

## Template 01

### Key Regulatory Ratios – Capital and Liquidity

Item	31-Dec-18	31-Dec-17
<b>Regulatory Capital (LKR '000)</b>		
Common Equity Tier 1	10,380,811	10,714,086
Tier 1 Capital	10,380,811	10,714,086
Total Capital	10,865,272	10,828,381
<b>Regulatory Capital Ratios (%)</b>		
Common Equity Tier 1 Capital Ratio ( <i>Minimum Requirement – 6.375</i> )		
Tier 1 Capital Ratio ( <i>Minimum Requirement – 7.875</i> )	31.289	34.398
Total Capital Ratio ( <i>Minimum Requirement – 11.875</i> )	32.749	34.765
Leverage Ratio ( <i>Minimum Requirement - 3</i> )	-	-
<b>Regulatory Liquidity</b>		
Statutory Liquid Assets (LKR '000)	5,692,324	8,263,439
Statutory Liquid Ratio ( <i>Minimum Requirement – 20</i> )		
Domestic Banking Unit (%)	23.34	43.99
Off-Shore Banking Unit (%)	54.61	4,150
Liquidity Coverage Ratio (%) – Rupee ( <i>Minimum Requirement – 90</i> )	195.01	375.29
Liquidity Coverage Ratio (%) – All Currency ( <i>Minimum Requirement – 90</i> )	151.04	295.48

Template 02

Basel III Computation of Capital Ratios

Item	Amount (LKR '000)	
	31-Dec-18	31-Dec-17
<b>Common Equity Tier 1 (CET1) Capital after Adjustment</b>	<b>10,380,811</b>	<b>10,714,086</b>
<b>Common Equity Tier 1 (CET1) Capital</b>	<b>11,023,961</b>	<b>11,194,331</b>
Equity Capital (Stated Capital)/ Assigned Capital	11,394,421	11,394,421
Reserve Fund	32,386	26,246
Published Retained Earnings/ (Accumulated Retained Losses)	(374,608)	(236,882)
Published Accumulated Other Comprehensive Income (OCI)	(28,238)	10,546
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Unpublished Current Year's Profit/Loss and Gains reflected in OCI	-	-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	-	-
<b>Total Adjustments to CET1 Capital</b>	<b>643,150</b>	<b>480,245</b>
Goodwill (net)	-	-
Intangible Assets (net)	474,374	340,493
Others (specify) – <i>Deferred tax asset</i>	168,776	139,752
<b>Additional Tier 1 (AT1) Capital after Adjustments</b>	<b>-</b>	<b>-</b>
<b>Additional Tier 1 (AT1) Capital</b>	<b>-</b>	<b>-</b>
Qualifying Additional Tier 1 Capital Instruments	-	-
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-
<b>Total Adjustments to AT1 Capital</b>	<b>-</b>	<b>-</b>
Investment in Own Shares	-	-
Others (Specify)	-	-
<b>Tier 2 Capital after Adjustments</b>	<b>484,461</b>	<b>114,295</b>
<b>Tier 2 Capital</b>	<b>484,461</b>	<b>114,295</b>
Qualifying Tier 2 Capital Instruments	-	-
Revaluation Gains	-	-
Loan Loss Provisions	484,461	114,295
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-
<b>Total Adjustments to Tier 2</b>	<b>-</b>	<b>-</b>
Investment in Own Shares	-	-
Others (Specify)	-	-
<b>CET1 Capital</b>	<b>11,023,961</b>	<b>11,194,331</b>
<b>Total Tier 1 Capital</b>	<b>10,380,811</b>	<b>10,714,086</b>
<b>Total Capital</b>	<b>10,865,272</b>	<b>10,828,381</b>

	31-Dec-18	31-Dec-17
<b>Total Risk Weighted Assets (RWA)</b>		
RWAs for Credit Risk	29,983,494	28,734,861
RWAs for Market Risk	1,006,855	795,556
RWAs for Operational Risk	2,187,309	1,617,289
<b>CET1 Capital Ratio (Including Capital Conservative Buffer, Countercyclical Capital Buffer &amp; Surcharge on D-SIBs) (%)</b>		
Of which: Capital Conservative Buffer (%)	-	-
Of which: Countercyclical Buffer (%)	-	-
Of which: Capital Surcharge on D-SIBs (%)	-	-
<b>Total Tier 1 Capital Ratio</b>	31.289	34.398
<b>Total Capital Ratio (Including Capital Conservative Buffer, Countercyclical Capital Buffer &amp; Surcharge on D-SIBs) (%)</b>		
Of which: Capital Conservative Buffer (%)	-	-
Of which: Countercyclical Buffer (%)	-	-
Of which: Capital Surcharge on D-SIBs (%)	-	-

Template 04

Basel III Computation of Liquidity Coverage Ratio (Rupee)

Item	Amount (LKR '000)			
	31-Dec-18		31-Dec-17	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
<b>Total Stock of High Quality Liquid Assets (HQLA)</b>	5,246,066	5,246,066	4,361,907	4,361,907
<b>Total Adjusted Level 1 Assets</b>	5,223,555	5,223,555	4,363,537	4,363,537
Level 1 Assets	5,246,066	5,246,066	4,361,907	4,361,907
<b>Total Adjusted Level 2A Assets</b>	-	-	-	-
Level 2 Assets	-	-	-	-
<b>Total Adjusted Level 2B Assets</b>	-	-	-	-
Level 2B Assets	-	-	-	-
<b>Total Cash Outflows</b>	34,067,592	5,143,423	32,185,379	3,623,382
Deposits	12,869,886	1,286,989	9,965,540	996,554
Unsecured Wholesale Funding	5,485,396	2,652,821	3,886,320	2,023,509
Secured Funding Transactions	-	-	741,555	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	15,712,310	1,203,613	17,591,964	603,319
Additional Requirements	-	-	-	-
<b>Total Cash Inflows</b>	3,524,552	2,453,285	3,661,430	2,461,099
Maturing Secured Lending Transactions Backed by Collateral	-	-	-	-
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing within 30 Days	3,524,552	2,453,285	3,661,430	2,461,099
Operational Deposits	-	-	-	-
Other Cash Inflows	-	-	-	-
<b>Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days) * 100</b>		195.01		375.29

Template 04

Basel III Computation of Liquidity Coverage Ratio (All Currency)

Item	Amount (LKR '000)			
	31-Dec-18		31-Dec-17	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
<b>Total Stock of High Quality Liquid Assets (HQLA)</b>	5,637,324	5,637,324	4,384,777	4,384,777
<b>Total Adjusted Level 1 Assets</b>	5,614,813	5,614,813	4,386,407	4,386,407
<b>Level 1 Assets</b>	5,637,324	5,637,324	4,384,777	4,384,777
<b>Total Adjusted Level 2A Assets</b>	-	-	-	-
<b>Level 2 Assets</b>	-	-	-	-
<b>Total Adjusted Level 2B Assets</b>	-	-	-	-
<b>Level 2B Assets</b>	-	-	-	-
<b>Total Cash Outflows</b>	36,914,472	6,410,896	36,660,715	5,935,708
Deposits	13,325,825	1,332,583	12,312,184	1,231,218
Unsecured Wholesale Funding	6,911,302	3,836,320	6,015,012	4,101,170
Secured Funding Transactions	-	-	741,555	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	16,677,345	1,241,993	17,591,964	603,319
Additional Requirements	-	-	-	-
<b>Total Cash Inflows</b>	4,312,902	2,678,461	6,324,242	5,035,893
Maturing Secured Lending Transactions Backed by Collateral	-	-	-	-
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing within 30 Days	3,958,332	2,678,461	6,324,242	5,035,893
Operational Deposits	354,570.00	-	-	-
Other Cash Inflows	-	-	-	-
<b>Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days) * 100</b>		151.04		295.48

**Template 07**

**Credit Risk under Standardised Approach –**

**Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects**

Asset Class	Amount (LKR '000) as at 31 December 2018					
	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	6,917,000	-	6,917,000	-	74,885	1.08%
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	372,730	846,550	372,730	11,316	325,084	26.66%
Claims on Financial Institutions	2,962,408	116,893	2,962,408	116,893	1,883,903	61.18%
Claims on Corporates	7,143,907	15,898,625	7,143,907	4,627,873	11,771,780	51.09%
Retail Claims	11,647,106	661,806	11,647,106	484,610	12,131,716	98.56%
Claims Secured by Residential Property	1,159,468	-	1,159,468	-	1,154,563	99.58%
Claims Secured by Commercial Real Estate	-	-	-	-	-	0.00%
Non-Performing Assets (NPAs)	1,193,268	-	1,193,268	-	1,697,239	142.23%
High-risk Categories	-	-	-	-	-	0.00%
Cash Items and Other Assets	1,526,456	-	1,526,456	-	944,324	61.86%
<b>Total</b>	<b>32,922,343</b>	<b>17,523,874</b>	<b>32,922,343</b>	<b>5,240,692</b>	<b>29,983,494</b>	<b>59.44%</b>

**Template 08**

**Credit Risk under Standardised Approach: Exposures by Asset Classes and Risk Weights**

		Amount (LKR '000) as at 31 December 2018 (Post CCF and CRM)							
Risk Weight		0%	20%	50%	75%	100%	150%	>150%	Total Credit Exposure Amount
Asset Classes									
Claims on Central Government and CBSL		6,542,574	374,426	-	-	-	-	-	<b>6,917,000</b>
Claims on Foreign Sovereigns and Their Central Banks		-	-	-	-	-	-	-	-
Claims on Public Sector Entities		-	-	-	-	-	-	-	-
Claims on Official Entities and Multilateral Development Banks		-	-	-	-	-	-	-	-
Claims on Banks Exposures		-	76,188	7,254	-	306,219	-	-	<b>389,661</b>
Claims on Financial Institutions		-	276,792	1,947,928	-	854,581	-	-	<b>3,079,301</b>
Claims on Corporates		-	-	884,533	-	11,329,513	-	-	<b>12,214,046</b>
Retail Claims		-	-	-	-	12,131,716	-	-	<b>12,131,716</b>
Claims Secured by Residential Property		-	-	-	-	1,004,316	-	-	<b>1,004,316</b>
Claims Secured by Commercial Real Estate		-	-	-	-	-	-	-	-
Non-Performing Assets (NPAs)		-	-	9,810	-	330,668	1,007,942	-	<b>1,348,420</b>
High-risk Categories		-	-	-	-	-	-	-	-
Cash Items and Other Assets		582,132	-	-	-	944,324	-	-	<b>1,526,456</b>
<b>Total</b>		<b>7,124,706</b>	<b>727,406</b>	<b>2,849,525</b>	-	<b>26,901,337</b>	<b>1,007,942</b>	-	<b>38,610,916</b>

**Template 09**

**Market Risk under Standardised Measurement Method**

Item	RWA Amount
	(LKR' 000)
	As at 31 December 2018
<b>(a) RWA for Interest Rate Risk</b>	1,006,855
General Interest Rate Risk	
i. Net Long or Short Position	69,600
ii. Horizontal Disallowance	-
iii. Vertical Disallowance	-
iv. Options	-
Specific Interest Rate Risk	-
<b>(b) RWA for Equity</b>	-
i. General Equity Risk	-
ii. Specific Equity Risk	-
<b>(c) RWA for Foreign Exchange &amp; Gold</b>	49,964
<b>Capital Charge for Market Risk [(a) + (b) + (c) ] * CAR</b>	119,564



Template 10

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

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income		
			1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year
<b>Basic Indicator Approach</b>	15%		2,408,011	1,689,769	1,097,071
<b>The Standardised Approach</b>			-	-	-
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%		-	-	-
<b>The Alternative Standardised Approach</b>			-	-	-
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	-	-	-
<b>Capital Charge for Operational Risk (LKR' 000)</b>					
The Basic Indicator Approach	259,743				
The Standardised Approach	-				
The Alternative Standardised Approach	-				
<b>Risk Weighted Amount for Operational Risk (LKR '000)</b>					
The Basic Indicator Approach	2,187,309				
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 31 December 2018				
	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
<b>Assets</b>					
Cash and Cash Equivalents	1,231,655	582,132	582,132		
Balances with Central Banks	994,405	994,405	994,405		
Placements with Banks	-	372,730	372,730		
Derivative Financial	24	24		24	
Financial Assets Designated at Fair Value through Profit or Loss	-	-			
Loans and Receivables to Banks	-	-			
Loans and Receivables to Other Customers	23,917,397	23,917,387	23,917,387		13,620,493
Financial Investments - Available-For-Sale	5,548,169	5,548,169	5,548,169	5,548,169	
Financial Investments - Held-To-Maturity	524,002	800,794	800,794	-	
Investments in Subsidiaries	-	-			
Investments in Associates and Joint Ventures	-	-			
Property, Plant and Equipment	488,148	962,520	962,520		
Investment Properties	-	-			
Goodwill and Intangible Assets	474,374	-			
Deferred Tax Assets	168,776	168,776			
Other Assets	456,169	456,178	456,178		
<b>Liabilities</b>					
Due to Banks	1,364,712	198,197			
Derivative Financial	15,004	15,004			
Other Financial Liabilities Held-For-Trading	-	-			
Financial Liabilities Designated at Fair Value Through Profit or Loss	-	-			
Due to Other Customers	19,902,741	19,704,534			
Other Borrowings	662,523	2,027,235			
Debt Securities Issued	-	-			
Current Tax Liabilities	-	-			
Deferred Tax Liabilities	-	-			
Other Provisions	51,233	51,233			
Other Liabilities	782,945	782,962			
Due to Subsidiaries	-	-			
Subordinated Term Debts	-	-			
<b>Off-Balance Sheet Liabilities</b>					
Guarantees	5,614,445	5,614,445	5,614,445		
Performance Bonds	-	-			
Letters of Credit	898,000	898,000	898,000		
Other Contingent Items	1,162,196	1,162,196	1,162,196		
Undrawn Loan Commitments	10,164,901	10,164,901	10,164,901		
Other Commitments	52,135	52,135			
<b>Shareholders' Equity</b>					
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	(374,608)	(374,608)			
Accumulated Other Comprehensive Income	(28,238)	(28,238)			
Other Reserves	32,386	32,386			
Total Shareholders' Equity	11,023,962	11,023,961			