

## STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30<sup>TH</sup> SEPTEMBER 2016

In Rupees Thousand	Current Year From 01/01/2016 To 30/09/2016 (Unaudited)	Previous Year From 01/01/2015 To 30/09/2015 (Unaudited)
<b>Interest Income</b>	10,287,341	8,142,797
Interest Expenses	(5,048,884)	(3,626,183)
<b>Net Interest Income</b>	<b>5,238,457</b>	<b>4,516,614</b>
Fee and Commission Income	462,874	422,553
Fee and Commission Expenses	(89,841)	(85,641)
<b>Net Fee and Commission Income</b>	<b>373,033</b>	<b>336,912</b>
Net Gain / (Loss) from trading	-	-
Net Gain/(Loss) from financial instruments at fair value through profit or loss	93	0
Net Gain/(Loss) from Financial Investments	-	-
Other Operating Income (net)	93,017	70,451
<b>Total Operating Income</b>	<b>5,704,530</b>	<b>4,923,977</b>
Impairment for Loans & Other Losses	-	-
Collective Impairment	(23,962)	160,507
<b>Net Operating Income</b>	<b>5,680,568</b>	<b>5,084,485</b>
Personal Expenses	3,322,187	2,957,105
Depreciation and Amortisation	185,452	127,776
Other Expenses	864,590	824,589
Levy Paid to general treasury	93,750	93,750
<b>Operating Profit / (Loss) before Value Added Tax (VAT)</b>	<b>1,214,589</b>	<b>1,081,264</b>
Value Added Tax	(71,577)	(62,264)
Value Added Tax (VAT) on financial services	(393,671)	(342,456)
<b>Profit / (Loss) before tax</b>	<b>749,341</b>	<b>676,544</b>
Tax Expenses	(407,354)	(432,606)
<b>Profit / (Loss) for the period</b>	<b>341,987</b>	<b>243,939</b>
<b>Profit attributable to :</b>		
Share Holders	341,987	243,939
Non-controlling Interest	-	-
<b>Earning per share</b>		
Basic earning per ordinary share	2.49	1.78

## STATEMENT OF FINANCIAL POSITION AS AT 30<sup>TH</sup> SEPTEMBER 2016

In Rupees Thousand	Current Year As at 30/09/2016 (Unaudited)	Previous Year As at 31/12/2015 (Reinstated)
<b>Assets</b>		
Cash and cash equivalents	498,691	310,592
Sri Lankan Government Securities	-	607,814
Balance with banks	19,449,735	15,813,955
Derivative financial instruments	-	-
Financial assets held for trading	202	200
Financial assets designated at fair value through profit or loss	-	-
Loans and receivables given to banks	-	-
Loans and receivables given to other customers	100,514,342	87,857,913
Financial Investments - Available-for-Sale	-	-
Financial Investments - Held-to-Maturity	-	-
Investments in Subsidiaries	-	-
Investments in associate and Joint Ventures	-	-
Property, plant and equipment	1,191,386	1,044,605
Investment properties	-	-
Goodwill and intangible assets	90,654	78,816
Deffered Tax Assets	171,634	171,634
Other assets	3,817,170	1,441,724
<b>Total assets</b>	<b>125,733,813</b>	<b>107,327,252</b>
<b>Liabilities</b>		
Due to banks	11,367,534	7,915,017
Derivatives Financial Instruments	-	-
Other Financial liabilities held for trading	-	-
Financial liabilities designated at fair value through profit or loss	-	-
Due to other customers	98,807,488	86,324,097
Debt issued and other borrowed funds	-	-
Debt securities issued	2,652,068	2,693,033
Current tax liabilities	-	-
Deffered Tax liabilities	-	-
Other Provision	-	-
Other liabilities	5,559,446	3,234,900
Retirement benefit obligation	954,276	972,097
<b>Total Liabilities</b>	<b>119,340,812</b>	<b>101,139,144</b>
<b>Equity</b>		
State Capital / Assigned Capital	1,370,937	1,370,937
Statutory Reserve Fund	567,391	567,391
Retained Earnings	1,574,727	1,369,834
Other Reserves	2,879,946	2,879,946
Total Shareholders' Equity	<b>6,393,002</b>	<b>6,188,108</b>
Non-controlling interests	-	-
<b>Total Equity</b>	<b>6,393,002</b>	<b>6,188,108</b>
<b>Total Equity and Liabilities</b>	<b>125,733,813</b>	<b>107,327,252</b>
<b>Contingent Liabilities and Commitments</b>	306,346	232,012
<b>Memorandum Information</b>		
Number of permanent Employees	<b>2,357</b>	<b>2,415</b>
Number of Branches	<b>265</b>	<b>265</b>

### 1) Loans and Receivables given to other Customers

In Rupees Thousand	Bank	
	Current Period As at 30/09/2016	Previous Period As at 31/12/2015
Gross loans and receivables	102,035,927	89,469,402
(less): Zero rate loan fair value adjustment	(140,382)	(257,836)
Staff loan fair value adjustment	(508,043)	(508,043)
Individual impairment charges	(91,035)	(91,035)
Collective impairment charges	(782,124)	(754,576)
<b>Net Loans and receivables including those designated at fair value through profit or loss</b>	<b>100,514,342</b>	<b>87,857,913</b>
(Less): Loans and Receivables designated at fair value through profit & loss	-	-
<b>Net loans and receivables</b>	<b>100,514,342</b>	<b>87,857,913</b>

### 2) Loans and Receivables to other Customers - By product

In Rupees Thousand	Bank	
	Current Period As at 30/09/2016	Previous Period As at 31/12/2015
<b>By Product - Domestic Currency</b>		
Overdrafts	-	-
Term Loans	90,424,412	78,352,122
Lease rentals receivables	-	-
Credit Cards	-	-
Pawning	7,434,910	7,653,380
Other Loans (Staff Loans)	3,047,591	2,390,935
Interest Receivable on Loans & Advances	1,129,014	1,072,966
<b>Sub Total</b>	<b>102,035,927</b>	<b>89,469,402</b>
<b>By Product - Foreign Currency</b>		
Overdrafts	-	-
Term Loans	-	-
Other Loans (Please Specify)	-	-
<b>Sub Total</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>102,035,927</b>	<b>89,469,402</b>

### 3) Movements in individual and collective impairment during the period for Loans and Receivables to other customers

In Rupees Thousand	Bank	
	Current Period As at 30/09/2016	Previous Period As at 31/12/2015
<b>Individual Impairment</b>		
Opening Balance	91,035	-
Charge / (Write back) to income statement	-	91,035
Write-off during the year	-	-
Other movements	-	-
<b>Closing Balance</b>	<b>91,035</b>	<b>91,035</b>
<b>Collective Impairment</b>		
Opening Balance	754,576	1,141,224
Charge/(write Back) to income Statement	23,962	(228,424)
Write-off during the year	-	-
Other movements	3,586	(158,225)
<b>Closing Balance</b>	<b>782,124</b>	<b>754,576</b>
<b>Total Impairment</b>	<b>873,158</b>	<b>845,610</b>

### 4) Due to other customers - By Product

In Rupees Thousand	Bank	
	Current Period As at 30/09/2016	Previous Period As at 31/12/2015
<b>By Product - Domestic Currency</b>		
Dormant Deposits (Current Accounts)	-	-
Savings Deposits	31,718,989	28,792,809
Fixed Deposits	57,979,403	49,457,681
Other Deposits (Long Term Savings)	9,109,097	8,073,607
<b>Sub Total</b>	<b>98,807,488</b>	<b>86,324,097</b>
<b>By Product - Foreign Currency</b>		
Dormant Deposits (Current Accounts)	-	-
Savings Deposits	-	-
Fixed Deposits	-	-
Other Deposits (Please specify)	-	-
<b>Sub Total</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>98,807,488</b>	<b>86,324,097</b>

## ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS AS AT 30<sup>TH</sup> SEPTEMBER 2016

### a. Bank - Current Period

In Rupees Thousand	HFT	HTM	Loans & Receivables	AFS	Total
<b>ASSETS</b>					
Cash and cash equivalents	-	-	498,691	-	498,691
Sri Lanka government securities	-	-	-	-	-
Placements with banks	-	-	19,449,735	-	19,449,735
Derivative Financial Instruments	-	-	-	-	-
Financial assets held for trading	202	-	-	-	202
Loans and receivables given to banks	-	-	-	-	-
Loans and receivables given to other customers	-	-	100,514,342	-	100,514,342
Financial Investments	-	-	-	-	-
Other assets	-	-	681,495	-	681,495
<b>Total Financial Assets</b>	<b>202</b>	<b>-</b>	<b>121,144,263</b>	<b>-</b>	<b>121,144,465</b>

In Rupees Thousand	HFT	HTM	Amortized Cost	AFS	Total
<b>LIABILITIES</b>					
Due to banks	-	-	11,367,534	-	11,367,534
Derivative financial instruments	-	-	-	-	-
Other financial liabilities at fair value through profit or loss	-	-	-	-	-
Due to other customers	-	-	98,807,488	-	98,807,488
Debt securities issued	-	-	2,652,068	-	2,652,068
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>112,827,090</b>	<b>-</b>	<b>112,827,090</b>

### b. Bank - Previous Period

In Rupees Thousand	HFT	HTM	Loans & Receivables	AFS	Total
<b>ASSETS</b>					
Cash and cash equivalents	-	-	310,592	-	310,592
Sri Lanka government securities	-	607,814	-	-	607,814
Balances with other banks	-	-	15,813,955	-	15,813,955
Placements with banks	-	-	-	-	-
Derivative Financial instruments	-	-	-	-	-
Financial assets held for trading	200	-	-	-	200
Loans and receivables given to banks	-	-	-	-	-
Loans and receivables given to other customers	-	-	87,857,913	-	87,857,913
Other assets	-	-	775,983	-	775,983
<b>Total Financial Assets</b>	<b>200</b>	<b>607,814</b>	<b>104,758,442</b>	<b>-</b>	<b>105,366,456</b>

In Rupees Thousand	HFT	HTM	Amortized Cost	AFS	Total
<b>LIABILITIES</b>					
Due to banks	-	-	7,915,017	-	7,915,017
Derivative financial instruments	-	-	-	-	-
Other financial liabilities at fair value through profit or loss	-	-	-	-	-
Due to other customers	-	-	86,324,097	-	86,324,097
Other Borrowings	-	-	-	-	-
Debt securities issued	-	-	2,693,033	-	2,693,033
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>96,932,147</b>	<b>-</b>	<b>96,932,147</b>

## STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> SEPTEMBER 2016

In Rupees Thousand	Bank	
	Current Period 30/09/2016	Previous Period 31/12/2015
<b>Cash Flows from Operating Activities</b>		
Profit before tax	1,214,589	1,913,554
Adjustment for:		
Non-Cash item included in Profits before tax	305,784	152,334
Change in Operating assets	(14,860,434)	(24,801,539)
Change in Operating Liabilities	18,260,454	12,674,110
Other reclassification	-	(307)
Contribution paid to defined benefit plans	(17,821)	(19,648)
Tax paid	(877,829)	(1,152,176)
<b>Net cash generated from operating activities</b>	<b>(4,024,743)</b>	<b>(11,233,672)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(186,807)	(413,677)
Proceeds from the sale of property, plant and equipment	22,685	7,773
Net purchase of intangible assets	(12,089)	(59,218)
Net proceeds from sales of investment share market	-	-
<b>Net cash (used in)/from investing activities</b>	<b>(176,212)</b>	<b>(465,123)</b>
<b>Cash flows from financing activities</b>		
Net proceeds from the issue of ordinary share capital	-	-
Net proceeds from the issue of subordinate debt	-	2,500,000
Dividend paid	(137,094)	(137,094)
<b>Net cash from financing activities</b>	<b>(137,094)</b>	<b>2,362,906</b>
<b>Net Increase / (decrease) in cash &amp; cash equivalents</b>	<b>3,711,438</b>	<b>(9,335,889)</b>
Cash and cash equivalents at the beginning of the period	15,946,421	25,282,309
<b>Cash and cash equivalents at the end of the period</b>	<b>19,657,857</b>	<b>15,946,421</b>
<b>Reconciliation of Cash &amp; Cash Equivalents</b>		
Cash and cash equivalents	498,691	310,592
Favourable Balances with banks	19,449,735	15,813,955
Unfavourable Balances with banks	(290,568)	(178,126)
	<b>19,657,857</b>	<b>15,946,421</b>

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30<sup>TH</sup> SEPTEMBER 2016

Bank	Stated Capital/Assigned Capital		Reserves					Total	Non Controlling Interest	Total Equity
	Ordinary Voting Shares	Non-Voting Shares	Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	Retained Earnings	Other reserves			
In rupees thousand										
<b>Balance as at 01/01/2016 (Opening balance)</b>	-	-	1,370,937	567,391	-	1,369,834	2,879,946	<b>6,188,108</b>	-	<b>6,188,108</b>
Profit / (loss) for the year	-	-	-	-	-	341,987	-	<b>341,987</b>	-	<b>341,987</b>
Other comprehensive income (net of Tax)	-	-	-	-	-	-	-	-	-	-
Issued Share Capital	-	-	-	-	-	-	-	-	-	-
Transferred to Statutory Reserve	-	-	-	-	-	-	-	-	-	-
Transferred to Special Reserve Fund	-	-	-	-	-	-	-	-	-	-
Transferred to General Reserve Fund	-	-	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	(137,094)	-	(137,094)	-	(137,094)
<b>Total transaction with equity holders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(137,094)</b>	<b>-</b>	<b>(137,094)</b>	<b>-</b>	<b>(137,094)</b>
<b>Balance as at 30/09/2016 (Closing Balance)</b>	<b>-</b>	<b>-</b>	<b>1,370,937</b>	<b>567,391</b>	<b>-</b>	<b>1,574,726</b>	<b>2,879,946</b>	<b>6,393,002</b>	<b>-</b>	<b>6,393,002</b>

## SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING) AS AT 30<sup>TH</sup> SEPTEMBER 2016