

**Income Statement**

	Bank			Group		
	For the three months ended			For the three months ended		
	31-Mar-16 Rs. '000	31-Mar-15 Rs. '000	Change %	31-Mar-16 Rs. '000	31-Mar-15 Rs. '000	Change %
Interest income	241,263	96,840	149	281,877	137,516	105
Interest expenses	(97,376)	(24,754)	(293)	(113,542)	(40,428)	(181)
<b>Net interest income</b>	<b>143,887</b>	<b>72,086</b>	<b>100</b>	<b>168,335</b>	<b>97,088</b>	<b>73</b>
Fees and commission income	14,001	8,951	56	13,558	9,575	42
Fees and commission expenses	(4,614)	(1,669)	(176)	(4,612)	(1,819)	(154)
<b>Net fees and commission income</b>	<b>9,387</b>	<b>7,282</b>	<b>29</b>	<b>8,946</b>	<b>7,756</b>	<b>15</b>
Net gains / (losses) from trading	638	2,486	(74)	638	2,486	(74)
Net gains / (losses) from financial instruments at fair value through profit & loss	-	-	-	(391)	(163)	(140)
Net gains / (losses) from financial investments	1,163	190	512	1,163	190	512
Other income	14,380	198	7,163	17,381	2,333	645
<b>Total other income</b>	<b>16,181</b>	<b>2,874</b>	<b>463</b>	<b>18,791</b>	<b>4,846</b>	<b>288</b>
<b>Total operating income</b>	<b>169,455</b>	<b>82,242</b>	<b>106</b>	<b>196,072</b>	<b>109,690</b>	<b>79</b>
<b>Impairment for loans and other losses</b>	<b>(575)</b>	<b>(63)</b>	<b>(792)</b>	<b>47,374</b>	<b>(1,248)</b>	<b>3,897</b>
Individual impairment	(575)	(63)	(792)	47,374	(1,248)	3,897
Collective impairment	(9,048)	(3,004)	(201)	(57,027)	(8,825)	(546)
Others	-	-	-	-	-	-
<b>Total impairment for loans and other losses</b>	<b>(9,623)</b>	<b>(3,067)</b>	<b>(214)</b>	<b>(9,653)</b>	<b>(10,073)</b>	<b>4</b>
<b>Net operating income</b>	<b>159,832</b>	<b>79,175</b>	<b>102</b>	<b>186,419</b>	<b>99,617</b>	<b>87</b>
Personnel expenses	(109,165)	(51,964)	(110)	(118,275)	(63,917)	(85)
Depreciation and amortisation	(36,680)	(30,590)	(20)	(37,834)	(31,370)	(21)
Other operating expenses	(101,583)	(69,636)	(46)	(112,632)	(81,006)	(39)
<b>Total operating expenses</b>	<b>(247,428)</b>	<b>(152,190)</b>	<b>(63)</b>	<b>(268,741)</b>	<b>(176,293)</b>	<b>(52)</b>
<b>Operating profit/ (loss) before Value Added Tax (VAT) and Nation Building Tax (NBT)</b>	<b>(87,596)</b>	<b>(73,015)</b>	<b>(20)</b>	<b>(82,322)</b>	<b>(76,676)</b>	<b>(7)</b>
VAT and NBT on financial services	(1,565)	-	-	(2,495)	(993)	(151)
<b>Profit/ (loss) before tax</b>	<b>(89,161)</b>	<b>(73,015)</b>	<b>(22)</b>	<b>(84,817)</b>	<b>(77,669)</b>	<b>(9)</b>
Tax expenses	-	-	-	-	7,499	(100)
<b>Profit/(loss) for the period</b>	<b>(89,161)</b>	<b>(73,015)</b>	<b>(22)</b>	<b>(84,817)</b>	<b>(70,170)</b>	<b>(21)</b>
<b>Attributable to:</b>						
Equity holders of the bank	-	-	-	(85,671)	(70,838)	(21)
Non-controlling interest	-	-	-	854	668	28
<b>Profit/(loss) for the period</b>				<b>(84,817)</b>	<b>(70,170)</b>	<b>(21)</b>
<b>Earnings/ (loss) per share</b>						
Equity shareholders of the parent for the period:						
Earnings/(loss) per share (Rs.)	(0.18)	(0.17)	(11)	(0.18)	(0.16)	(21)

**Statement of Changes in Equity**

	Bank				Group						
	Stated capital	Available-for-sale reserve	Accumulated loss	Total	Stated capital	Statutory reserves	Available-for-sale reserve	Accumulated loss	Attributable to owners of the bank	Non controlling interest	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Balance as at 01.01.2015-Audited	4,968,850	(502)	(420,515)	4,547,833	4,968,850	-	(502)	(424,694)	4,543,654	77,597	4,621,251
<b>Total comprehensive income for the three months ended 31.03.2015</b>	-	-	(73,015)	(73,015)	-	-	-	(70,838)	(70,838)	668	(70,170)
Loss for the period	-	-	(73,015)	(73,015)	-	-	-	(70,838)	(70,838)	668	(70,170)
Other comprehensive income/ (loss) net of tax	-	(16,170)	-	(16,170)	-	-	(16,170)	67	(16,103)	20	(16,083)
<b>Total comprehensive income for the period</b>	-	(16,170)	(73,015)	(89,185)	-	-	(16,170)	(70,771)	(86,941)	688	(86,253)
<b>Balance as at 31.03.2015</b>	<b>4,968,850</b>	<b>(16,672)</b>	<b>(493,530)</b>	<b>4,458,648</b>	<b>4,968,850</b>	<b>-</b>	<b>(16,672)</b>	<b>(495,465)</b>	<b>4,456,713</b>	<b>78,285</b>	<b>4,534,998</b>
<b>Total comprehensive income for the period 01.04.2015 to 31.12.2015</b>	-	-	(244,173)	(244,173)	-	-	-	(244,987)	(244,987)	(550)	(245,537)
Loss for the period	-	-	(244,173)	(244,173)	-	-	-	(244,987)	(244,987)	(550)	(245,537)
Other comprehensive income/ (loss) net of tax	-	5,270	-	5,270	-	-	5,270	(980)	4,290	-	4,290
<b>Total comprehensive income for the period</b>	-	5,270	(244,173)	(238,903)	-	-	5,270	(245,967)	(240,697)	(550)	(241,247)
<b>Transactions with owners of the bank</b>											
<b>Contributions and distributions</b>											
Issue of share capital	623,500	-	-	623,500	623,500	-	-	(335)	623,500	-	623,500
Transfer to statutory reserve	-	-	-	-	-	335	-	(335)	-	-	-
<b>Total contributions and distributions</b>	<b>623,500</b>	<b>-</b>	<b>-</b>	<b>623,500</b>	<b>623,500</b>	<b>335</b>	<b>-</b>	<b>(335)</b>	<b>623,500</b>	<b>-</b>	<b>623,500</b>
<b>Balance as at 01.01.2016-Audited</b>	<b>5,592,350</b>	<b>(11,402)</b>	<b>(737,703)</b>	<b>4,843,245</b>	<b>5,592,350</b>	<b>335</b>	<b>(11,402)</b>	<b>(741,767)</b>	<b>4,839,516</b>	<b>77,735</b>	<b>4,917,251</b>
<b>Total comprehensive income for the three months ended 31.03.2016</b>	-	-	(89,161)	(89,161)	-	-	-	(85,671)	(85,671)	854	(84,817)
Loss for the period	-	-	(89,161)	(89,161)	-	-	-	(85,671)	(85,671)	854	(84,817)
Other comprehensive income/ (loss) net of tax	-	(28,219)	-	(28,219)	-	-	(28,219)	-	(28,219)	-	(28,219)
<b>Total comprehensive income for the period</b>	-	(28,219)	(89,161)	(117,380)	-	-	(28,219)	(85,671)	(113,890)	854	(113,036)
<b>Transactions with owners of the bank</b>											
<b>Contributions and distributions</b>											
Movement due to change in shareholding	-	-	-	-	-	-	-	(9,609)	(9,609)	10,190	581
Expense on right issue	-	-	-	-	-	-	-	(694)	(694)	(170)	(864)
Transfer to statutory reserve	-	-	-	-	-	80	-	(80)	-	-	-
<b>Total contributions and distributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>-</b>	<b>(10,383)</b>	<b>(10,303)</b>	<b>10,020</b>	<b>(283)</b>
<b>Balance as at 31.03.2016</b>	<b>5,592,350</b>	<b>(39,621)</b>	<b>(826,864)</b>	<b>4,725,865</b>	<b>5,592,350</b>	<b>415</b>	<b>(39,621)</b>	<b>(837,821)</b>	<b>4,715,323</b>	<b>88,609</b>	<b>4,803,932</b>

Note: Cargills Bank Limited participated in the rights issue of Colombo Trust Finance PLC, whereby its holding increased from 76.51% to 80.34% as at 5 January 2016. As per SLFRS 10 on "Consolidated Financial Statements", changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control are equity transactions and hence, recognized directly in equity.

**Statement of Profit or Loss and Other Comprehensive Income**

	Bank			Group		
	For the three months ended			For the three months ended		
	31-Mar-16 Audited Rs. '000	31-Mar-15 Audited Rs. '000	Change %	31-Mar-16 Audited Rs. '000	31-Mar-15 Audited Rs. '000	Change %
<b>Profit/(loss) for the period</b>	<b>(89,161)</b>	<b>(73,015)</b>	<b>(22)</b>	<b>(84,817)</b>	<b>(70,170)</b>	<b>(21)</b>
<b>Other comprehensive income, net of tax</b>						
Items that will never be reclassified to profit & loss						
Actuarial gains/(losses) on defined benefit obligation	-	-	-	-	121	(100)
Deferred tax on actuarial gain	-	-	-	-	(34)	100
Items that are or may be reclassified to profit & loss						
Net gains / (losses) on re-measuring available for sale financial assets						
Sri Lanka government securities	(39,193)	(16,170)	(142)	(39,193)	(16,170)	(142)
Deferred tax charge/ (reverse) on available for sale reserve	10,974	-	-	10,974	-	-
<b>Total other comprehensive income for the period, net of tax</b>	<b>(28,219)</b>	<b>(16,170)</b>	<b>(75)</b>	<b>(28,219)</b>	<b>(16,170)</b>	<b>(75)</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>(28,219)</b>	<b>(16,170)</b>	<b>(75)</b>	<b>(28,219)</b>	<b>(16,083)</b>	<b>(75)</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>(117,380)</b>	<b>(89,185)</b>	<b>(32)</b>	<b>(113,036)</b>	<b>(86,253)</b>	<b>(31)</b>
<b>Attributable to:</b>						
Equity holders of the bank	-	-	-	(113,890)	(86,942)	(31)
Non-controlling interest	-	-	-	854	689	(31)
<b>Profit/(loss) for the period</b>				<b>(113,036)</b>	<b>(86,253)</b>	<b>(31)</b>

**Classification of Financial Assets and Financial Liabilities**

	Bank				Group						
	Loans and receivables	Available for sale	Other amortized cost	Total	Held for trading	Held to maturity	Loans and receivables	Available for sale	Other amortized cost	Total	
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	
<b>As at 31.03.2016</b>											
<b>Financial assets</b>											
Cash and cash equivalents	159,757	-	-	159,757	-	-	179,264	-	-	-	179,264
Balance with Central Bank	318,368	-	-	318,368	-	-	318,368	-	-	-	318,368
Placements with banks	2,106,923	-	-	2,106,923	-	-	2,106,923	-	-	-	2,106,923
Other financial instruments held for trading	-	-	-	-	1,908	-	-	-	-	-	1,908
Loans and receivables to banks	500,000	-	-	500,000	-	-	520,000	-	-	-	520,000
Loans and receivables to other customers	8,173,997	-	-	8,173,997	-	-	9,080,150	-	-	-	9,080,150
Financial investments available for sale	-	1,744,677	-	1,744,677	-	-	-	1,745,023	-	-	1,745,023
Financial investments held to maturity	-	-	-	-	-	40,137	-	-	-	-	40,137
<b>Total financial assets</b>	<b>11,259,045</b>	<b>1,744,677</b>	<b>-</b>	<b>13,003,722</b>	<b>1,908</b>	<b>40,137</b>	<b>12,204,705</b>	<b>1,745,023</b>	<b>-</b>	<b>-</b>	<b>13,991,773</b>
<b>Financial liabilities</b>											
Due to banks	-	-	33,521	33,521	-	-	-	-	-	33,543	33,543
Due to other customers	-	-	6,240,757	6,240,757	-	-	-	-	-	6,857,986	6,857,986
Other borrowings	-	-	484,154	484,154	-	-	-	-	-	484,154	484,154
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>6,758,432</b>	<b>6,758,432</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,375,683</b>	<b>7,375,683</b>
<b>As at 31.12.2015-Audited</b>											
<b>Financial assets</b>											
Cash and cash equivalents	174,129	-	-	174,129	-	-	196,157	-	-	-	196,157
Balance with Central Bank	139,342	-	-	139,342	-	-	139,342	-	-	-	139,342
Placements with banks	2,018,773	-	-	2,018,773	-	-	2,018,773	-	-	-	2,018,773
Other financial instruments held for trading	-	-	-	-	2,300	-	-	-	-	-	2,300
Loans and receivables to banks	1,000,172	-	-	1,000,172	-	-	1,022,172	-	-	-	1,022,172
Loans and receivables to other customers	7,206,375	-	-	7,206,375	-	-	8,084,912	-	-	-	8,084,912
Financial investments available for sale	-	1,604,080	-	1,604,080	-	-	-	1,604,426	-	-	1,604,426
Financial investments held to maturity	-	-	-	-	-	40,036	-	-	-	-	40,036
<b>Total financial assets</b>	<b>10,538,791</b>	<b>1,604,080</b>	<b>-</b>	<b>12,142,871</b>	<b>2,300</b>	<b>40,036</b>	<b>11,461,356</b>	<b>1,604,426</b>	<b>-</b>	<b>-</b>	<b>13,108,118</b>
<b>Financial liabilities</b>											
Due to banks	-	-	5,347								