PEOPLE'S BANK

BASEL III - DISCLOSURES UNDER PILLAR 3 AS PER THE BANKING ACT DIRECTIONS NO.01 OF 2016 AS AT JUNE 30TH 2019

TEMPLATE 1 : KEY REGULATORY RATIOS CAPITAL & LIQUIDITY

	BANK		GROUP	
	As at 30.06.2019 (Unaudited)	As at 31.12.2018 (Audited)	As at 30.06.2019 (Unaudited)	As at 31.12.2018 (Audited)
Regulatory Capital				
Common Equity Tier 1 Capital [Rs. 000]	**79,949,264**	**74,623,023**	**106,275,274**	**101,088,945**
Tier 1 Capital [Rs. 000]	79,949,264	74,623,023	106,275,274	101,088,945
Total Capital	96,087,223	97,987,548	123,124,233	125,548,973
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Ratio (Min. requirement - 2019-8.5%-2018-7.375%,)	11.96	11.02	12.43	11.66
Tier 1 Capital Ratio (Min. requirement - 2019-10.0%-2018-8.875%,)	11.96	11.02	12.43	11.66
Total Capital Ratio (Min. requirement - 2019-14.0%-2018-12.875%,)	14.38	14.47	14.40	14.48
Regulatory Liquidity				
Statutory Liquid Assets				
Domestic Banking Unit Rs.'000	439,717,331	337,865,692	NA	NA
Off- Shore Banking Unit US$ ('000)	455,999	303,616	NA	NA
Statutory Liquid Assets, Ratio %				
(Minimum Requirement, 20%)				
Domestic Banking Unit , %	29.67	23.01	NA	NA
Off- Shore Banking Unit , %	40.86	30.36	NA	NA
Liquidity Coverage Ratio (%) (Minimum Requirement, 2019-100%,2018-,90%)				
Liquidity Coverage Ratio - Rupee	178.27	144.90	NA	NA
Liquidity Coverage Ratio - All Currency	146.70	100.42	NA	NA

TEMPLATE 2 : KEY REGULATORY RATIOS CAPITAL & LIQUIDITY	BANK		GROUP	
	As at 30.06.2019 (Unaudited)	As at 31.12.2018 (Audited)	As at 30.06.2019 (Unaudited)	As at 31.12.2018 (Audited)
Common Equity Tier 1 (CET I) Capital after adjustments	79,949,264	74,623,023	106,275,274	101,088,945
Common Equity Tier 1 (CET I) Capital	82,887,927	77,449,928	109,952,973	103,911,483
Equity / Assigned Capital	12,201,998	12,201,998	12,201,998	12,201,998
Reserve Fund	6,669,488	6,669,488	6,669,488	6,669,488
Public Retained Earning /(Accumalated Retained Losses)	51,942,478	46,673,579	72,537,378	67,268,479
Publish accumalated Other Conprehensive Income (OCI)	247,360	78,262	247,360	78,262
General and other Disclosed Reserves	11,826,603	11,826,601	12,098,981	12,098,979
Unpublished Current Year's Profit / Loss and Gain reflected in OCI	-	-	-	-
Ordinary Shares issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	6,197,768	5,594,277
Total Adjustments to CETI Capital	2,938,663	2,826,905	3,677,699	2,822,538
Goodwill (net)	-	-	-	-
Intangible Assets (Net)	604,010	439,517	1,017,758	869,469
Other (Investment the in the Capital of Subsidiaries & Other Financial Institution)	381,584	434,319	706,872	-
Defined Benefit Asset	1,953,069	1,953,069	1,953,069	1,953,069
Additional Tier I (AT i) Capital after adjustments	-	-	-	-
Additional Tier I (AT i) Capital	-	-	-	-
Qulifing additional Tier I Capital instuments	-	-	-	-
Instrument issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
Total Adjustments to AT I Capital -	-	-	-	
Investment in own shares	-	-	-	-
Other (Spcify)	-	-	-	-
Tier II Capital after adjustments	16,137,959	23,364,526	16,848,960	24,460,028
Tier II Capital	16,137,959	23,364,526	16,848,960	24,460,028
Qulifing Tier II capital instruments	-	7,125,000	-	7,125,000
Revaluation Gains	8,797,393	8,797,393	8,797,393	8,797,393
Loan Loss Provissions	7,340,566	7,442,133	8,051,567	8,537,635
Instrument issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties				
Total Adjustment to Tier II	-	-	-	-
Investment in own shares	-	-	-	-
Other (specify)	-	-	-	-
CET Capital	79,949,264	74,623,023	106,275,274	101,088,945
Total Tier I Capital	79,949,264	74,623,023	106,275,274	101,088,945
Total Capital	96,087,223	97,987,549	123,124,234	125,548,973
Total Risk Weghted Assets (RWA)	668,351,335	677,224,419	854,963,997	867,221,246
RWA for Credit Risk (refer table No 3)	587,245,280	595,370,603	751,353,081	765,873,723
RWA for Operational Risk (refer table No 5)	71,809,551	74,300,869	93,610,096	93,317,447
RWA for Market Risk (refer table No 6)	9,296,504	7,552,947	10,000,820	8,030,076
CET I Capital Ratio (including Capital Conservstion Buffer, Countercyclical Capital Buffer & Surcharge on D-SIB) (%)	11.96	11.02	12.43	11.66
of which: Capital Conservation Buffer (%)	2.50	1.875	2.50	1.875
of which: Countercyclical Buffer (%)	-	-	-	-
of which: Capital surcharge Countercyclical Buffer (%)	1.50	1.00	1.50	1.00
Total Tier I Capital Ratio (%)	11.96	11.02	12.43	11.66
Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	14.38	14.47	14.40	14.48
of which: Capital Conservation Buffer (%)	2.50	1.875	2.50	1.875
of which: Countercyclical Buffer (%)	-	-	-	-
of which: Capital surcharge on D-SIBs (%)	1.50	1.00	1.50	1.00

TEMPLATE 03 : COMPUTATION OF LEVERAGE RATIO

ITEM	BANK		GROUP	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Tier 1 Capital	**79,949,264**	**74,623,023**	**106,275,274**	**101,088,945**
Total Exposures	**1,822,586,881**	**1,808,606,489**	**2,002,111,344**	**1,985,824,469**
On balance Sheet items (Excluding derivatives and securities financing transactions, but including collateral)	1,710,711,533	1,709,800,708	1,890,235,996	1,886,628,389
Deravitive Exposures	1,138,013	3,135,654	1,138,013	3,135,654
Securities financing transaction exposures	36,565,000	18,000,000	36,565,000	18,390,299
Other off-balance sheet exposures	74,172,335	77,670,127	74,172,335	77,670,127
Basel III Leverage ratio (%) (Tier 1/ totral Exposure)	**4.39%**	**4.11%**	**5.31%**	**5.08%**

Leverage ratio is prepared based on the consultation paper issued by the Central Bank of Sri Lanka direction no 12 of 2018 and the minimum ratio is 3%.

TEMPLATE 4 : COMPUTATION OF LIQUIDITY COVERAGE RATIO

	As at 30th June 2019		As at 31st December 2018	
	Total Un Weighted Value	Total Weighted Value	Total Un Weighted Value	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)	**423,001,284**	**424,608,647**	**303,195,792**	**303,919,749**
Total Adjusted Level 1A Assets	421,350,832	421,350,832	300,973,640	300,973,640
Level 1 Assets	423,783,421	423,783,421	302,283,687	302,283,687
Total Adjusted Level 2A Assets	-	-	1,499,960	1,274,966
Level 2A Assets	-	-	1,499,960	1,274,966
Total Adjusted Level 2B Assets	1,650,452	825,226	722,192	361,096
Level 2B Assets	1,650,452	825,226	722,192	361,096
Total Cash Outflows	**1,851,740,406**	**383,924,293**	**1,808,148,158**	**419,217,632**
Deposits	1,020,260,120	102,026,012	964,258,606	96,425,861
Unsecured Wholesale Funding	469,678,258	229,716,679	501,902,159	252,564,530
Secured Funding Transactions	9,545,857	-	8,221,306	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	325,157,790	25,083,221	286,321,471	22,782,625
Additional requirements	27,098,381	27,098,381	47,444,616	47,444,616
Total Cash Inflows	**176,979,289**	**94,492,387**	**186,469,947**	**116,564,250**
Maturing Secured Lending Transactions Backed by				
Collateral	52,339,050	15,674,275	31,225,082	13,102,046
Committed Facilities	-	-	-	-
Other Infolws by Counterparty which are Maturing	-	-	-	-
within 30 Days	97,194,386	53,212,919	108,719,198	59,789,955
Operational deposits	1,840,660	-	2,853,418	-
Other Cash Inflows	25,605,193	25,605,193	43,672,249	43,672,249
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/ Total Net Cash Outflows over the Next Calendar Days)* 100		**146.70**		**100.42**

TEMPLATE 5 : MAIN FEATURES OF REGULATORY CAPITAL INSTRUMENTS

	No 2 Debenture issued in 2009	No 3 Debenture issued in 2011	No 4 Debenture issued in 2013
Must be provided for each type of capital instrument separately			
Description of the Capital Instrument			
Issuer	**People's Bank**	**People's Bank**	**People's Bank**
Unique Identifier (e.g.,ISIN or Bloomberg Identifier for Private placement)	2	3	4
Original Date of Issuance	30 th December 2009	30 th December 2011	15 th December 2013
Par Value of Instrument	N/A	N/A	N/A
Original Maturity Date, if Applicable	29 th December 2022	29 th December 2022	29 th December 2022
Amount Recognised in Regulatory Capital (in LKR '000 as at the Reporting date)	2,500,000,000	5,000,000,000	5,000,000,000
Accounting Classification (Equity/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
Subsequent Call Dates, if Applicable	N/A	N/A	N/A
Coupons/Dividends			
Fixed or Floating Dividend/Coupon	Fixed rate	Fixed rate	Fixed rate
Coupon rate and any Related Index	13.50%	13%	13%
Non-Cumulative or Cumulative	N/A	N/A	N/A
Convertible or Non-Convertible			
If Convertible, Conversion trigger (s)	Non-convertible	Non-convertible	Non-convertible
If Convertible, Fully or Partially	N/A	N/A	N/A
If Convertible, Mandatory or Optional	N/A	N/A	N/A
If Convertible, Conversion rate	N/A	N/A	N/A

TEMPLATE 07: CREDIT RISK UNDER STANDARDIZED APPROACH (CREDIT RISK EXPOSURES & CREDIT RISK MITIGATION (CRM) EFFECTS)

BANK

As at 30.06.2019

	Exposures Before CCF and CRM			Exposures After CCF and CRM			Risk weighted Assets	RWA Density (%)
	Exposures On Balance Sheet	Exposures Off Balance Sheet	Total	Exposures On Balance Sheet	Exposures Off Balance Sheet	Total		
Total Risk-weighted amount for Credit Risk	1,654,982,217	432,663,992	2,087,646,210	1,313,547,182	76,256,496	1,389,803,677	587,245,280	42%
Claims on Central Government and Central Bank of Sri Lanka	745,437,301	58,040,440	803,477,741	440,097,561	1,089,320	441,186,881	19,298,060	4%
Claims on Foreign sovereigns and their Central Banks	-	-	-	-	-	-	-	-
Claims on Public Sector Entities (PSEs)	76,450,222	204,090,927	280,541,148	76,450,222	20,320,331	96,770,552	39,234,998	41%
Claims on BIS,IMF and Multilateral Development Banks(MDBs)	-	-	-	-	-	-	-	-
Claims on Banks Exposures	8,918,849	-	8,918,849	8,918,849	-	8,918,849	3,124,121	35%
Claims on Financial Institutions	10,448,658	-	10,448,658	10,448,658	-	10,448,658	5,542,204	53%
Claims on Corporates	103,439,389	146,183,029	249,622,418	103,286,894	49,976,926	153,263,819	137,120,601	89%
Retail claims	374,567,911	24,349,597	398,917,509	351,805,427	4,869,919	356,675,347	288,848,665	81%
Claims Secured by Gold	152,375,170	-	152,375,170	152,375,170	-	152,375,170	67,416	-
Claims Secured by Residential Property	67,548,382	-	67,548,382	67,548,382	-	67,548,382	33,774,191	50%
Claims Secured by Commercial real Estate	-	-	-	-	-	-	-	-
Non Performing Assets (NPAs)	17,705,003	-	17,705,003	17,705,003	-	17,705,003	22,357,533	126%
Higher-risk Categories	803,308	-	803,308	803,308	-	803,308	2,008,271	250%
Cash Items, other assets	48,285,033	-	48,285,033	48,285,033	-	48,285,033	46,544	-
Other Assets	49,002,991	-	49,002,991	35,822,675	-	35,822,675	35,822,675	100%

TEMPLATE 07: CREDIT RISK UNDER STANDARDIZED APPROACH (CREDIT RISK EXPOSURES & CREDIT RISK MITIGATION (CRM) EFFECTS)

GROUP

As at 30.06.2019

	Exposures Before CCF and CRM			Exposures After CCF and CRM			Risk weighted Assets	RWA Density (%)
	Exposures On Balance Sheet	Exposures Off Balance Sheet	Total	Exposures On Balance Sheet	Exposures Off Balance Sheet	Total		
Total Risk-weighted amount for Credit Risk	1,831,257,991	432,663,992	2,263,921,983	1,489,822,955	76,256,496	1,566,079,451	751,353,081	48%
Claims on Central Government and Central Bank of Sri Lanka	754,690,190	58,040,440	812,730,630	449,350,450	1,089,320	450,439,770	19,298,060	4%
Claims on Foreign sovereigns and their Central Banks	-	-	-	-	-	-	-	-
Claims on Public Sector Entities (PSEs)	76,450,222	204,090,927	280,541,148	76,450,222	20,320,331	96,770,552	39,234,998	41%
Claims on BIS,IMF and Multilateral Development Banks(MDBs)	-	-	-	-	-	-	-	-
Claims on Banks Exposures	11,340,036	-	11,340,036	11,340,036	-	11,340,036	3,914,150	35%
Claims on Financial Institutions	10,724,405	-	10,724,405	10,724,405	-	10,724,405	6,496,585	61%
Claims on Corporates	103,439,389	146,183,029	249,622,418	103,286,894	49,976,926	153,263,819	137,120,601	89%
Retail claims	528,960,485	24,349,597	553,310,082	506,198,001	4,869,919	511,067,920	443,241,238	87%
Claims Secured by Gold	152,375,170	-	152,375,170	152,375,170	-	152,375,170	67,416	-
Claims Secured by Residential Property	67,548,382	-	67,548,382	67,548,382	-	67,548,382	33,774,191	50%
Claims Secured by Commercial real Estate	-	-	-	-	-	-	-	-
Non Performing Assets (NPAs)	17,705,003	-	17,705,003	17,705,003	-	17,705,003	22,357,533	126%
Higher-risk Categories	-	-	-	-	-	-	-	-
Cash Items, other assets	49,042,629	-	49,042,629	49,042,629	-	49,042,629	46,544	-
Other Assets	58,982,080	-	58,982,080	45,801,764	-	45,801,764	45,801,764	100%

TEMPLATE 9 : MARKET RISK UNDER STANDARDISED MEASUREMENT METHOD

ITEM	BANK		GROUP	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
(a) RWA for Interest Rate Risk	**960,760**	**534,185**	**960,760**	**534,185**
General Interest Risk	899,668	371,277	899,668	371,277
i) Net long or short position	899,668	371,277	899,668	371,277
ii) Horizontal disallowance	-	-	-	-
iii) Vertical disallowance	-	-	-	-
iv) Options	-	-	-	-
Specific Interest Rate Risk	61,092	162,908	61,092	162,908
(b) RWA for Equity	**310,593**	**275,707**	**409,198**	**337,137**
General Equity risk	155,887	138,805	206,390	170,710
Specific Equity risk	154,706	136,902	202,808	166,427
© RWA for foreign Exchange & Gold	**30,157**	**162,551**	**30,157**	**162,551**
Total Capital Charge for Market Risk	**1,301,510**	**972,443**	**1,400,115**	**1,033,873**
Total Risk Weighted Amount for Market Risk	**9,296,504**	**7,552,947**	**10,000,820**	**8,030,076**

TEMPLATE 10 : OPERATIONAL RISK UNDER BASIC INDICATOR APPROACH

		BANK				GROUP			
		Gross Income				Gross Income			
		1st Year	2nd Year	3rd Year	Average	1st Year	2nd Year	3rd Year	Average
The Basic Indicator Approach		59,660,434	66,524,570	74,881,738	67,022,247	73,266,183	87,780,845	101,061,242	87,369,423
Capital Charges for Operational Risk (LKR'000) The Basic Indicator Approach	15%	8,949,065	9,978,686	11,232,261	10,053,337	10,989,927	13,167,127	15,159,186	13,105,414
Risk Weighted Amount for Operational Risk (LKR'000) The Basic Indicator Approach	7.1	63,921,894	71,276,325	80,230,434	71,809,551	78,499,482	94,050,905	108,279,902	93,610,096

BASEL III DISCLOSURE REQUIRMENT

TEMPLATE 11 : DIFFERENCES BETWEEN ACCOUNTING AND REGULATORY SCOPES AND MAPPING OF FINANCIAL STATEMENT CATEGORIES WITH REGULATORY RISK CATEGORIES - BANK ONLY

	Carring value as reported in published Financial statements	Carring value under scope of regulatory reporting	Subject to credit risk framework	Subject to market risk framework	Subject to deduction from capital
Assets					
Assets	**1,753,252,078**	**1,750,505,966**	**1,651,223,324**	**98,297,053**	**985,589**
Cash and Cash Equivalents	53,541,721	53,542,562	53,542,562	-	-
Balances with Central Bank of Sri Lanka	41,549,010	41,549,010	41,549,010	-	-
Placements with Banks	5,331,136	5,332,022	5,332,022	-	-
Derivative Financial Instruments	290,773	290,773	290,773		-
Financial Assets - At Fair Value through Profit or Loss	97,639,225	97,639,225		97,639,225	
Financial Assets - At Amortised Cost					
Loans and Receivables to Banks	47,815,127	47,866,355	47,866,355	-	-
Loans and Receivables to Other Customers	1,181,929,620	1,191,297,992	1,191,297,992	-	-
Debt instruments measured at amortised cost	260,560,264	260,560,264	260,560,264		
Financial Assets - At Fair Value through Other Comprehensive Income [OCI]					
Equity instruments at fair value through OCI	1,693,508	820,128	-	657,828	162,300
Debt instruments at fair value through OCI	2,028,261	2,028,261	2,028,261	-	-
Investments in Subsidiaries	695,908	1,027,542	808,258	-	219,284
Goodwill and Intangible Assets	604,005	604,005	-	-	604,005
Property, Plant and Equipment	26,950,401	26,950,401	26,950,401	-	-
Investment Properties	1,263,905	1,263,905	1,263,905	-	-
Prepaid Leases	449,476	449,476	449,476	-	-
Other Assets	30,909,739	19,284,045	19,284,045	-	-
Liabilities	**1,656,309,471**	**1,651,016,644**	**-**	**-**	**-**
Due to Banks	122,678,708	122,678,708	-	-	-
Derivative Financial Instruments	203,245	203,245	-	-	-
Due to Other Customers	1,475,606,610	1,475,936,313	-	-	-
Other Borrowings	15,516,584	15,516,584	-	-	-
Current Tax Liabilities	3,960,737	3,960,737	-	-	-
Net Deferred Tax Liabilities	3,650,079	3,342,490	-	-	-
Other Liabilities	22,159,604	16,844,663	-	-	-
Subordinated Term Debts	12,533,904	12,533,904	-	-	-
Shareholders' Equity	**96,942,607**	**99,489,322**	**-**	**-**	**-**
Stated Capital/Assigned Capital	12,201,998	12,201,998	-	-	-
Statutory Reserve Fund	6,669,490	6,669,490	-	-	-
Other Reserves	26,472,731	25,649,412	-	-	-
Retained Earnings	51,598,388	54,968,422	-	-	-
Total Equity and Liabilities	**1,753,252,078**	**1,750,505,966**	-	-	-
Off-Balance Sheet Liabilities	**429,394,592**	**430,380,729**	**430,380,729**	-	-
Acceptance	140,297,403	140,297,403	140,297,403	-	-
Gurantees	72,872,422	72,872,422	72,872,422	-	-
Letter of Credit	75,316,744	75,316,744	75,316,744	-	-
Other Contingent Items	47,458,778	47,458,778	47,458,778	-	-
Undrawn Loan Commitments	94,435,382	94,435,382	94,435,382	-	-
(-) Allowance for ECL/impairment losses	(986,137)		-		