



**PEOPLE'S
BANK**

**BASEL III - DISCLOSURES UNDER PILLAR 3
AS PER THE BANKING ACT
DIRECTIONS NO.01 OF 2016
AS AT MARCH 31ST 2019**

TEMPLATE 1 : KEY REGULATORY RATIOS CAPITAL & LIQUIDITY

	BANK		GROUP	
	As at 31.03.2019 (Unaudited)	As at 31.12.2018 (Audited)	As at 31.03.2019 (Unaudited)	As at 31.12.2018 (Audited)
Regulatory Capital				
Common Equity Tier 1 Capital [Rs. 000]	77,363,259	74,623,023	104,574,529	101,088,945
Tier 1 Capital [Rs. 000]	77,363,259	74,623,023	104,574,529	101,088,945
Total Capital	100,202,700	97,987,548	128,402,247	125,548,973
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Ratio (Min. requirement - 2019-8.5%-2018-7.375%,)	11.60	11.02	12.19	11.66
Tier 1 Capital Ratio (Min. requirement - 2019-10.0%-2018-8.875%,)	11.60	11.02	12.19	11.66
Total Capital Ratio (Min. requirement - 2019-14.0%-2018-12.875%,)	15.02	14.47	14.97	14.48
Regulatory Liquidity				
Statutory Liquid Assets				
Domestic Banking Unit Rs.'000	372,413,597	337,865,692	NA	NA
Off- Shore Banking Unit US\$ ('000)	470,465	303,616	NA	NA
Statutory Liquid Assets, Ratio %				
(Minimum Requirement, 20%)				
Domestic Banking Unit , %	25.72	23.01	NA	NA
Off- Shore Banking Unit , %	39.79	30.36	NA	NA
Liquidity Coverage Ratio (%) (Minimum Requirement, 2019-100%,2018-,90%)				
Liquidity Coverage Ratio - Rupee	155.34	144.90	NA	NA
Liquidity Coverage Ratio - All Currency	115.48	100.42	NA	NA

TEMPLATE 2 : KEY REGULATORY RATIOS CAPITAL & LIQUIDITY

	BANK		GROUP	
	As at 31.03.2019 (Audited)	As at 31.12.2018 (Audited)	As at 31.03.2019 (Unaudited)	As at 31.12.2018 (Audited)
Common Equity Tier 1 (CET I) Capital after adjustments	77,363,257	74,623,023	104,574,529	101,088,945
Common Equity Tier 1 (CET I) Capital	80,137,080	77,449,928	107,331,903	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)	49,213,157	46,673,579	69,808,057	67,268,479
Publish accumulalated Other Conprehensive Income (OCI)	225,836	78,262	225,836	78,262
General and other Disclosed Reserves	11,826,601	11,826,601	12,098,979	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Unpublished Current Year's Profit / Loss and Gain reflected in OCI	-	-	-	-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	-	-	6,327,545	5,594,277
Total Adjustments to CETI Capital	2,773,823	2,826,905	2,757,374	2,822,538
Goodwill (net)	-	-	-	-
Intangible Assets (Net)	413,566	439,517	804,305	869,469
Other (Investment the in the Capital of Subsidiaries & Single line Other Financial Institution)	407,188	434,319	-	-
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	-	-	-	-
Quilifing 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	22,839,441	23,364,526	23,827,718	24,460,028
Tier II Capital	22,839,441	23,364,526	23,827,718	24,460,028
Quilifing Tier II capital instruments	6,750,000	7,125,000	6,750,000	7,125,000
Revaluation Gains	8,797,393	8,797,393	8,797,393	8,797,393
Loan Loss Provisions	7,292,048	7,442,133	8,280,325	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	77,363,257	74,623,023	104,574,529	101,088,945
Total Tier I Capital	77,363,257	74,623,023	104,574,529	101,088,945
Total Capital	100,202,698	97,987,549	128,402,247	125,548,973
Total Risk Weghted Assets (RWA)	667,174,545	677,224,419	857,573,881	867,221,246
RWA for Credit Risk (refer table No 3)	583,363,838	595,370,603	752,206,418	765,873,723
RWA for Operational Risk (refer table No 5)	70,130,090	74,300,869	91,284,220	93,317,447
RWA for Market Risk (refer table No 6)	13,680,617	7,552,947	14,083,243	8,030,076
CET I Capital Ratio (including Capital Conservstion Buffer, Countercyclical Capital Buffer & Surcharge on D-SIB) (%)	11.60	11.02	12.19	11.66
of which: Capital Conservation Buffer (%)	2.50	1.875	2.50	.875
of which: Countercyclical Buffer (%)	-	-	-	-
of which: Capital surcharge Countercyclical Buffer (%)	1.50	1.00	1.50	1.00
Total Tier I Capital Ratio (%)	11.60	11.02	12.19	11.66
Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	15.02	14.47	14.97	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	
	31.03.2019	31.12.2018	31.03.2019	31.12.2018
Tier 1 Capital	77,363,257	74,623,023	101,088,945	101,088,945
Total Exposures	1,778,965,428	1,808,606,489	1,963,600,173	1,985,824,469
On balance Sheet items (Excluding derivatives and securities financing transactions, but including collateral)	1,660,987,694	1,709,800,708	1,845,144,141	1,886,628,389
Deravitive Exposures	2,183,583	3,135,654	2,183,523	3,135,654
Securities financing transaction exposures	49,150,000	18,000,000	49,628,299	18,390,299
Other off-balance sheet exposures	66,644,210	77,670,127	66,644,210	77,670,127
Basel III Leverage ratio (%) (Tier 1/ total Exposure)	4.35%	4.13%	5.15%	5.09%

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 31st March 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)	345,911,312	350,109,601	303,195,792	303,919,749
Total Adjusted Level 1A Assets	343,724,637	343,724,637	300,973,640	300,973,640
Level 1 Assets	348,493,850	348,493,850	302,283,687	302,283,687
Total Adjusted Level 2A Assets	1,492,610	1,268,719	1,499,960	1,274,966
Level 2A Assets	1,492,610	1,268,719	1,499,960	1,274,966
Total Adjusted Level 2B Assets	694,065	347,032	722,192	361,096
Level 2B Assets	694,065	347,032	722,192	361,096
Total Cash Outflows	1,808,442,301	404,017,238	1,808,148,158	419,217,632
Deposits	995,062,653	99,506,265	964,258,606	96,425,861
Unsecured Wholesale Funding	472,110,272	251,267,921	501,902,159	252,564,530
Secured Funding Transactions	9,676,563	-	8,221,306	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	303,666,322	25,316,561	286,321,471	2,782,625
Additional requirements	27,926,491	27,926,491	47,444,616	47,444,616
Total Cash Inflows	195,900,041	100,844,259	186,469,947	116,564,250
Maturing Secured Lending Transactions Backed by Collateral	63,385,439	14,019,186	31,225,082	13,102,046
Committed Facilities				
Other Inflows by Counterparty which are Maturing within 30 Days	102,700,569	58,898,582	108,719,198	59,789,955
Operational deposits	1,887,542	-	2,853,418	-
Other Cash Inflows	27,926,491	27,926,491	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		115.48		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

PART III (A) : CALCULATION OF RISK-WEIGHTED AMOUNT FOR CREDIT RISK

BANK

As at 31.03.2019

	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	1,607,450,682	368,701,804	1,976,152,486	1,253,516,106	68,759,855	1,322,275,960	583,363,838	44%
Claims on Central Government and Central Bank of Sri Lanka	690,930,455	28,241,222	719,171,676	370,340,103	1,089,320	371,429,423	22,480,221	6%
Claims on Foreign sovereigns and their Central Banks	-	-	-	-	-	-	-	-
Claims on Public Sector Entities (PSEs)	80,007,743	184,982,396	264,990,139	80,007,743	16,247,211	96,254,954	37,198,391	39%
Claims on BIS,IMF and Multilateral Development Banks(MDBs)	-	-	-	-	-	-	-	-
Claims on Banks Exposures	11,539,612	-	11,539,612	11,539,612	-	11,539,612	2,733,624	24%
Claims on Financial Institutions	10,857,526	-	10,857,526	10,857,526	-	10,857,526	5,126,692	47%
Claims on Corporates	97,719,972	145,455,312	243,175,284	97,601,344	49,418,749	147,020,093	131,102,322	89%
Retail claims	383,914,938	10,022,875	393,937,813	361,810,706	2,004,575	363,815,281	292,770,937	80%
Claims Secured by Gold	150,632,663	-	150,632,663	150,632,663	-	150,632,663	76,198	-
Claims Secured by Residential Property	63,990,212	-	63,990,212	63,990,212	-	63,990,212	31,995,106	50%
Claims Secured by Commercial real Estate	-	-	-	-	-	-	-	-
Non Performing Assets (NPAs)	17,551,950	-	17,551,950	17,551,950	-	17,551,950	22,495,282	128%
Higher-risk Categories	777,704	-	777,704	777,704	-	777,704	1,944,261	250%
Cash Items, other assets	53,062,603	-	53,062,603	53,062,603	-	53,062,603	96,864	-
Other Assets	46,465,305	-	46,465,305	35,343,940	-	35,343,940	35,343,940	100%

PART III (A) : CALCULATION OF RISK-WEIGHTED AMOUNT FOR CREDIT RISK

GROUP	As at 31.03.2019							
	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	1,606,672,977	368,701,804	1,975,374,782	1,252,738,401	67,670,535	1,320,408,936	752,206,418	57%
Claims on Central Government and Central Bank of Sri Lanka	690,930,455	28,241,222	719,171,676	370,340,103	-	370,340,103	22,480,221	6%
Claims on Foreign sovereigns and their Central Banks	-	-	-	-	-	-	-	-
Claims on Public Sector Entities (PSEs)	80,007,743	184,982,396	264,990,139	80,007,743	16,247,211	96,254,954	37,198,391	39%
Claims on BIS,IMF and Multilateral Development Banks(MDBs)	-	-	-	-	-	-	-	-
Claims on Banks Exposures	11,539,612	-	11,539,612	11,539,612	-	11,539,612	2,733,624	24%
Claims on Financial Institutions	10,857,526	-	10,857,526	10,857,526	-	10,857,526	6,850,755	63%
Claims on Corporates	97,719,972	145,455,312	243,175,284	97,601,344	49,418,749	147,020,093	131,102,322	89%
Retail claims	383,914,938	10,022,875	393,937,813	361,810,706	2,004,575	363,815,281	451,051,536	124%
Claims Secured by Gold	150,632,663	-	150,632,663	150,632,663	-	150,632,663	76,198	-
Claims Secured by Residential Property	63,990,212	-	63,990,212	63,990,212	-	63,990,212	32,369,706	51%
Claims Secured by Commercial real Estate	-	-	-	-	-	-	-	-
Non Performing Assets (NPAs)	17,551,950	-	17,551,950	17,551,950	-	17,551,950	22,495,282	128%
Higher-risk Categories	-	-	-	-	-	-	-	-
Cash Items, other assets	53,062,603	-	53,062,603	53,062,603	-	53,062,603	96,864	-
Other Assets	46,465,305	-	46,465,305	35,343,940	-	35,343,940	45,751,520	129%

TEMPLATE 9 : MARKET RISK UNDER STANDARDISED MEASUREMENT METHOD

ITEM	BANK		GROUP	
	31.03.2019	31.12.2018	31.03.2019	31.12.2018
(a) RWA for Interest Rate Risk	1,461,416	534,185	1,461,416	534,185
General Interest Risk				
i) Net long or short position	1,348,508	371,277	1,348,508	371,277
ii) Horizontal disallowance	1,348,508	371,277	1,348,508	371,277
iii) Vertical disallowance	-	-	-	-
iv) Options	-	-	-	-
Specific Interest Rate Risk	-	-	-	-
(b) RWA for Equity	112,908	162,908	112,908	162,908
General Equity risk	323,467	275,707	379,834	337,137
Specific Equity risk	162,358	138,805	190,542	170,710
© RWA for foreign Exchange & Gold	161,109	136,902	189,292	166,427
	130,404	162,551	130,404	162,551
Total Capital Charge for Market Risk	1,915,287	972,443	1,971,654	1,033,873
Total Risk Weighted Amount for Market Risk	13,680,617	7,552,947	14,083,243	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			56,419,931	65,061,073	74,883,247	65,454,750	70,955,859	84,868,152	99,771,804	85,198,605
Capital Charges for Operational Risk (LKR'000)										
The Basic Indicator Approach	15%		8,462,990	9,759,161	11,232,487	9,818,213	10,643,379	12,730,223	14,965,771	12,779,791
Risk Weighted Amount for Operational Risk (LKR'000)										
The Basic Indicator Approach	7.1		60,449,926	69,708,293	80,232,050	70,130,090	76,024,135	90,930,163	106,898,361	91,284,220

BASEL III DISCLOSURE REQUIREMENT

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

TABLE 11 : Differences between Accounting and Regulatory Scopes and Mapping of Financial Statement Categories with Regulatory Risk Categories - Bank

	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	1,716,808,165	1,713,912,540	1,604,188,995	108,902,791	820,754
Cash and Cash Equivalents	60,597,076	60,597,878	60,597,878	-	-
Balances with Central Bank of Sri Lanka	39,312,055	39,312,055	39,312,055	-	-
Placements with Banks	8,436,133	8,437,633	8,437,633	-	-
Derivative Financial Instruments	1,001,024	1,001,024	1,001,024	-	-
Financial Assets - At Fair Value through Profit or Loss	108,196,547	108,196,547	-	108,196,547	-
Financial Assets - At Amortised Cost					
Loans and Receivables to Banks	58,151,577	58,169,160	58,169,160	-	-
Loans and Receivables to Other Customers	1,217,800,537	1,226,761,969	1,226,761,969	-	-
Debt instruments measured at amortised cost	160,596,148	160,596,148	160,596,148	-	-
Financial Assets - At Fair Value through Other Comprehensive Income [OCI]					
Equity instruments at fair value through OCI	1,160,233	868,544	2,520,699	706,244	162,300
Debt instruments at fair value through OCI	2,520,699	2,520,699	782,654	-	-
Investments in Subsidiaries	1,027,542	1,027,542	-	-	244,888
Goodwill and Intangible Assets	413,566	413,566	26,239,239	-	413,566
Property, Plant and Equipment	26,239,239	26,239,239	1,264,331	-	-
Investment Properties	1,264,331	1,264,331	455,198	-	-
Prepaid Leases	455,198	455,198	18,051,007	-	-
Other Assets	29,636,260	18,051,007	-	-	-
Liabilities	1,622,812,704	1,617,569,847	-	-	-
Due to Banks	126,011,957	126,011,957	-	-	-
Derivative Financial Instruments	592,347	592,347	-	-	-
Due to Other Customers	1,437,254,968	1,437,557,385	-	-	-
Other Borrowings	15,570,734	15,570,734	-	-	-
Current Tax Liabilities	3,515,642	3,515,642	-	-	-
Net Deferred Tax Liabilities	3,954,834	3,647,244	-	-	-
Other Liabilities	23,378,318	18,140,634	-	-	-
Subordinated Term Debts	12,533,904	12,533,904	-	-	-
Shareholders' Equity	93,995,461	96,342,693	-	-	-
Stated Capital/Assigned Capital	12,201,998	12,201,998	-	-	-
Statutory Reserve Fund	6,669,490	6,669,490	-	-	-
Other Reserves	26,254,906	24,818,956	-	-	-
Retained Earnings	48,869,067	52,652,249	-	-	-
Total Equity and Liabilities	1,716,808,165	1,713,912,540	-	-	-
Off-Balance Sheet Liabilities	382,595,010	383,405,509	383,405,509	-	-
Acceptance	89,941,553	89,941,553	89,941,553	-	-
Guarantees	98,153,595	98,153,595	98,153,595	-	-
Letter of Credit	77,201,130	77,201,130	77,201,130	-	-
Other Contingent Items	51,397,025	51,397,025	51,397,025	-	-
Undrawn Loan Commitments	66,712,206	66,712,206	66,712,206	-	-
(-) Allowance for ECL/impairment losses	(810,499)	-	-	-	-