Template 01

Key Regulatory Ratios – Capital and Liquidity

Item	30-Sep-19	31-Dec-18
Regulatory Capital (LKR '000)		
Common Equity Tier 1	10,462,127	10,380,811
Tier 1 Capital	10,462,127	10,380,811
Total Capital	10,629,671	10,865,272
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital Ratio (*Minimum Requirement – 7.0)*		
Tier 1 Capital Ratio (*Minimum Requirement – 8.50)*	29.73	31.29
Total Capital Ratio (*Minimum Requirement – 12.50)*	30.21	32.75
Leverage Ratio (*Minimum Requirement - 3)*	25.56	
Regulatory Liquidity		
Statutory Liquid Assets (LKR '000)	6,392,425	5,692,324
Statutory Liquid Ratio (*Minimum Requirement – 20)*		
Domestic Banking Unit (%)	26.29	23.34
Off-Shore Banking Unit (%)	98.31	54.61
Liquidity Coverage Ratio (%) – Rupee (*Minimum Requirement – 100)*	205.85	195.01
Liquidity Coverage Ratio (%) – All Currency (*Minimum Requirement – 100)*	156.7	151.04

Template 02

Basel III Computation of Capital Ratios

Item	**Amount (LKR '000)**	
	30-Sep-19	**31-Dec-18**
Common Equity Tier 1 (CET1) Capital after Adjustment	**10,462,127**	**10,380,811**
Common Equity Tier 1 (CET1) Capital	**11,023,961**	**11,023,961**
Equity Capital (Stated Capital)/ Assigned Capital	11,394,421	11,394,421
Reserve Fund	32,386	32,386
Published Retained Earnings/ (Accumulated Retained Losses)	(374,608)	(374,608)
Published Accumulated Other Comprehensive Income (OCI)	(28,238)	(28,238)
General and other Disclosed Reserves	-	-
Unpublished Current Year's Profit/Loss and Gains reflected in OCI	-	-
Ordinary Shares issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-
Total Adjustments to CET1 Capital	561,834	643,150
Goodwill (net)	-	-
Intangible Assets (net)	417,743	474,374
Others (specify) – *Deferred tax asset*	144,091	168,776
Additional Tier 1 (AT1) Capital after Adjustments	-	-
Additional Tier 1 (AT1) Capital	-	-
Qualifying Additional Tier 1 Capital Instruments	-	-
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-
Total Adjustments to AT1 Capital	-	-
Investment in Own Shares	-	-
Others (Specify)	-	-
Tier 2 Capital after Adjustments	167,544	484,461
Tier 2 Capital	167,544	484,461
Qualifying Tier 2 Capital Instruments	-	-
Revaluation Gains	-	-
Loan Loss Provisions	167,544	484,461
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-
Total Adjustments to Tier 2	-	-
Investment in Own Shares	-	-
Others (Specify)	-	-
CET1 Capital	**11,023,961**	**11,023,961**
Total Tier 1 Capital	**10,462,127**	**10,380,811**
Total Capital	**10,629,671**	**10,865,272**

	30-Sep-19	31-Dec-18
Total Risk Weighted Assets (RWA)		
RWAs for Credit Risk	31,285,632	29,983,494
RWAs for Market Risk	1,351,128	1,006,855
RWAs for Operational Risk	2,553,824	2,187,309
CET1 Capital Ratio (Including Capital Conservative Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)		
Of which: Capital Conservative Buffer (%)	-	-
Of which: Countercyclical Buffer (%)	-	-
Of which: Capital Surcharge on D-SIBs (%)	-	-
Total Tier 1 Capital Ratio	29.73	31.29
Total Capital Ratio (Including Capital Conservative Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)		
Of which: Capital Conservative Buffer (%)	-	-
Of which: Countercyclical Buffer (%)	-	-
Of which: Capital Surcharge on D-SIBs (%)	-	-

Template 03

Computation of Leverage Ratio

Item	Amount (LKR '000)
	30-Sep-19
Tier 1 Capital	10,462,127
Total Exposures	40,935,597
On-Balance Sheet Items (excluding Derivatives and Securities Financing Transactions, but including Collateral)	35,747,318
Derivative Exposure	-
Securities Financing Transaction Exposure	-
Other Off-Balance Sheet Exposure	5,188,279
Basel III Leverage Ratio (%) (Tier 1/ Total Exposure)	25.56

Template 04

Basel III Computation of Liquidity Coverage Ratio (Rupee)

Item	Amount (LKR '000)			
	30-Sep-19		31-Dec-18	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
Total Stock of High Quality Liquid Assets (HQLA)	5,231,580	5,231,580	5,246,066	5,246,066
Total Adjusted Level 1 Assets	5,343,494	5,343,494	5,223,555	5,223,555
Level 1 Assets	5,231,580	5,231,580	5,246,066	5,246,066
Total Adjusted Level 2A Assets	-	-	-	-
Level 2 Assets	-	-	-	-
Total Adjusted Level 2B Assets	-	-	-	-
Level 2B Assets	-	-	-	-
Total Cash Outflows	30,723,327	4,260,419	34,067,592	5,143,423
Deposits	15,830,063	1,583,006	12,869,886	1,286,989
Unsecured Wholesale Funding	4,162,205	2,263,948	5,485,396	2,652,821
Secured Funding Transactions	-	-	-	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	10,731,059	413,465	15,712,310	1,203,613
Additional Requirements	-	-	-	-
Total Cash Inflows	3,369,524	1,718,925	3,524,552	2,453,285
Maturing Secured Lending Transactions Backed by Collateral	-	-	-	-
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing within 30 Days	3,369,524	1,718,925	3,524,552	2,453,285
Operational Deposits	-	-	-	-
Other Cash Inflows	-	-	-	-
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days) * 100		205.85		195.01

Template 04

Basel III Computation of Liquidity Coverage Ratio (All Currency)

Item	Amount (LKR '000)			
	30-Sep-19		31-Dec-18	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
Total Stock of High Quality Liquid Assets (HQLA)	5,243,262	5,243,262	5,637,324	5,637,324
Total Adjusted Level 1 Assets	5,355,176	5,355,176	5,614,813	5,614,813
Level 1 Assets	5,243,262	5,243,262	5,637,324	5,637,324
Total Adjusted Level 2A Assets	-	-	-	-
Level 2 Assets	-	-	-	-
Total Adjusted Level 2B Assets	-	-	-	-
Level 2B Assets	-	-	-	-
Total Cash Outflows	33,746,027	5,199,734	36,914,472	6,410,896
Deposits	16,563,556	1,656,356	13,325,825	1,332,583
Unsecured Wholesale Funding	5,407,138	3,085,490	6,911,302	3,836,320
Secured Funding Transactions	-	-	-	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	11,775,333	457,888	16,677,345	1,241,993
Additional Requirements	-	-	-	-
Total Cash Inflows	3,623,407	1,853,687	4,312,902	2,678,461
Maturing Secured Lending Transactions Backed by Collateral	-	-	-	-
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing within 30 Days	3,623,407	1,853,687	3,958,332	2,678,461
Operational Deposits	-	-	354,570	-
Other Cash Inflows	-	-	-	-
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days) * 100		156.7		151.04

Template 07

Credit Risk under Standardised Approach –

Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects

Asset Class	Amount (LKR ‘000) as at 30 September 2019					
	Exposure before Credit Conversion Factor (CCF) and CRM		Exposures post CCF and CRM		RWA & RWA Density (%)	
	On-Balance Sheet Amount	Off-Balance Sheet Amount	On-Balance Sheet Amount	Off-Balance Sheet Amount	RWA	RWA Density
Claims on Central Government and CBSL	6,968,823	-	6,968,823	-	72,472	1.04%
Claims on Foreign Sovereigns and Their Central Banks	-	-	-	-	-	0.00%
Claims on Public Sector Entities	-	-	-	-	-	0.00%
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	0.00%
Claims on Banks Exposures	554,319	946,400	554,319	18,928	438,277	76.46%
Claims on Financial Institutions	1,827,531	116,893	1,827,531	116,893	1,387,623	71.36%
Claims on Corporates	8,020,325	8,718,006	8,020,325	4,427,595	11,612,067	93.29%
Retail Claims	11,209,898	2,940,386	11,209,898	643,810	11,853,708	100.00%
Claims Secured by Residential Property	1,205,494	-	1,205,494	-	1,201,973	99.71%
Claims Secured by Commercial Real Estate	-	-	-	-	-	0.00%
Non-Performing Assets (NPAs)	3,077,781	-	3,077,781	-	3,601,303	117.01%
High-risk Categories	-	-	-	-	-	0.00%
Cash Items and Other Assets	1,602,136	-	1,602,136	-	1,118,210	69.79%
Total	**34,466,307**	**12,721,685**	**34,466,307**	**5,207,226**	**31,285,632**	**78.86%**

Template 09

Market Risk under Standardised Measurement Method

Item	RWA Amount (LKR' 000) As at 30 September 2019
(a) RWA for Interest Rate Risk	1,351,128
General Interest Rate Risk	
i. Net Long or Short Position	140,917
ii. Horizontal Disallowance	-
iii. Vertical Disallowance	-
iv. Options	-
Specific Interest Rate Risk	-
(b) RWA for Equity	-
i. General Equity Risk	-
ii. Specific Equity Risk	-
(c) RWA for Foreign Exchange & Gold	27,974
Capital Charge for Market Risk [(a) + (b) + (c)] * CAR	168,891

Template 10

Operational Risk under Basic Indicator Approach/ The Standardised Approach/ The Alternative Standardised Approach

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income		
			1st Year	2nd Year	3rd Year
Basic Indicator Approach	15%		2,535,541	2,252,798	1,596,228
The Standardised Approach			-	-	-
Corporate Finance	18%		-	-	-
Trading and Sales	18%		-	-	-
Payment and Settlement	18%		-	-	-
Agency Services	15%		-	-	-
Asset Management	12%		-	-	-
Retail Brokerage	12%		-	-	-
Retail Banking	12%		-	-	-
Commercial Banking	15%		-	-	-
The Alternative Standardised Approach			-	-	-
Corporate Finance	18%		-	-	-
Trading and Sales	18%		-	-	-
Payment and Settlement	18%		-	-	-
Agency Services	15%		-	-	-
Asset Management	12%		-	-	-
Retail Brokerage	12%		-	-	-
Retail Banking	12%	0.035	-	-	-
Commercial Banking	15%	0.035	-	-	-
Capital Charge for Operational Risk (LKR’ 000)					
The Basic Indicator Approach	319,228				
The Standardised Approach	-				
The Alternative Standardised Approach	-				
Risk Weighted Amount for Operational Risk (LKR ‘000)					
The Basic Indicator Approach	2,553,824				
The Standardised Approach	-				
The Alternative Standardised Approach	-				

Template 11

Differences between Accounting and Regulatory Scopes and Mapping of Financial Statement Categories with Regulatory Risk Categories - Bank Only

Item	Amount (LKR '000) as at 30 September 2019				
	a	b	c	d	e
	Carrying Values as Reported in Published Financial Statements	Values under Scope of Regulatory Reporting	Credit Risk Framework	Market Risk Framework	Capital Requirements or Subject to Deduction from Capital
Assets					
Cash and Cash Equivalents	1,035,594	483,926	483,926	-	-
Balances with Central Banks	1,010,646	1,010,646	1,010,646	-	-
Placements with Banks	-	-	-	-	-
Derivative Financial Instruments	54	-	-	-	-
Financial Assets Designated at Fair Value through Profit or Loss	-	-	-	-	-
Loans and Receivables to Banks	-	-	-	-	-
Loans and Receivables to Other Customers	25,618,478	26,485,795	26,485,795	-	13,219,703
Financial Investments - Available-For-Sale	5,662,609	5,589,936	5,589,936	5,589,936	-
Financial Investments - Held-To-Maturity	485,130	488,805	488,805	-	-
Investments in Subsidiaries	-	-	-	-	-
Investments in Associates and Joint Ventures	-	-	-	-	-
Property, Plant and Equipment	463,871	881,614	881,614	463,871	417,743
Investment Properties	-	-	-	-	-
Goodwill and Intangible Assets	417,743	-	-	-	-
Deferred Tax Assets	417,291	-	-	-	-
Other Assets	996,139	798,430	798,430	-	-
Liabilities					
Due to Banks	1,273,172	-	-	-	-
Derivative Financial	3,872	-	-	-	-
Other Financial Liabilities Held-For-Trading	-	-	-	-	-
Financial Liabilities Designated at Fair Value Through Profit or Loss	-	-	-	-	-
Due to Other Customers	21,204,802	20,166,260	-	-	-
Other Borrowings	1,820,563	3,031,018	-	-	-
Debt Securities Issued	-	-	-	-	-
Current Tax Liabilities	-	-	-	-	-
Deferred Tax Liabilities	-	-	-	-	-
Other Provisions	59,964	-	-	-	-
Other Liabilities	1,134,225	2,010,071	-	-	-
Due to Subsidiaries	-	-	-	-	-
Subordinated Term Debts	-	-	-	-	-
Off-Balance Sheet Liabilities					
Guarantees	5,069,118	5,069,118	5,069,118	-	-
Performance Bonds	-	-	-	-	-
Letters of Credit	1,061,774	1,061,774	1,061,774	-	-
Other Contingent Items	1,325,322	1,325,322	1,325,322	-	-
Undrawn Loan Commitments	5,644,441	5,644,441	5,644,441	-	-
Other Commitments	64,697	64,697	-	-	-
Shareholders' Equity					
Equity Capital (Stated Capital)/Assigned Capital	11,394,421	11,394,421	-	-	-
of which Amount Eligible for CET1	11,394,421	11,394,421	-	-	-
of which Amount Eligible for AT1	11,394,421	11,394,421	-	-	-
Retained Earnings	(850,296)	(340,685)	-	-	-
Accumulated Other Comprehensive Income	34,447	-	-	-	-
Other Reserves	32,386	32,386	-	-	-
Total Shareholders' Equity	10,610,958	11,086,122	-	-	-