



**PEOPLE'S  
BANK**

# **FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 30TH JUNE**

## **2019**

**FITCH RATING AA+ (LKA)**

**INCOME STATEMENT**  
**FOR THE PERIOD ENDED 30TH JUNE**

|   | BANK                            |                                 |             | GROUP                             |                                   |             |
|---|---------------------------------|---------------------------------|-------------|-----------------------------------|-----------------------------------|-------------|
|   | 2019<br>(Rs. '000)<br>(Audited) | 2018<br>(Rs. '000)<br>(Audited) | Change<br>% | 2019<br>(Rs. '000)<br>(Unaudited) | 2018<br>(Rs. '000)<br>(Unaudited) | Change<br>% |
| <b>Gross Income</b>   | <b>97,397,753</b>               | <b>85,855,510</b>               | 13.4        | <b>116,967,993</b>                | <b>102,013,643</b>                | 14.7        |
| Interest income   | 90,833,271                      | 79,769,506                      | 13.9        | 107,126,723                       | 94,153,306                        | 13.8        |
| Interest expenses   | (61,942,172)                    | (51,566,307)                    | 20.1        | (69,760,321)                      | (58,430,155)                      | 19.4        |
| <b>Net Interest Income</b>  | <b>28,891,099</b>               | <b>28,203,199</b>               | 2.4         | <b>37,366,402</b>                 | <b>35,723,151</b>                 | 4.6         |
| Fee and commission income   | 3,789,700                       | 3,438,881                       | 10.2        | 4,365,056                         | 3,800,902                         | 14.8        |
| Fee and commission expenses   | (205,794)                       | (144,207)                       | 42.7        | (205,794)                         | (144,207)                         | 42.7        |
| <b>Net Fee and Commission Income</b>  | <b>3,583,906</b>                | <b>3,294,674</b>                | 8.8         | <b>4,159,262</b>                  | <b>3,656,695</b>                  | 13.7        |
| Net gain / (loss) from trading  | 2,100,338                       | 1,428,365                       | 47.0        | 2,042,468                         | 1,415,121                         | 44.3        |
| Other operating income (net)  | 674,444                         | 1,218,758                       | (44.7)      | 3,433,746                         | 2,644,314                         | 29.9        |
| <b>Total Operating Income</b>   | <b>35,249,787</b>               | <b>34,144,996</b>               | 3.2         | <b>47,001,878</b>                 | <b>43,439,281</b>                 | 8.2         |
| Impairment Charge   | (3,849,660)                     | (2,825,379)                     | 36.3        | (6,038,987)                       | (3,906,710)                       | 54.6        |
| Other Financial Assets  | (587,172)                       | (76,743)                        |             | (587,172)                         | (76,743)                          |             |
| Others  | -                               | -                               |             | (599,121)                         | (631,738)                         |             |
| Loans & Receivables to Customers  | (3,262,488)                     | (2,748,636)                     |             | (4,852,694)                       | (3,198,229)                       |             |
| Individual Impairment   | (2,368,774)                     | 101,559                         |             | (2,456,009)                       | 424,914                           |             |
| Collective Impairment   | (893,714)                       | (2,850,195)                     |             | (2,396,685)                       | (3,623,143)                       |             |
| <b>Net Operating Income</b>   | <b>31,400,127</b>               | <b>31,319,617</b>               | 0.3         | <b>40,962,891</b>                 | <b>39,532,571</b>                 | 3.6         |
| Personnel Expenses  | (10,037,827)                    | (8,909,804)                     | 12.7        | (12,226,207)                      | (10,617,514)                      | 15.2        |
| Depreciation and Amortisation   | (961,668)                       | (817,250)                       | 17.7        | (1,199,741)                       | (971,954)                         | 23.4        |
| Other Expenses  | (6,633,109)                     | (5,805,376)                     | 14.3        | (9,301,267)                       | (8,148,111)                       | 14.2        |
| <b>Operating Profit Before Value Added Tax (VAT , Nation Building Tax (NBT) and Debt Repayment Levy (DRL)</b> | <b>13,767,523</b>               | <b>15,787,187</b>               | (12.8)      | <b>18,235,676</b>                 | <b>19,794,992</b>                 | (7.9)       |
| VAT , NBT and DRL on financial services   | (4,807,645)                     | (4,058,758)                     | 18.5        | (6,023,195)                       | (4,859,362)                       | 24.0        |
| <b>Operating Profit After VAT, NBT and DRL</b>  | <b>8,959,878</b>                | <b>11,728,429</b>               | (23.6)      | <b>12,212,481</b>                 | <b>14,935,630</b>                 | (18.2)      |
| Share of Profits/(Loss) of Associates (Net of Tax)  | -                               | -                               | -           | (902)                             | -                                 | -           |
| <b>Profit Before Tax</b>  | <b>8,959,878</b>                | <b>11,728,429</b>               | (23.6)      | <b>12,211,579</b>                 | <b>14,935,630</b>                 | (18.2)      |
| Income Tax Expenses   | (3,381,134)                     | (3,933,106)                     | (14.0)      | (4,672,536)                       | (4,922,681)                       | (5.1)       |
| <b>Profit for the Period</b>  | <b>5,578,744</b>                | <b>7,795,323</b>                | (28.4)      | <b>7,539,043</b>                  | <b>10,012,949</b>                 | (24.7)      |
| <b>Profit Attributable to :</b>   |                                 |                                 |             |                                   |                                   |             |
| Equity Holders of the Bank  | 5,578,744                       | 7,795,323                       | (28.4)      | 7,111,857                         | 9,174,937                         | (22.5)      |
| Non-Controlling Interests   | -                               | -                               |             | 427,186                           | 838,012                           | (49.0)      |
|   | <b>5,578,744</b>                | <b>7,795,323</b>                | (28.4)      | <b>7,539,043</b>                  | <b>10,012,949</b>                 | (24.7)      |
| <b>Earnings Per Share on Profit</b>   |                                 |                                 |             |                                   |                                   |             |
| Basic Earnings per Ordinary Share [Rs.]   | 5,579                           | 7,795                           | (28.4)      | 7,112                             | 9,175                             | (22.5)      |
| Diluted Earnings per Ordinary Share [Rs.]   | 23                              | 32                              | (28.4)      | 29                                | 38                                | (22.5)      |

## STATEMENT OF COMPREHENSIVE INCOME

### FOR THE PERIOD ENDED 30TH JUNE

|   | BANK                            |                                 | GROUP                             |                                   |
|---|---------------------------------|---------------------------------|-----------------------------------|-----------------------------------|
|   | 2019<br>(Rs. '000)<br>(Audited) | 2018<br>(Rs. '000)<br>(Audited) | 2019<br>(Rs. '000)<br>(Unaudited) | 2018<br>(Rs. '000)<br>(Unaudited) |
| <b>Profit for the Period</b>  | <b>5,578,744</b>                | <b>7,795,323</b>                | <b>7,539,043</b>                  | <b>10,012,949</b>                 |
| <b>Other comprehensive income that will not be reclassified to the income statement</b>     |                                 |                                 |                                   |                                   |
| Net Gains/( Losses) on equity instruments at fair value through OCI                         | 181,952                         | -                               | 92,108                            | -                                 |
| Net Actuarial Gains and Losses on Defined Benefit Plans                                     | -                               | -                               | (20,136)                          | (25,625)                          |
| Deferred Tax Effect on Defined Benefit Plans  | -                               | 902,335                         | 4,956                             | 908,699                           |
| Gains on Revaluation of Land and Buildings  | -                               | -                               | -                                 | 277,822                           |
| Deferred Tax Effect on Revaluation of Investment Property                                   | -                               | -                               | (83,385)                          | -                                 |
| <b>Other comprehensive income that will be reclassified to the income statement</b>         |                                 |                                 |                                   |                                   |
| Net Gains/( Losses) on Re-Measuring Available-for-Sale Financial Assets                     | -                               | 65,443                          | -                                 | 46,810                            |
| Reversal of AFS reserve on disposal of AFS investment                                       | -                               | 76,743                          | -                                 | 76,743                            |
| Net Gains/( Losses) [Including change in ECL] on debt instruments at fair value through OCI | 281,831                         | -                               | 281,831                           | -                                 |
| Net Gains/(Losses) on translating the financial statements of foreign operation             | -                               | -                               | (108,042)                         | 47,622                            |
| <b>Other Comprehensive Income for the Period, Net of Taxes</b>                              | <b>463,783</b>                  | <b>1,044,521</b>                | <b>167,332</b>                    | <b>1,332,071</b>                  |
| <b>Total Comprehensive Income for the Period</b>  | <b>6,042,527</b>                | <b>8,839,844</b>                | <b>7,706,375</b>                  | <b>11,345,020</b>                 |
| <b>Attributable to :</b>  |                                 |                                 |                                   |                                   |
| Equity Holders of the Bank  | 6,042,527                       | 8,839,844                       | 7,353,507                         | 10,505,406                        |
| Non-Controlling Interests   | -                               | -                               | 352,868                           | 839,614                           |
|   | <b>6,042,527</b>                | <b>8,839,844</b>                | <b>7,706,375</b>                  | <b>11,345,020</b>                 |

## STATEMENT OF FINANCIAL POSITION

### AS AT

|   | BANK                                    |                                       |             | GROUP                                   |                                       |             |
|---|---|---------------------------------------|-------------|---|---------------------------------------|-------------|
|   | 30.06.2019<br>(Rs. '000)<br>(Unaudited) | 31.12.2018<br>(Rs. '000)<br>(Audited) | Change<br>% | 30.06.2019<br>(Rs. '000)<br>(Unaudited) | 31.12.2018<br>(Rs. '000)<br>(Audited) | Change<br>% |
| <b>Assets</b>   |   |                                       |             |   |                                       |             |
| Cash and Cash Equivalents                               | 53,541,721                              | 57,879,933                            | (7.5)       | 54,469,267                              | 58,835,090                            | (7.4)       |
| Balances with Central Bank of Sri Lanka                 | 41,549,010                              | 51,615,796                            | (19.5)      | 41,549,010                              | 51,615,796                            | (19.5)      |
| Placements with Banks                                   | 5,331,136                               | 4,350,726                             | 22.5        | 9,073,925                               | 9,096,252                             | (0.2)       |
| Derivative Financial Instruments                        | 290,773                                 | 1,163,384                             | (75.0)      | 290,773                                 | 1,163,384                             | (75.0)      |
| Financial Assets - At Fair Value through Profit or Loss | 97,639,225                              | 54,052,435                            | 80.6        | 98,008,912                              | 54,300,238                            | 80.5        |
| Financial Assets - At Amortised Cost                    |   |                                       |             |   |                                       |             |
| Loans and Receivables to Banks                          | 47,815,127                              | 32,167,421                            | 48.6        | 47,815,127                              | 32,551,657                            | 46.9        |
| Loans and Receivables to Other Customers                | 1,181,929,620                           | 1,265,667,467                         | (6.6)       | 1,335,112,176                           | 1,415,927,536                         | (5.7)       |
| Debt instruments measured at amortised cost             | 260,560,264                             | 201,650,435                           | 29.2        | 269,813,153                             | 209,696,173                           | 28.7        |
| Financial Assets - At Fair Value through other          |   |                                       |             |   |                                       |             |
| Comprehensive income [OCI]                              |   |                                       |             |   |                                       |             |
| Equity instruments at fair value through OCI            | 1,693,508                               | 1,179,922                             | 43.5        | 1,497,526                               | 1,179,956                             | 26.9        |
| Debt instruments at fair value through OCI              | 2,028,261                               | 4,731,261                             | (57.1)      | 2,028,261                               | 4,756,298                             | (57.4)      |
| Investments in Subsidiaries                             | 695,908                                 | 1,027,542                             | (32.3)      | -                                       | -                                     | -           |
| Investments in Associates                               | -                                       | -                                     | -           | 540,704                                 | -                                     | -           |
| Goodwill and Intangible Assets                          | 604,005                                 | 439,517                               | 37.4        | 1,017,753                               | 869,473                               | 17.1        |
| Property, Plant and Equipment                           | 26,950,401                              | 26,259,745                            | 2.6         | 35,128,550                              | 35,434,318                            | (0.9)       |
| Investment Properties                                   | 1,263,905                               | 1,264,752                             | (0.1)       | 1,263,905                               | 175,795                               | 618.9       |
| Prepaid Leases  | 449,476                                 | 461,043                               | (2.5)       | 532,774                                 | 545,874                               | (2.4)       |
| Other Assets  | 30,909,738                              | 30,791,610                            | 0.4         | 32,603,202                              | 32,392,393                            | 0.7         |
| <b>Total Assets</b>                                     | <b>1,753,252,078</b>                    | <b>1,734,702,989</b>                  | <b>1.1</b>  | <b>1,930,745,018</b>                    | <b>1,908,540,233</b>                  | <b>1.2</b>  |
| <b>Liabilities</b>                                      |   |                                       |             |   |                                       |             |
| Due to Banks  | 122,678,708                             | 138,031,420                           | (11.1)      | 141,061,041                             | 172,247,861                           | (18.1)      |
| Derivative Financial Instruments                        | 203,245                                 | 2,512,205                             | (91.9)      | 203,245                                 | 2,512,205                             | (91.9)      |
| Due to Other Customers                                  | 1,475,606,610                           | 1,422,961,240                         | 3.7         | 1,566,844,859                           | 1,495,326,489                         | 4.8         |
| Other Borrowings  | 15,516,584                              | 35,575,554                            | (56.4)      | 15,259,055                              | 35,082,488                            | (56.5)      |
| Current Tax Liabilities                                 | 3,960,737                               | 4,004,218                             | (1.1)       | 6,355,313                               | 5,075,102                             | 25.2        |
| Net Deferred Tax Liabilities                            | 3,650,079                               | 3,954,834                             | (7.7)       | 6,812,894                               | 7,347,484                             | (7.3)       |
| Other Liabilities                                       | 22,159,604                              | 23,919,689                            | (7.4)       | 30,453,021                              | 34,350,628                            | (11.3)      |
| Subordinated Term Debts                                 | 12,533,904                              | 12,533,904                            | -           | 32,893,176                              | 33,084,526                            | (0.6)       |
| <b>Total Liabilities</b>                                | <b>1,656,309,471</b>                    | <b>1,643,493,064</b>                  | <b>0.8</b>  | <b>1,799,882,604</b>                    | <b>1,785,026,783</b>                  | <b>0.8</b>  |
| <b>Equity</b>   |   |                                       |             |   |                                       |             |
| Stated Capital/Assigned Capital                         | 12,201,998                              | 12,201,998                            | -           | 12,201,998                              | 12,201,998                            | -           |
| Statutory Reserve Fund                                  | 6,669,490                               | 6,669,490                             | -           | 6,669,490                               | 6,669,490                             | -           |
| Other Reserves  | 26,472,731                              | 26,008,948                            | 1.8         | 28,342,599                              | 28,027,230                            | 1.1         |
| Retained Earnings                                       | 51,598,388                              | 46,329,489                            | 11.4        | 73,271,839                              | 66,494,500                            | 10.2        |
| <b>Total Shareholders' Equity</b>                       | <b>96,942,607</b>                       | <b>91,209,925</b>                     | <b>6.3</b>  | <b>120,485,926</b>                      | <b>113,393,218</b>                    | <b>6.3</b>  |
| Non-Controlling Interests                               | -                                       | -                                     | -           | 10,376,488                              | 10,120,232                            | 2.5         |
| <b>Total Equity</b>                                     | <b>96,942,607</b>                       | <b>91,209,925</b>                     | <b>6.3</b>  | <b>130,862,414</b>                      | <b>123,513,450</b>                    | <b>6.0</b>  |
| <b>Total Equity and Liabilities</b>                     | <b>1,753,252,078</b>                    | <b>1,734,702,989</b>                  | <b>1.1</b>  | <b>1,930,745,018</b>                    | <b>1,908,540,233</b>                  | <b>1.2</b>  |
| <b>Contingent Liabilities and Commitments</b>           | <b>429,394,592</b>                      | <b>402,761,963</b>                    | <b>6.6</b>  | <b>437,419,592</b>                      | <b>409,575,397</b>                    | <b>6.8</b>  |
| Number of Employees                                     | 7,925                                   | 8,093                                 |             | 11,226                                  | 11,394                                |             |
| Number of Branches                                      | 737                                     | 738                                   |             | 841                                     | 852                                   |             |

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30TH JUNE**

**BANK**

|  | Stated capital/Assigned capital |                               | Reserves                               |                                     |                                |   | Total                          |             |
|--|---------------------------------|-------------------------------|--|-------------------------------------|--------------------------------|---|--------------------------------|-------------|
|  | Ordinary Shares<br>(Rs.'000)    | Assigned capital<br>(Rs.'000) | Statutory<br>Reserve Fund<br>(Rs.'000) | Revaluation<br>Reserve<br>(Rs.'000) | Other<br>Reserves<br>(Rs.'000) | Financial assets at<br>FVOCI Reserve<br>(Rs.'000) | Retained Earnings<br>(Rs.'000) | (Rs.'000)   |
| <b>Balance as at 1st January 2018</b>                                  | 49,998                          | 12,152,000                    | 5,814,744                              | 14,051,911                          | 10,952,737                     | 115,030   | 33,863,412                     | 76,999,832  |
| <b>Total Comprehensive Income for the year</b>                         | -                               | -                             | -                                      | -                                   | -                              | -   | -                              | -           |
| Profit for the year  | -                               | -                             | -                                      | -                                   | -                              | -   | 17,094,922                     | 17,094,922  |
| Other comprehensive income/(Expense) [ Net of Taxes]                   | -                               | -                             | -                                      | -                                   | -                              | 15,406  | 519,455                        | 534,861     |
| <b>Total Comprehensive Income/(Expense)</b>                            | -                               | -                             | -                                      | -                                   | -                              | 15,406  | 17,614,377                     | 17,629,783  |
| <b>Transactions with Equity Holders, Recognised Directly in Equity</b> | -                               | -                             | -                                      | -                                   | -                              | -   | -                              | -           |
| Transfer to Reserve during the Year                                    | -                               | -                             | 854,746                                | -                                   | 873,864                        | -   | (1,728,610)                    | -           |
| Special levy to Treasury/ Dividend                                     | -                               | -                             | -                                      | -                                   | -                              | -   | (3,419,690)                    | (3,419,690) |
| <b>Total Transactions with Equity Holders</b>                          | -                               | -                             | 854,746                                | -                                   | 873,864                        | -   | (5,148,300)                    | (3,419,690) |
| <b>Balance as at 31st December 2018</b>                                | 49,998                          | 12,152,000                    | 6,669,490                              | 14,051,911                          | 11,826,601                     | 130,436   | 46,329,489                     | 91,209,925  |
| <b>Balance as at 1st January 2019</b>                                  | 49,998                          | 12,152,000                    | 6,669,490                              | 14,051,911                          | 11,826,601                     | 130,436   | 46,329,489                     | 91,209,925  |
| <b>Total Comprehensive Income for the period</b>                       | -                               | -                             | -                                      | -                                   | -                              | -   | -                              | -           |
| Profit for the Period  | -                               | -                             | -                                      | -                                   | -                              | -   | 5,578,744                      | 5,578,744   |
| Other comprehensive income/(Expense) [ Net of Taxes]                   | -                               | -                             | -                                      | -                                   | -                              | 463,783   | -                              | 463,783     |
| <b>Total Comprehensive Income/(Expense)</b>                            | -                               | -                             | -                                      | -                                   | -                              | 463,783   | 5,578,744                      | 6,042,527   |
| <b>Transactions with Equity Holders, Recognised Directly in Equity</b> | -                               | -                             | -                                      | -                                   | -                              | -   | -                              | -           |
| Special levy to Treasury/ Dividend                                     | -                               | -                             | -                                      | -                                   | -                              | -   | (309,845)                      | (309,845)   |
| <b>Total Transactions with Equity Holders</b>                          | -                               | -                             | -                                      | -                                   | -                              | -   | (309,845)                      | (309,845)   |
| <b>Balance as at 30<sup>th</sup> June 2019</b>                         | 49,998                          | 12,152,000                    | 6,669,490                              | 14,051,911                          | 11,826,601                     | 594,219   | 51,598,388                     | 96,942,607  |

## STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30TH JUNE

GROUP

|  | Stated capital/<br>Assigned capital |                                  | Reserves                               |                                     |                                |                                      | Retained<br>earnings | Total              | Non controlling<br>interest | Total<br>equity    |
|--|-------------------------------------|----------------------------------|--|-------------------------------------|--------------------------------|--------------------------------------|----------------------|--------------------|-----------------------------|--------------------|
|  | Ordinary<br>shares<br>(Rs.'000)     | Assigned<br>capital<br>(Rs.'000) | Statutory<br>Reserve Fund<br>(Rs.'000) | Revaluation<br>Reserve<br>(Rs.'000) | Other<br>Reserves<br>(Rs.'000) | Financial assets at<br>FVOCI Reserve |                      |                    |                             |                    |
| <b>Balance as at 1st January 2018</b>                                  | <b>49,998</b>                       | <b>12,152,000</b>                | <b>5,814,744</b>                       | <b>15,831,237</b>                   | <b>10,946,111</b>              | <b>115,030</b>                       | <b>51,159,341</b>    | <b>96,068,461</b>  | <b>9,122,451</b>            | <b>105,190,912</b> |
| <b>Total Comprehensive Income for the year</b>                         | -                                   | -                                | -                                      | -                                   | -                              | -                                    | -                    | -                  | -                           | -                  |
| Profit for the year  | -                                   | -                                | -                                      | -                                   | -                              | -                                    | 19,977,862           | 19,977,862         | 1,514,281                   | 21,492,143         |
| Other comprehensive income/(Expense) [ Net of Taxes]                   | -                                   | -                                | -                                      | (33,422)                            | 279,004                        | 15,406                               | 505,597              | 766,585            | 77,219                      | 843,804            |
| <b>Total Comprehensive Income/(Expense)</b>                            | -                                   | -                                | -                                      | <b>(33,422)</b>                     | <b>279,004</b>                 | <b>15,406</b>                        | <b>20,483,459</b>    | <b>20,744,447</b>  | <b>1,591,500</b>            | <b>22,335,947</b>  |
| <b>Transactions with Equity Holders, Recognised Directly in Equity</b> | -                                   | -                                | -                                      | -                                   | -                              | -                                    | -                    | -                  | -                           | -                  |
| Transfer to Reserve during the period                                  | -                                   | -                                | 854,746                                | -                                   | 873,864                        | -                                    | (1,728,610)          | -                  | -                           | -                  |
| Special levy to Treasury/ Dividend                                     | -                                   | -                                | -                                      | -                                   | -                              | -                                    | (3,419,690)          | (3,419,690)        | -                           | (3,419,690)        |
| Dividends Paid   | -                                   | -                                | -                                      | -                                   | -                              | -                                    | -                    | -                  | (593,719)                   | (593,719)          |
| <b>Total Transactions with Equity Holders</b>                          | -                                   | -                                | <b>854,746</b>                         | -                                   | <b>873,864</b>                 | -                                    | <b>(5,148,300)</b>   | <b>(3,419,690)</b> | <b>(593,719)</b>            | <b>(4,013,409)</b> |
| <b>Balance as at 31st December 2018</b>                                | <b>49,998</b>                       | <b>12,152,000</b>                | <b>6,669,490</b>                       | <b>15,797,815</b>                   | <b>12,098,979</b>              | <b>130,436</b>                       | <b>66,494,500</b>    | <b>113,393,218</b> | <b>10,120,232</b>           | <b>123,513,450</b> |
| <b>Balance as at 1st January 2019</b>                                  | <b>49,998</b>                       | <b>12,152,000</b>                | <b>6,669,490</b>                       | <b>15,797,815</b>                   | <b>12,098,979</b>              | <b>130,436</b>                       | <b>66,494,500</b>    | <b>113,393,218</b> | <b>10,120,232</b>           | <b>123,513,450</b> |
| <b>Total Comprehensive Income for the period</b>                       | -                                   | -                                | -                                      | -                                   | -                              | -                                    | -                    | -                  | -                           | -                  |
| Profit for the period  | -                                   | -                                | -                                      | -                                   | -                              | -                                    | 7,111,857            | 7,111,857          | 427,186                     | 7,539,043          |
| Other comprehensive income/(Expense) [ Net of Taxes]                   | -                                   | -                                | -                                      | -                                   | (81,031)                       | 396,400                              | (73,719)             | 241,650            | (74,318)                    | 167,332            |
| <b>Total Comprehensive Income/(Expense)</b>                            | -                                   | -                                | -                                      | -                                   | <b>(81,031)</b>                | <b>396,400</b>                       | <b>7,038,138</b>     | <b>7,353,507</b>   | <b>352,868</b>              | <b>7,706,375</b>   |
| <b>Transactions with Equity Holders, Recognised Directly in Equity</b> | -                                   | -                                | -                                      | -                                   | -                              | -                                    | -                    | -                  | -                           | -                  |
| Movement due to changes in ownership                                   | -                                   | -                                | -                                      | -                                   | -                              | -                                    | 49,046               | 49,046             | (41,612)                    | 7,434              |
| Special levy to Treasury/ Dividend                                     | -                                   | -                                | -                                      | -                                   | -                              | -                                    | (309,845)            | (309,845)          | -                           | (309,845)          |
| Dividends Paid   | -                                   | -                                | -                                      | -                                   | -                              | -                                    | -                    | -                  | (55,000)                    | (55,000)           |
| <b>Total Transactions with Equity Holders</b>                          | -                                   | -                                | -                                      | -                                   | -                              | -                                    | <b>(260,799)</b>     | <b>(260,799)</b>   | <b>(96,612)</b>             | <b>(357,411)</b>   |
| <b>Balance as at 30<sup>th</sup> June 2019</b>                         | <b>49,998</b>                       | <b>12,152,000</b>                | <b>6,669,490</b>                       | <b>15,797,815</b>                   | <b>12,017,948</b>              | <b>526,836</b>                       | <b>73,271,839</b>    | <b>120,485,926</b> | <b>10,376,488</b>           | <b>130,862,414</b> |

| <b>CASH FLOW STATEMENT</b>                                    |                     |                     |                     |                     |
|---|---------------------|---------------------|---------------------|---------------------|
| <b>FOR THE PERIOD ENDED 30TH JUNE</b>                         |                     |                     |                     |                     |
|   | <b>BANK</b>         |                     | <b>GROUP</b>        |                     |
|   | <b>2019</b>         | <b>2018</b>         | <b>2019</b>         | <b>2018</b>         |
|   | <b>(Rs. '000)</b>   | <b>(Rs. '000)</b>   | <b>(Rs. '000)</b>   | <b>(Rs. '000)</b>   |
|   | <b>(Unaudited)</b>  | <b>(Unaudited)</b>  | <b>(Unaudited)</b>  | <b>(Unaudited)</b>  |
| <b>Cash flows from operating activities</b>                   |                     |                     |                     |                     |
| Profit before tax   | 8,959,878           | 11,728,429          | 12,211,579          | 14,935,630          |
| Adjustment for  |                     |                     |                     |                     |
| Non-cash items included in profits before tax                 | 2,792,260           | 4,703,484           | 5,217,660           | 5,995,945           |
| Changes in operating assets                                   | 33,397,964          | (139,874,043)       | 27,626,940          | (151,305,780)       |
| Changes in operating liabilities                              | 14,738,220          | 156,792,909         | 15,774,518          | 165,278,017         |
| Dividend income from subsidiaries and others                  | (41,879)            | (639,669)           | (60,080)            | (99,739)            |
| Interest expense on subordinated debt                         | 811,929             | 812,021             | 811,929             | 812,021             |
| Contribution paid to defined benefit plans/Gratuity           | 735,383             | 750,000             | 735,383             | 750,000             |
| Tax paid  | (3,729,370)         | (1,833,726)         | (4,025,480)         | (2,246,216)         |
| <b>Net Cash Generated from Operating Activities</b>           | <b>57,664,385</b>   | <b>32,439,405</b>   | <b>58,292,449</b>   | <b>34,119,878</b>   |
| <b>Cash Flows from Investing Activities</b>                   |                     |                     |                     |                     |
| Sale /(Purchase) of investment property                       | -                   | (44,160)            | -                   | (4,796)             |
| Purchase of property, plant and equipment                     | (1,602,148)         | (1,527,308)         | (784,096)           | (1,917,898)         |
| Proceeds from the sale of property, plant and equipment       | 34,042              | 12,980              | 36,042              | 33,294              |
| Sale /(Purchase) of financial investments                     | (59,120,302)        | (41,750,360)        | (60,327,453)        | (43,922,121)        |
| Net purchase of intangible assets                             | (234,294)           | (191,065)           | (274,721)           | (200,495)           |
| Dividends received from investment in subsidiaries and others | 41,879              | 639,669             | 60,080              | 99,739              |
| <b>Net Cash (used in) from Investing Activities</b>           | <b>(60,880,823)</b> | <b>(42,860,244)</b> | <b>(61,290,148)</b> | <b>(45,912,277)</b> |
| <b>Cash Flows from Financing Activities</b>                   |                     |                     |                     |                     |
| Net Proceeds from subordinated debt                           | -                   | -                   | (191,350)           | 1,680,791           |
| Interest paid on subordinated debt                            | (811,929)           | (812,021)           | (811,929)           | (812,021)           |
| Dividend paid to non-controlling interest                     | -                   | -                   | (55,000)            | (259,983)           |
| Dividend/Levy paid to holders of other equity instruments     | (309,845)           | (1,309,845)         | (309,845)           | (1,309,845)         |
| <b>Net Cash (used in) from Financing Activities</b>           | <b>(1,121,774)</b>  | <b>(2,121,866)</b>  | <b>(1,368,124)</b>  | <b>(701,058)</b>    |
| <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b> | <b>(4,338,212)</b>  | <b>(12,542,705)</b> | <b>(4,365,823)</b>  | <b>(12,493,457)</b> |
| Cash and cash equivalents at the beginning of the year        | 57,879,933          | 68,958,012          | 58,835,090          | 69,675,003          |
| <b>Cash and cash equivalents at the end of the period</b>     | <b>53,541,721</b>   | <b>56,415,307</b>   | <b>54,469,267</b>   | <b>57,181,546</b>   |

## ANALYSIS OF LOANS & RECEIVABLES TO OTHER CUSTOMERS AND IMPAIRMENT

|   | BANK                     |                         | GROUP                    |                         |
|---|--------------------------|-------------------------|--------------------------|-------------------------|
|   | 30.06.2019               | 31.12.2018              | 30.06.2019               | 31.12.2018              |
|   | (Rs.'000)<br>(Unaudited) | (Rs. '000)<br>(Audited) | (Rs.'000)<br>(Unaudited) | (Rs. '000)<br>(Audited) |
| <b>Loans and Receivables to Other Customers</b>       |                          |                         |                          |                         |
| Gross loans and receivables                           | 1,253,718,184            | 1,334,420,260           | 1,413,329,075            | 1,489,920,155           |
| <b>Less :</b>   |                          |                         |                          |                         |
| Allowance for Expected Credit Loss /Impairment losses | (71,788,564)             | (68,752,793)            | (78,216,899)             | (73,992,619)            |
| Individual impairment                                 | (50,049,282)             | (47,680,508)            | (50,523,574)             | (48,341,773)            |
| Collective impairment                                 | (21,739,282)             | (21,072,285)            | (27,693,325)             | (25,650,846)            |
| <b>Net loans and receivables</b>                      | <b>1,181,929,620</b>     | <b>1,265,667,467</b>    | <b>1,335,112,176</b>     | <b>1,415,927,536</b>    |
| <b>Product-wise Gross loans &amp; advances</b>        |                          |                         |                          |                         |
| <b>By product – Domestic currency</b>                 |                          |                         |                          |                         |
| Overdrafts  | 97,546,712               | 128,064,782             | 97,252,021               | 124,559,325             |
| Term loans  | 651,191,337              | 627,127,993             | 714,187,977              | 683,488,108             |
| Lease rentals receivable                              | -                        | -                       | 89,378,039               | 95,132,968              |
| Credit cards  | 3,110,549                | 2,883,268               | 3,110,549                | 2,883,268               |
| Pawning   | 152,375,077              | 149,825,847             | 152,375,077              | 149,935,284             |
| Trade Finance   | 60,881,940               | 108,206,301             | 60,881,940               | 108,206,301             |
| Others  | 19,528,475               | 19,882,764              | 27,059,378               | 27,285,596              |
| <b>Sub Total</b>                                      | <b>984,634,090</b>       | <b>1,035,990,955</b>    | <b>1,144,244,981</b>     | <b>1,191,490,850</b>    |
| <b>By product – Foreign currency</b>                  |                          |                         |                          |                         |
| Overdrafts  | 1,129,551                | 1,136,306               | 1,129,551                | 1,136,306               |
| Term loans  | 156,946,255              | 124,723,981             | 156,946,255              | 124,723,981             |
| Trade Finance   | 111,008,288              | 172,569,018             | 111,008,288              | 172,569,018             |
| <b>Sub Total</b>                                      | <b>269,084,094</b>       | <b>298,429,305</b>      | <b>269,084,094</b>       | <b>298,429,305</b>      |
| <b>Grand Total</b>                                    | <b>1,253,718,184</b>     | <b>1,334,420,260</b>    | <b>1,413,329,075</b>     | <b>1,489,920,155</b>    |

### Movement of Impairment during the Period

|   | BANK                     |                         | GROUP                    |                         |
|---|--------------------------|-------------------------|--------------------------|-------------------------|
|   | 30.06.2019               | 31.12.2018              | 30.06.2019               | 31.12.2018              |
|   | (Rs.'000)<br>(Unaudited) | (Rs. '000)<br>(Audited) | (Rs.'000)<br>(Unaudited) | (Rs. '000)<br>(Audited) |
| <b>Movements in Individual Impairment during the Year</b> |                          |                         |                          |                         |
| <b>Opening balance</b>                                    | 47,680,508               | 44,913,498              | 48,341,773               | 45,672,491              |
| Charge/ (Reversal) for year                               | 2,368,774                | 2,767,010               | 2,456,009                | 2,669,282               |
| Deemed Disposal of Subsidiary during the period           | -                        | -                       | (274,208)                | -                       |
| <b>Closing balance</b>                                    | <b>50,049,282</b>        | <b>47,680,508</b>       | <b>50,523,574</b>        | <b>48,341,773</b>       |
| <b>Movements in Collective Impairment during the Year</b> |                          |                         |                          |                         |
| <b>Opening balance</b>                                    | 21,072,285               | 16,691,440              | 25,650,846               | 19,677,004              |
| Impact of adopting SLFRS 9 as at 1st January 2018         | -                        | (1,716,522)             | -                        | (1,134,141)             |
| Charge/ (Reversal) for year                               | 893,714                  | 5,694,043               | 2,396,685                | 6,704,658               |
| Write off during the year                                 | (94,260)                 | (160,306)               | (94,260)                 | (160,306)               |
| Exchange rate variance on foreign currency provisions     | (132,457)                | 563,630                 | (132,457)                | 563,631                 |
| Deemed Disposal of Subsidiary during the period           | -                        | -                       | (127,489)                | -                       |
| <b>Closing balance</b>                                    | <b>21,739,282</b>        | <b>21,072,285</b>       | <b>27,693,325</b>        | <b>25,650,846</b>       |
| <b>Total Impairment</b>                                   | <b>71,788,564</b>        | <b>68,752,793</b>       | <b>78,216,899</b>        | <b>73,992,619</b>       |

### Movement in Allowance for Expected Credit Loss [Impairment losses] based on exposure to credit risk

| Bank  | Stage            |                  |                   |                   |
|---|------------------|------------------|-------------------|-------------------|
|   | Stage 1          | Stage 2          | Stage 3           | Total             |
| Opening balance as at 01st January 2019               | 5,110,245        | 1,752,572        | 61,889,976        | 68,752,793        |
| Net Charge/(Reversal) for the year                    | (946,831)        | 420,909          | 3,788,410         | 3,262,488         |
| Amounts written off                                   | -                | -                | (94,260)          | (94,260)          |
| Exchange rate variance on foreign currency provisions | -                | -                | (132,457)         | (132,457)         |
| <b>Closing balance as at 30th June 2019</b>           | <b>4,163,414</b> | <b>2,173,481</b> | <b>65,451,669</b> | <b>71,788,564</b> |
| Group   | Stage 1          | Stage 2          | Stage 3           | Total             |
| Opening balance as at 01st January                    | 5,649,333        | 2,486,192        | 65,857,094        | 73,992,619        |
| Net Charge/(Reversal) for the year                    | (691,218)        | 442,117          | 5,101,795         | 4,852,694         |
| Amounts written off                                   | -                | -                | (94,260)          | (94,260)          |
| Exchange rate variance on foreign currency provisions | -                | -                | (132,457)         | (132,457)         |
| Deemed Disposal of Subsidiary during the period       | (140,023)        | (19,199)         | (242,475)         | (401,697)         |
| <b>Closing balance as at 30th June 2019</b>           | <b>4,818,092</b> | <b>2,909,110</b> | <b>70,489,697</b> | <b>78,216,899</b> |



## ANALYSIS OF DEPOSITS

|                                       | BANK                                    |                                       | GROUP                                   |                                       |
|---------------------------------------|---|---------------------------------------|---|---------------------------------------|
|                                       | 30.06.2019<br>(Rs. '000)<br>(Unaudited) | 31.12.2018<br>(Rs. '000)<br>(Audited) | 30.06.2019<br>(Rs. '000)<br>(Unaudited) | 31.12.2018<br>(Rs. '000)<br>(Audited) |
| <b>By product – Domestic currency</b> |   |                                       |   |                                       |
| Demand deposits (current accounts)    | 52,967,246                              | 60,765,394                            | 51,267,927                              | 58,857,717                            |
| Savings deposits                      | 465,569,994                             | 455,323,630                           | 470,837,707                             | 460,563,427                           |
| Fixed deposits                        | 837,038,951                             | 804,075,204                           | 918,244,295                             | 867,501,720                           |
| Others                                | 3,191,470                               | 4,423,184                             | 9,655,981                               | 10,029,797                            |
| <b>Sub total</b>                      | <b>1,358,767,661</b>                    | <b>1,324,587,412</b>                  | <b>1,450,005,910</b>                    | <b>1,396,952,661</b>                  |
| <b>By product – Foreign currency</b>  |   |                                       |   |                                       |
| Demand deposits (current accounts)    | 2,324,629                               | 2,904,892                             | 2,324,629                               | 2,904,892                             |
| Savings deposits                      | 19,385,343                              | 20,227,442                            | 19,385,343                              | 20,227,442                            |
| Fixed deposits                        | 95,052,864                              | 75,194,053                            | 95,052,864                              | 75,194,053                            |
| Others                                | 76,113                                  | 47,441                                | 76,113                                  | 47,441                                |
| <b>Sub total</b>                      | <b>116,838,949</b>                      | <b>98,373,828</b>                     | <b>116,838,949</b>                      | <b>98,373,828</b>                     |
| <b>Grand Total</b>                    | <b>1,475,606,610</b>                    | <b>1,422,961,240</b>                  | <b>1,566,844,859</b>                    | <b>1,495,326,489</b>                  |

## ANALYSIS OF CONTINGENT LIABILITIES AND COMMITMENTS

|  | BANK                                    |                                       | GROUP                                   |                                       |
|--|---|---------------------------------------|---|---------------------------------------|
|  | 30.06.2019<br>(Rs. '000)<br>(Unaudited) | 31.12.2018<br>(Rs. '000)<br>(Audited) | 30.06.2019<br>(Rs. '000)<br>(Unaudited) | 31.12.2018<br>(Rs. '000)<br>(Audited) |
| <b>By product</b>                                      |   |                                       |   |                                       |
| Acceptances  | 140,297,403                             | 90,195,344                            | 140,297,403                             | 90,195,344                            |
| Documentary Credit                                     | 72,872,422                              | 84,103,230                            | 72,872,422                              | 84,103,230                            |
| Guarantees   | 75,316,744                              | 73,255,113                            | 75,926,744                              | 74,001,537                            |
| Forward Exchange Contracts                             | 47,458,778                              | 99,087,601                            | 47,458,778                              | 99,087,601                            |
| Non disbursed overdrafts & loans                       | 94,435,382                              | 56,791,963                            | 101,850,382                             | 62,858,973                            |
| Gross Contingent Liabilities and Commitments           | <b>430,380,729</b>                      | <b>403,433,251</b>                    | <b>438,405,729</b>                      | <b>410,246,685</b>                    |
| <b>Less :</b>  |   |                                       |   |                                       |
| Allowance for Expected Credit Loss [Impairment losses] | (986,137)                               | (671,288)                             | (986,137)                               | (671,288)                             |
| <b>Net Contingent Liabilities and Commitments</b>      | <b>429,394,592</b>                      | <b>402,761,963</b>                    | <b>437,419,592</b>                      | <b>409,575,397</b>                    |

## ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

### BANK AS AT 30TH JUNE 2019

|   | Fair Value<br>Through P&L<br>(Rs.'000) | Fair Value<br>Through OCI<br>(Rs.'000) | Amortised<br>Cost<br>(Rs.'000) | Total<br>(Rs.'000)   |
|---|--|--|--------------------------------|----------------------|
| <b>ASSETS</b>   |  |  |                                |                      |
| Cash and cash equivalents                               | -                                      | -                                      | 53,541,721                     | 53,541,721           |
| Balances with Central Banks                             | -                                      | -                                      | 41,549,010                     | 41,549,010           |
| Placements with Banks                                   | -                                      | -                                      | 5,331,136                      | 5,331,136            |
| Derivative Financial Instruments                        | 290,773                                | -                                      | -                              | 290,773              |
| Financial assets - at fair value through profit or loss | 97,639,225                             | -                                      | -                              | 97,639,225           |
| Loans and receivables to banks                          | -                                      | -                                      | 47,815,127                     | 47,815,127           |
| Loans and receivables to other customers                | -                                      | -                                      | 1,181,929,620                  | 1,181,929,620        |
| Debt instruments measured at amortised cost             | -                                      | -                                      | 260,560,264                    | 260,560,264          |
| Equity instruments at fair value through OCI            | -                                      | 1,693,508                              | -                              | 1,693,508            |
| Debt instruments at fair value through OCI              | -                                      | 2,028,261                              | -                              | 2,028,261            |
| <b>Total Financial Assets</b>                           | <b>97,929,998</b>                      | <b>3,721,769</b>                       | <b>1,590,726,878</b>           | <b>1,692,378,645</b> |
| <b>LIABILITIES</b>                                      |  |  |                                |                      |
| Due to banks  | -                                      | -                                      | 122,678,708                    | 122,678,708          |
| Derivative Financial Instruments                        | 203,245                                | -                                      | -                              | 203,245              |
| Due to other customers                                  | -                                      | -                                      | 1,475,606,610                  | 1,475,606,610        |
| Other Borrowings  | -                                      | -                                      | 15,516,584                     | 15,516,584           |
| Subordinated term debts                                 | -                                      | -                                      | 12,533,904                     | 12,533,904           |
| <b>Total Financial Liabilities</b>                      | <b>203,245</b>                         | <b>-</b>                               | <b>1,626,335,806</b>           | <b>1,626,539,051</b> |

## ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

### BANK AS AT 31ST DECEMBER 2018

|   | Fair Value<br>Through P&L<br>(Rs.'000) | Fair Value<br>Through OCI<br>(Rs.'000) | Amortised<br>Cost<br>(Rs.'000) | Total<br>(Rs.'000)   |
|---|--|--|--------------------------------|----------------------|
| <b>ASSETS</b>   |  |  |                                |                      |
| Cash and cash equivalents                               | -                                      | -                                      | 57,879,933                     | 57,879,933           |
| Balances with Central Banks                             | -                                      | -                                      | 51,615,796                     | 51,615,796           |
| Placements with Banks                                   | -                                      | -                                      | 4,350,726                      | 4,350,726            |
| Derivative Financial Instruments                        | 1,163,384                              | -                                      | -                              | 1,163,384            |
| Financial assets - at fair value through profit or loss | 54,052,435                             | -                                      | -                              | 54,052,435           |
| Loans and receivables to banks                          | -                                      | -                                      | 32,167,421                     | 32,167,421           |
| Loans and receivables to other customers                | -                                      | -                                      | 1,265,667,467                  | 1,265,667,467        |
| Debt instruments measured at amortised cost             | -                                      | -                                      | 201,650,435                    | 201,650,435          |
| Equity instruments at fair value through OCI            | -                                      | 1,179,922                              | -                              | 1,179,922            |
| Debt instruments at fair value through OCI              | -                                      | 4,731,261                              | -                              | 4,731,261            |
| <b>Total Financial Assets</b>                           | <b>55,215,819</b>                      | <b>5,911,183</b>                       | <b>1,613,331,778</b>           | <b>1,674,458,780</b> |
| <b>LIABILITIES</b>                                      |  |  |                                |                      |
| Due to banks  | -                                      | -                                      | 138,031,420                    | 138,031,420          |
| Derivative Financial Instruments                        | 2,512,205                              | -                                      | -                              | 2,512,205            |
| Due to other customers                                  | -                                      | -                                      | 1,422,961,240                  | 1,422,961,240        |
| Other Borrowings  | -                                      | -                                      | 35,575,554                     | 35,575,554           |
| Subordinated term debts                                 | -                                      | -                                      | 12,533,904                     | 12,533,904           |
| <b>Total Financial Liabilities</b>                      | <b>2,512,205</b>                       | <b>-</b>                               | <b>1,609,102,118</b>           | <b>1,611,614,323</b> |

## ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

### GROUP AS AT 30TH JUNE 2019

|   | Fair Value<br>Through P&L<br>(Rs.'000) | Fair Value<br>Through OCI<br>(Rs.'000) | Amortised<br>Cost<br>(Rs.'000) | Total<br>(Rs.'000)   |
|---|--|--|--------------------------------|----------------------|
| <b>ASSETS</b>   |  |  |                                |                      |
| Cash and cash equivalents                               | -                                      | -                                      | 54,469,267                     | 54,469,267           |
| Balances with Central Banks                             | -                                      | -                                      | 41,549,010                     | 41,549,010           |
| Placements with Banks                                   | -                                      | -                                      | 9,073,925                      | 9,073,925            |
| Derivative Financial Instruments                        | 290,773                                | -                                      | -                              | 290,773              |
| Financial assets - at fair value through profit or loss | 98,008,912                             | -                                      | -                              | 98,008,912           |
| Loans and receivables to banks                          | -                                      | -                                      | 47,815,127                     | 47,815,127           |
| Loans and receivables to other customers                | -                                      | -                                      | 1,335,112,176                  | 1,335,112,176        |
| Debt instruments measured at amortised cost             | -                                      | -                                      | 269,813,153                    | 269,813,153          |
| Equity instruments at fair value through OCI            | -                                      | 1,497,526                              | -                              | 1,497,526            |
| Debt instruments at fair value through OCI              | -                                      | 2,028,261                              | -                              | 2,028,261            |
| <b>Total Financial Assets</b>                           | <b>98,299,685</b>                      | <b>3,525,787</b>                       | <b>1,757,832,658</b>           | <b>1,859,658,130</b> |
| <b>LIABILITIES</b>                                      |  |  |                                |                      |
| Due to banks  | -                                      | -                                      | 141,061,041                    | 141,061,041          |
| Derivative Financial Instruments                        | 203,245                                | -                                      | -                              | 203,245              |
| Due to other customers                                  | -                                      | -                                      | 1,566,844,859                  | 1,566,844,859        |
| Other Borrowings  | -                                      | -                                      | 15,259,055                     | 15,259,055           |
| Subordinated term debts                                 | -                                      | -                                      | 32,893,176                     | 32,893,176           |
| <b>Total Financial Liabilities</b>                      | <b>203,245</b>                         | <b>-</b>                               | <b>1,756,058,131</b>           | <b>1,756,261,376</b> |

## ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

### GROUP AS AT 31ST DECEMBER 2018

|   | Fair Value<br>Through P&L<br>(Rs.'000) | Fair Value<br>Through OCI<br>(Rs.'000) | Amortised<br>Cost<br>(Rs.'000) | Total<br>(Rs.'000)   |
|---|--|--|--------------------------------|----------------------|
| <b>ASSETS</b>   |  |  |                                |                      |
| Cash and cash equivalents                               | -                                      | -                                      | 58,835,090                     | 58,835,090           |
| Balances with Central Banks                             | -                                      | -                                      | 51,615,796                     | 51,615,796           |
| Placements with Banks                                   | -                                      | -                                      | 9,096,252                      | 9,096,252            |
| Derivative Financial Instruments                        | 1,163,384                              | -                                      | -                              | 1,163,384            |
| Financial assets - at fair value through profit or loss | 54,300,238                             | -                                      | -                              | 54,300,238           |
| Loans and receivables to banks                          | -                                      | -                                      | 32,551,657                     | 32,551,657           |
| Loans and receivables to other customers                | -                                      | -                                      | 1,415,927,536                  | 1,415,927,536        |
| Debt instruments measured at amortised cost             | -                                      | -                                      | 209,696,173                    | 209,696,173          |
| Equity instruments at fair value through OCI            | -                                      | 1,179,956                              | -                              | 1,179,956            |
| Debt instruments at fair value through OCI              | -                                      | 4,756,298                              | -                              | 4,756,298            |
| <b>Total Financial Assets</b>                           | <b>55,463,622</b>                      | <b>5,936,254</b>                       | <b>1,777,722,504</b>           | <b>1,839,122,380</b> |
| <b>LIABILITIES</b>                                      |  |  |                                |                      |
| Due to banks  | -                                      | -                                      | 172,247,861                    | 172,247,861          |
| Derivative Financial Instruments                        | 2,512,205                              | -                                      | -                              | 2,512,205            |
| Due to other customers                                  | -                                      | -                                      | 1,495,326,489                  | 1,495,326,489        |
| Other Borrowings  | -                                      | -                                      | 35,082,488                     | 35,082,488           |
| Subordinated term debts                                 | -                                      | -                                      | 33,084,526                     | 33,084,526           |
| <b>Total Financial Liabilities</b>                      | <b>2,512,205</b>                       | <b>-</b>                               | <b>1,735,741,364</b>           | <b>1,738,253,569</b> |

## SELECTED PERFORMANCE INDICATORS (Based on Regulatory Reporting)

|  | BANK                               |                                  | GROUP                              |                                  |
|--|------------------------------------|----------------------------------|------------------------------------|----------------------------------|
|  | As at<br>30.06.2019<br>(Unaudited) | As at<br>31.12.2018<br>(Audited) | As at<br>30.06.2019<br>(Unaudited) | As at<br>31.12.2018<br>(Audited) |
| <b>Regulatory Capital Adequacy</b>   |                                    |                                  |                                    |                                  |
| Common Equity Tier 1 Capital [Rs. 000]   | 79,949,264                         | 74,623,023                       | 106,275,274                        | 101,088,945                      |
| Core (Tier 1) Capital [Rs. 000]  | 79,949,264                         | 74,623,023                       | 106,275,274                        | 101,088,945                      |
| Total Capital Base [Rs. 000]   | 96,087,223                         | 97,987,548                       | 123,124,233                        | 125,548,973                      |
| <b>Regulatory Capital Ratios (%)</b>   |                                    |                                  |                                    |                                  |
| Common Equity Tier 1 Capital (%) (Min. requirement - 2019 - 8.5%, 2018 - 7.375%)   | 11.96                              | 11.02                            | 12.43                              | 11.66                            |
| Tier 1 Capital Ratio (%) (Min. requirement - 2019 - 10%, 2018 - 8.875%)            | 11.96                              | 11.02                            | 12.43                              | 11.66                            |
| Total Capital Ratio (%) (Min. requirement - 2019 - 14%, 2018 - 12.875%)            | 14.38                              | 14.47                            | 14.40                              | 14.48                            |
| <b>Asset Quality ( Quality of Loan Portfolio)</b>                                  |                                    |                                  |                                    |                                  |
| Gross Non- Performing Advances Ratio, % (net of Interest in Suspense)              | 3.14                               | 2.49                             | 3.39                               | 2.70                             |
| Net Non- Performing Advances Ratio, % (net of interest in suspense and provisions) | 1.79                               | 1.36                             | 1.73                               | 1.34                             |
| <b>Profitability</b>   |                                    |                                  |                                    |                                  |
| Interest Margin, %   | 3.31                               | 3.48                             | 3.89                               | 4.04                             |
| Return on Assets (Before Tax), %   | 1.03                               | 1.52                             | 1.27                               | 1.77                             |
| Return on Equity (After Tax), %  | 11.86                              | 20.27                            | 11.85                              | 18.69                            |
| <b>Leverage Ratio (Min. requirement - 3%)</b>                                      | 4.39                               | 4.12                             | 5.31                               | 5.08                             |
| <b>Regulatory Liquidity</b>  |                                    |                                  |                                    |                                  |
| <b>Statutory Liquid Assets</b>   |                                    |                                  |                                    |                                  |
| Domestic Banking unit Rs.000   | 439,717,331                        | 337,865,692                      |                                    |                                  |
| Off-Shore Banking Unit USD.000   | 455,999                            | 303,616                          |                                    |                                  |
| <b>Statutory Liquid Assets Ratio (%) (Min. requirement - 20%)</b>                  |                                    |                                  |                                    |                                  |
| Domestic Banking unit (%)  | 29.67                              | 23.01                            |                                    |                                  |
| Off-Shore Banking Unit (%)   | 40.86                              | 30.36                            |                                    |                                  |
| <b>Total Stock of High Quality Liquid Assets [Rs.000]</b>                          | 424,608,647                        | 303,919,749                      |                                    |                                  |
| <b>Liquidity Coverage Ratio (Min. requirement , 2019 - 100%, 2018 - 90%)</b>       |                                    |                                  |                                    |                                  |
| Liquidity Coverage Ratio - Rupee   | 178.27                             | 144.90                           |                                    |                                  |
| Liquidity Coverage Ratio - All Currency  | 146.70                             | 100.42                           |                                    |                                  |

CERTIFICATION

We the undersigned being the Chairman, Chief Executive Officer/General Manager and the Head of Finance of the Bank jointly certify that;

(a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka; and

(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.

(Sgd.)  
Azzam A. Ahamat  
**Head of Finance**

27.08.2019  
Colombo.

(Sgd.)  
Rasitha Gunawardana  
**Chief Executive Officer/General Manager**

(Sgd.)  
Nissanka Nanayakkara  
**Chairman**



**PEOPLE'S  
BANK**