and other Disclosed Reserves	13,779,839	13,779,839	13,779,839	13,779,839
Unpublished Current Year's Profit/Loss and Gains reflected in OCI	(2,149,969)	(2,149,969)		
Ordinary Shares issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties				
<b>Total Adjustments to CET1 Capital</b>	<b>9,233,843</b>	<b>13,600,025</b>	<b>12,427,831</b>	<b>16,170,712</b>
Goodwill (net)	-	156,226	-	156,226
Intangible Assets (net)	2,168,298	2,191,273	2,227,577	2,252,589
Others (Deferred tax assets, Cash Flow hedge reserve, Investment in capital of banks and financial institutions)	7,065,545	11,252,526	10,200,254	13,761,897
<b>Additional Tier 1 (AT1) Capital after Adjustments</b>				
Additional Tier 1 (AT1) Capital				
Qualifying Additional Tier 1 Capital Instruments				
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties				
<b>Total Adjustments to AT1 Capital</b>				
Investment in Own Shares				
Others (specify)				
<b>Tier 2 Capital after Adjustments</b>	<b>12,906,465</b>	<b>12,906,465</b>	<b>13,708,729</b>	<b>13,708,729</b>
<b>Tier 2 Capital</b>	<b>12,906,465</b>	<b>12,906,465</b>	<b>13,708,729</b>	<b>13,708,729</b>
Qualifying Tier 2 Capital Instruments	9,111,268	9,111,268	10,511,268	10,511,268
Revaluation Gains	-	-	-	-
Loan Loss Provisions	3,795,197	3,795,197	3,197,461	3,197,461
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties				
Total Adjustments to Tier 2	-	-	-	-
Investment in Own Shares	-	-	-	-
Others (specify)	-	-	-	-
<b>CET1 Capital</b>	<b>35,303,307</b>	<b>34,686,114</b>	<b>34,259,288</b>	<b>34,265,838</b>
<b>Total Tier 1 Capital</b>	<b>35,303,307</b>	<b>34,686,114</b>	<b>34,259,288</b>	<b>34,265,838</b>
<b>Total Capital</b>	<b>48,209,772</b>	<b>47,592,579</b>	<b>47,968,017</b>	<b>47,974,567</b>

	Amount (LKR '000)			
	31.03.2022		31.12.2021	
	Bank	Group	Bank	Group
<b>Total Risk Weighted Assets (RWA)</b>				
RWAs for Credit Risk	367,919,104	368,404,805	339,260,886	339,722,423
RWAs for Market Risk	5,745,683	5,748,683	10,005,925	10,005,925
RWAs for Operational Risk	19,907,025	20,399,167	18,909,993	19,380,488
<b>CET1 Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer &amp; Surcharge on D-SIBs) (%)</b>	<b>8.97%</b>	<b>8.79%</b>	<b>9.31%</b>	<b>9.28%</b>
<b>of which: Capital Conservation Buffer (%)</b>	<b>1.20%</b>	<b>1.20%</b>	<b>1.20%</b>	<b>1.20%</b>
of which: Countercyclical Buffer (%)	N/A	N/A	N/A	N/A
of which: Capital Surcharge on D-SIBs (%)	N/A	N/A	N/A	N/A
<b>Total Tier 1 Capital Ratio (%)</b>	<b>8.97%</b>	<b>8.79%</b>	<b>9.31%</b>	<b>9.28%</b>
<b>Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer &amp; Surcharge on D-SIBs) (%)</b>	<b>12.25%</b>	<b>12.06%</b>	<b>13.03%</b>	<b>13.00%</b>
of which: Capital Conservation Buffer (%)	1.20%	1.20%	1.20%	1.20%
of which: Countercyclical Buffer (%)	N/A	N/A	N/A	N/A
of which: Capital Surcharge on D-SIBs (%)	N/A	N/A	N/A	N/A

### Computation of Leverage Ratio

Item	Amount (LKR '000)		Amount (LKR '000)	
	31.03.2022 BANK	31.03.2022 GROUP	31.12.2021 BANK	31.12.2021 GROUP
Tier 1 Capital	35,303,307	34,686,114	35,287,178	35,378,566
Total Exposures	591,840,054	590,893,765	533,418,008	532,504,559
On-Balance Sheet Items (excluding Derivatives and Securities Financing Transactions, but including Collateral)	498,763,162	497,816,872	476,523,880	475,610,431
Derivative Exposures	62,292,717	62,292,717	20,055,525	20,055,525
Securities Financing Transaction Exposures	4,076,228	4,076,228	1,109,277	1,109,277
Other Off-Balance Sheet Exposures	26,707,948	26,707,948	35,729,326	35,729,326
Basel III Leverage Ratio (%) (Tier 1/Total Exposure)	<b>5.97%</b>	<b>5.87%</b>	<b>6.62%</b>	<b>6.64%</b>

Template 4  
 Basel III Computation of Liquidity Coverage Ratio - All Currencies

Item	Amount (LKR'000)			
	31.03.2022		31.12.2021	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
<b>Total Stock of High-Quality Liquid Assets (HQLA)</b>	<b>58,492,726</b>	<b>57,956,491</b>	<b>78,599,706</b>	<b>77,927,930</b>
Total Adjusted Level 1A Assets	57,420,256	57,420,256	77,256,154	77,256,154
Level 1 Assets	57,420,256	57,420,256	77,256,154	77,256,154
Total Adjusted Level 2A Assets	-	-	-	-
Level 2A Assets	-	-	-	-
Total Adjusted Level 2B Assets	1,072,470	536,235	1,343,553	671,776
Level 2B Assets	1,072,470	536,235	1,343,553	671,776
<b>Total Cash Outflows</b>	<b>467,598,471</b>	<b>81,965,161</b>	<b>502,692,294</b>	<b>95,642,457</b>
Deposits	237,468,776	21,857,640	206,868,882	18,256,205
Unsecured Wholesale Funding	115,327,808	48,673,210	136,315,725	68,161,724
Secured Funding Transactions	13,806,486	-	14,732,689	-
Undrawn portion of committed (irrevocable) facilities and other contingent funding obligations	94,925,239	5,364,148	139,690,926	4,140,456
Additional Requirements	6,070,163	6,070,163	5,084,072	5,084,072
<b>Total Cash Inflows</b>	<b>151,658,791</b>	<b>31,109,640</b>	<b>43,709,043</b>	<b>25,531,500</b>
Maturing Secured Lending Transactions Backed by Collateral	21,249,567	19,882,397	12,439,713	11,704,466
Committed Facilities	-	-	1,000,000	-
Other Inflows by Counterparty which are maturing within 30 Days	16,371,401	9,071,307	23,181,256	11,601,165
Operational Deposits	109,725,950	-	3,051,694	-
Other Cash Inflows	4,311,873	2,155,936	4,036,379	2,225,869
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash)				
<b>Outflows over the Next 30 Calendar Days) *100</b>		<b>113.96</b>		<b>111.15</b>

Template 4  
Basel III Computation of Liquidity Coverage Ratio - LKR Only

Item	Amount (LKR'000)			
	31.03.2022		31.12.2021	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
<b>Total Stock of High-Quality Liquid Assets (HQLA)</b>	<b>48,787,160</b>	<b>48,250,926</b>	<b>72,456,315</b>	<b>71,784,539</b>
Total Adjusted Level 1A Assets	47,714,691	47,714,691	71,112,763	71,112,763
Level 1 Assets	47,714,691	47,714,691	71,112,763	71,112,763
Total Adjusted Level 2A Assets	-	-	-	-
Level 2A Assets	-	-	-	-
Total Adjusted Level 2B Assets	1,072,470	536,235	1,343,553	671,776
Level 2B Assets	1,072,470	536,235	1,343,553	671,776
<b>Total Cash Outflows</b>	<b>364,805,240</b>	<b>55,105,858</b>	<b>412,293,224</b>	<b>75,328,521</b>
Deposits	205,505,893	18,661,351	190,796,909	16,669,672
Unsecured Wholesale Funding	64,245,047	27,912,703	94,655,842	51,048,880
Secured Funding Transactions	13,806,486	-	14,732,689	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	77,221,042	4,505,032	107,203,570	2,705,756
Additional Requirements	4,026,772	4,026,772	4,904,214	4,904,214
<b>Total Cash Inflows</b>	<b>37,949,201</b>	<b>27,677,078</b>	<b>35,452,649</b>	<b>22,279,742</b>
Maturing Secured Lending Transactions Backed by Collateral	19,368,082	18,000,911	11,576,883	10,841,636
Committed Facilities	1,000,000		1,000,000	
Other Inflows by Counterparty which are Maturing within 30 Days	13,269,246	7,520,230	19,254,745	9,627,595
Operational Deposits	-	-	-	-
Other Cash Inflows	4,311,873	2,155,936	3,621,020	1,810,510
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days) *100		<b>175.91</b>		<b>135.32</b>

**Main Features of Regulatory Capital Instruments**

Description of the Capital Instrument (Bank Only)	Stated Capital	Subordinated Term-debt (2016 - Type B)	Subordinated Term-debt (2018 - Type A)	Subordinated Term-debt (2018 - Type B)	Subordinated Term-debt (2020 - Type A)	Subordinated Term-debt (2020 - Type B)
Issuer	DFCC Bank PLC	DFCC Bank PLC	DFCC Bank PLC	DFCC Bank PLC	DFCC Bank PLC	DFCC Bank PLC
Unique Identifier (e.g., ISIN or Bloomberg Identifier for Private Placement)	LK0055N00000	C-2367	C-2393	C-2394	C-2458	C-2457
Governing Law(s) of the Instrument	Companies Act, No. 07 of 2007, Colombo Stock Exchange Regulations					
Original Date of Issuance	N/A	9th November 2016	26th March 2018	26th March 2018	23 October 2020	23 October 2020
Par Value of Instrument (LKR)		100	100	100	100	100
Perpetual or Dated	Perpetual	Dated	Dated	Dated	Dated	Dated
Original Maturity Date, if Applicable	N/A	9th November 2023	29th March 2023	29th March 2025	23 October 2025	23 October 2027
Amount Recognised in Regulatory Capital (in LKR '000 as at the Reporting Date)	9,562,024	2,417,256	582,694	2,451,918	3,454,400	205,000
Accounting Classification (Equity/Liability)	Equity	Liability	Liability	Liability	Liability	Liability
Issuer Call subject to Prior Supervisory Approval						
Optional Call Date, Contingent Call Dates and Redemption Amount (LKR '000)	N/A	N/A	N/A	N/A	N/A	N/A
Subsequent Call Dates, if Applicable	N/A	N/A	N/A	N/A	N/A	N/A
Coupons/Dividends						
Fixed or Floating Dividend/Coupon	Floating dividend	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon
Coupon Rate and any Related Index (%)	N/A	12.75	12.6	13	9	9.25
Non-Cumulative or Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative
Convertible or Non-Convertible	Non-convertible	Non-convertible	Convertible	Convertible	Convertible	Convertible
If Convertible, Conversion Trigger (s)	N/A	N/A	Determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka, and is defined in the Banking Act Direction No. 1 of 2016	Determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka, and is defined in the Banking Act Direction No. 1 of 2016	Determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka, and is defined in the Banking Act Direction No. 1 of 2016	Determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka, and is defined in the Banking Act Direction No. 1 of 2016
If Convertible, Fully or Partially	N/A	N/A	Fully	Fully	Fully	Fully
If Convertible, Mandatory or Optional	N/A	N/A	Mandatory	Mandatory	Mandatory	Mandatory
If Convertible, Conversion Rate	N/A	N/A	Based on the simple average of the daily Volume Weighted Average Price (VWAP) of an ordinary voting shares	Based on the simple average of the daily Volume Weighted Average Price (VWAP) of an ordinary voting shares	Based on the simple average of the daily Volume Weighted Average Price (VWAP) of an ordinary voting shares	Based on the simple average of the daily Volume Weighted Average Price (VWAP) of an ordinary voting shares

**Credit Risk under Standardised Approach -  
Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects**

Asset Class	Amount (LKR'000) as at 31st March 2022 (Bank)					
	Exposures before Credit Conversion Factor (CCF) and CRM		Exposures post CCF and CRM		RWA and RWA Density (%)	
	On-Balance Sheet Amount	Off-Balance Sheet Amount	On-Balance Sheet Amount	Off-Balance Sheet Amount	RWA	RWA Density <sup>(ii)</sup>
Claims on central Government and CBSL	82,689,195	43,489,583	82,689,195	3,422,834	2,147,452	2%
Claims on foreign sovereigns and their Central Banks	-	-	-	-	-	-
Claims on public sector entities	12,017,066	-	-	-	-	0%
Claims on official entities and multilateral development banks	-	-	-	-	-	-
Claims on banks exposures	9,942,807	21,830,136	9,942,807	436,995	2,702,017	26%
Claims on financial institutions	12,107,399	1,544,483	12,107,399	1,544,483	10,048,598	74%
Claims on corporates	161,601,393	44,039,642	144,001,522	20,505,952	159,633,421	97%
Retail claims	121,947,042	-	121,947,042	-	93,979,445	77%
Claims secured by residential property	15,450,339	-	15,450,339	-	5,407,619	35%
Claims secured by commercial real estate	56,832,412	-	56,832,412	-	56,832,412	100%
Non-performing assets (NPAs)(i)	14,982,572	-	14,982,572	-	18,111,534	121%
Higher-risk categories	440,757	-	440,757	-	1,101,893	250%
Cash items and other assets	20,175,925	46,323,938	20,175,925	4,737,081	17,954,713	72%
<b>Total</b>	<b>508,186,907</b>	<b>157,227,782</b>	<b>478,569,970</b>	<b>30,647,345</b>	<b>367,919,104</b>	

Note:

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

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



**Credit Risk under Standardised Approach -  
Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects**

Asset Class	Amount (LKR'000) as at 31st March 2022 (Group)					
	Exposures before Credit Conversion Factor (CCF) and CRM		Exposures post CCF and CRM		RWA and RWA Density (%)	
	On-Balance Sheet Amount	Off-Balance Sheet Amount	On-Balance Sheet Amount	Off-Balance Sheet Amount	RWA	RWA Density <sup>(ii)</sup>
Claims on central Government and CBSL	82,689,195	43,489,583	82,689,195	3,422,834	2,147,452	2%
Claims on foreign sovereigns and their Central Banks	-	-	-	-	-	-
Claims on public sector entities	12,017,066	-	-	-	-	0%
Claims on official entities and multilateral development banks	-	-	-	-	-	-
Claims on banks exposures	10,048,373	21,830,136	10,048,373	436,995	2,733,839	26%
Claims on financial institutions	12,107,399	1,544,483	12,107,399	1,544,483	10,048,598	74%
Claims on corporates	161,387,950	44,039,642	143,788,079	20,505,952	159,419,978	97%
Retail claims	121,947,042	-	121,947,042	-	93,979,445	77%
Claims secured by residential property	15,450,339	-	15,450,339	-	5,407,619	35%
Claims secured by commercial real estate	56,832,412	-	56,832,412	-	56,832,412	100%
Non-performing assets (NPAs)(i)	14,982,572	-	14,982,572	-	18,111,534	121%
Higher-risk categories	476,812	-	476,812	-	1,192,030	250%
Cash items and other assets	20,756,320	46,323,938	20,756,320	4,737,081	18,531,899	73%
<b>Total</b>	<b>508,695,480</b>	<b>157,227,782</b>	<b>479,078,543</b>	<b>30,647,345</b>	<b>368,404,806</b>	

Note:

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

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

**Market Risk under Standardised Measurement Method**

Item	RWA Amount (LKR'000) 31st March 2022 (Bank)	RWA Amount (LKR'000) 31st March 2022 (Group)
<b>(a) RWA for Interest Rate Risk</b>	<b>380,673</b>	<b>380,673</b>
General Interest Rate Risk	380,673	380,673
(i) Net long or short position	380,673	380,673
(ii) Horizontal disallowance	-	-
(iii) Vertical disallowance	-	-
(iv) Options	-	-
Specific Interest Rate Risk	-	-
<b>(b) RWA for Equity</b>	<b>19,782</b>	<b>19,782</b>
(i) General equity risk	11,869	11,869
(ii) Specific equity risk	7,913	7,913
<b>(c) RWA for foreign exchange &amp; gold</b>	<b>289,387</b>	<b>289,387</b>
<b>Capital charge for market risk [(a) + (b) + (c)] * CAR</b>	<b>5,748,683</b>	<b>5,748,683</b>

**Operational Risk under Basic Indicator Approach/The Standardised Approach/The Alternative Standardised Approach  
(Bank)**

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 31st March		
			2022	2021	2020
<b>The Basic Indicator Approach</b>	15%		18,439,258	14,830,971	14,506,630
<b>The Standardised Approach</b>					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%				
Commercial Banking	15%				
<b>The Alternative Standardised Approach</b>					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%	0.035			
Commercial Banking	15%	0.035			
<b>Capital Charges for Operational Risk (LKR'000)</b>					
The Basic Indicator Approach	2,388,843				
The Standardised Approach					
The Alternative Standardised Approach					
<b>Risk Weighted Amount for Operational Risk (LKR'000)</b>					
The Basic Indicator Approach	19,907,024				
The Standardised Approach					
The Alternative Standardised Approach					

**Operational Risk under Basic Indicator Approach/The Standardised Approach/The Alternative Standardised Approach  
(Group)**

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 31st March		
			2022	2021	2020
<b>The Basic Indicator Approach</b>	15%		18,880,884	15,163,241	14,913,879
<b>The Standardised Approach</b>					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%				
Commercial Banking	15%				
<b>The Alternative Standardised Approach</b>					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%	0.035			
Commercial Banking	15%	0.035			
<b>Capital Charges for Operational Risk (LKR'000)</b>					
The Basic Indicator Approach	2,447,900				
The Standardised Approach					
The Alternative Standardised Approach					
<b>Risk Weighted Amount for Operational Risk (LKR'000)</b>					
The Basic Indicator Approach	20,399,168				
The Standardised Approach					
The Alternative Standardised Approach					