

Quantitative Disclosures as per Schedule III of Banking Act Direction No. 01 of 2016, Capital Requirements under Basel III

Basel III Computation of Liquidity Coverage Ratio – All Currencies

Item	Amount (LKR 000)			
	31.12.2018		31.12.2017	
	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value
Total Stock of High-Quality Liquid Assets (HQLA)	59,051,156	58,436,169	57,330,169	56,380,415
Total Adjusted Level 1A Assets	57,763,228	57,763,228	55,311,905	55,311,905
Level 1 Assets	57,763,228	57,763,228	55,311,905	55,311,905
Total Adjusted Level 2A Assets	82,790	70,372	169,650	144,203
Level 2A Assets	82,790	70,372	169,650	144,203
Total Adjusted Level 2B Assets	1,205,138	602,569	1,848,614	924,307
Level 2B Assets	1,205,138	602,569	1,848,614	924,307
Total cash outflows	348,143,976	75,603,273	297,199,823	72,429,674
Deposits	125,793,063	10,717,223	110,539,102	11,053,910
Unsecured wholesale funding	119,467,310	54,249,315	85,471,888	50,626,218
Secured funding transactions	5,874,993	-	3,193,156	-
Undrawn portion of committed (irrevocable) facilities and other contingent funding obligations	93,785,071	7,413,196	95,512,713	8,266,582
Additional Requirements	3,223,539	3,223,539	2,482,964	2,482,964
Total cash inflows	35,061,571	24,115,047	35,261,500	20,470,813
Maturing secured lending transactions backed by collateral	11,407,416	11,335,760	178,770	89,385
Committed facilities	1,000,000	-	1,000,000	-
Other inflows by counterparty which are maturing within 30 days	18,087,434	9,368,362	33,543,891	20,314,000
Operational deposits	1,152,256	-	470,422	-
Other cash inflows	3,414,465	3,410,925	68,417	67,428
Liquidity Coverage Ratio (%) (Stock of High-Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days)* 100		113.49		108.51

Basel III Computation of Liquidity Coverage Ratio – LKR Only

Item	Amount (LKR 000)			
	31.12.2018		31.12.2017	
	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value
Total Stock of High-Quality Liquid Assets (HQLA)	58,114,699	57,499,712	57,252,785	56,303,031
Total Adjusted Level 1A Assets	56,826,771	56,826,771	55,234,521	55,234,521
Level 1 Assets	56,826,771	56,826,771	55,234,521	55,234,521
Total Adjusted Level 2A Assets	82,790	70,372	169,650	144,203
Level 2A Assets	82,790	70,372	169,650	144,203
Total Adjusted Level 2B Assets	1,205,138	602,569	1,848,614	924,307
Level 2B Assets	1,205,138	602,569	1,848,614	924,307
Total cash outflows	252,398,912	45,858,938	223,260,953	57,527,010
Deposits	119,663,789	10,151,659	90,452,711	9,045,271
Unsecured wholesale funding	60,195,036	27,801,226	63,718,277	41,175,092
Secured funding transactions	5,874,993	-	3,193,156	-
Undrawn portion of committed (irrevocable) facilities and other contingent funding obligations	63,555,764	4,796,723	63,775,251	5,185,089
Additional requirements	3,109,330	3,109,330	2,121,558	2,121,558
Total cash inflows	24,177,696	16,478,234	25,759,051	13,486,661
Maturing secured lending transactions backed by collateral	9,305,602	9,233,947	178,770	89,385
Committed facilities	1,000,000	-	1,000,000	-
Other inflows by counterparty which are maturing within 30 days	13,865,013	7,240,746	24,578,304	13,396,288
Operational deposits	-	-	-	-
Other cash inflows	7,081	3,541	1,977	988
Liquidity Coverage Ratio (%) (Stock of High-Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days)* 100		195.71		127.84

Maturity of Financial Assets and Financial Liabilities

Bank as at 31 December 2018

	Up to 1 Month LKR 000	1-3 Months LKR 000	3-6 Months LKR 000	6-12 Months LKR 000	1-3 Years LKR 000	3-5 Years LKR 000	Over 5 Years LKR 000	Total* LKR 000
Financial assets								
Cash and cash equivalents	5,039,629	-	-	-	-	-	-	5,039,629
Balances with								
Central Bank of Sri Lanka	11,841,814	-	-	-	-	-	-	11,841,814
Placement with banks	425,089	-	-	-	-	-	-	425,089
Derivative assets								
held for risk management	3,407,384	-	-	-	-	-	-	3,407,384
Financial assets measured at fair value through profit or loss/Financial assets held for trading	-	-	-	-	-	-	6,017,381	6,017,381
Financial assets at amortised cost – Loans to and receivables from banks	29,796	4,437,577	15,434	-	4,391,520	4,025,560	-	12,899,887
Financial assets at amortised cost – Loans to and receivables from other customers	25,218,032	24,606,025	17,403,911	16,276,400	40,236,546	55,809,633	73,513,726	253,064,273
Financial assets at amortised cost – Debt and other instruments/ Held to maturity	1,152,235	287,028	180,123	2,454,870	15,051,018	3,756,132	-	22,881,406
Financial assets measured at fair value through other comprehensive income/ Classified as available for sale	1,319,910	748,264	9,735,552	12,237,686	7,737,500	5,443,116	11,847,739	49,069,767
Investments in subsidiaries	-	-	-	-	-	-	167,036	167,036
Investments in associate	-	-	-	-	-	-	35,270	35,270
Investments in joint venture	-	-	-	-	-	-	755,000	755,000
Other assets	2,333,581	71,739	70,656	96,772	27,308	27,308	334,238	2,961,602
Total financial assets	50,767,470	30,150,633	27,405,676	31,065,728	67,443,892	69,061,749	92,670,390	368,565,538

	Up to 1 Month LKR 000	1-3 Months LKR 000	3-6 Months LKR 000	6-12 Months LKR 000	1-3 Years LKR 000	3-5 Years LKR 000	Over 5 Years LKR 000	Total* LKR 000
Financial liabilities								
Due to banks	7,285,625	36,365	-	2,124,948	-	-	-	9,446,938
Derivative liabilities held for risk management	114,208	-	-	-	-	-	-	114,208
Financial liabilities at amortised cost – Due to depositors	33,044,484	58,974,600	55,856,377	30,665,583	12,141,582	11,971,314	39,758,345	242,412,285
Financial liabilities at amortised cost – Due to other borrowers	3,567,792	1,474,741	2,230,085	5,224,477	12,854,025	11,775,945	10,290,935	47,418,000
Debt securities issued	-	5,758,994	151,757	-	2,994,784	-	-	8,905,535
Retirement benefit obligation	-	-	-	-	-	-	408,704	408,704
Dividend payable	-	-	-	-	-	-	48,970	48,970
Other liabilities	2,751,842	343,909	345,532	573,627	38,949	92,921	458,687	4,605,467
Subordinated term debt	-	681,781	103,150	123,988	2,939,798	8,942,732	4,083,575	16,875,024
Total financial liabilities	46,763,951	67,270,390	58,686,901	38,712,623	30,969,138	32,782,912	55,049,216	330,235,131
Total net financial assets/(liabilities)	4,003,519	(37,119,757)	(31,281,225)	(7,646,895)	36,474,754	36,278,837	37,621,174	38,330,407
Contingencies								
Guarantees	16,137,388	-	-	-	-	-	-	16,137,388
Acceptance	1,916,875	2,966,377	1,060,953	215,328	-	-	-	6,159,533
Forward contracts	-	20,805,170	5,421,901	9,920,524	-	-	-	36,147,595
Cross CCY SWAP	-	-	-	113,316	696,084	-	-	809,400
Documentary credit	1,698,660	3,990,706	68,553	603,448	-	-	-	6,361,367
Bills for collection	3,810,321	-	-	-	-	-	-	3,810,321
Total Contingencies	23,563,244	27,762,253	6,551,407	10,852,616	696,084	-	-	69,425,604
Commitments								
Undrawn overdrafts	13,552,648	-	-	-	-	-	-	13,552,648
Undrawn loans	31,235,817	-	-	-	-	-	-	31,235,817
Undrawn credit card limits	2,024,246	-	-	-	-	-	-	2,024,246
Undrawn indirect credit facilities	19,648,916	-	-	-	-	-	-	19,648,916
Capital commitments	857,465	-	-	-	-	-	-	857,465
Undrawn leases	398,972	-	-	-	-	-	-	398,972
Total Commitments	67,718,064	-	-	-	-	-	-	67,718,064
Total Commitments and Contingencies	91,281,308	27,762,253	6,551,407	10,852,616	696,084	-	-	137,143,668

* Represent the aggregate of the contractual maturities based on undiscounted cash flows.

Bank as at 31 December 2017

	Up to 1 Month LKR 000	1-3 Months LKR 000	3-6 Months LKR 000	6-12 Months LKR 000	1-3 Years LKR 000	3-5 Years LKR 000	Over 5 Years LKR 000	Total*
								LKR 000
Financial assets								
Cash and cash equivalents	4,106,225	-	-	-	-	-	-	4,106,225
Balances with								
Central Bank of Sri Lanka	10,557,688	-	-	-	-	-	-	10,557,688
Placement with banks	6,691,381	-	-	-	-	-	-	6,691,381
Derivative assets								
held-for-risk management	66,440	-	-	-	-	-	-	66,440
Financial assets measured								
at fair value through profit								
or loss/Financial assets								
held for trading	-	-	-	-	-	279,094	-	279,094
Financial assets at								
amortised cost – Loans to								
and receivables from banks	786,286	1,364,645	952,263	9,808	6,339,072	1,536,000	-	10,988,074
Financial assets at								
amortised cost – Loans to								
and receivables from								
other customers	20,727,415	19,308,936	13,822,894	12,881,088	34,375,820	50,212,104	59,345,388	210,673,645
Financial assets at								
amortised cost – Debt and								
other instruments/								
Held to maturity	204,111	973,548	817,554	2,542,722	6,104,030	11,420,684	1,451,159	23,513,808
Financial assets measured								
at fair value through other								
comprehensive income/								
Classified as available for sale	1,938,150	836,695	10,133,632	10,756,311	3,261,869	4,202,149	11,983,320	43,112,126
Investments in subsidiaries	-	-	-	-	-	-	167,036	167,036
Investments in associate	-	-	-	-	-	-	35,270	35,270
Investments in joint venture	-	-	-	-	-	-	755,000	755,000
Other assets	2,042,795	254,972	164,728	790,507	279,972	433,590	1,736,059	5,702,623
Total financial assets	47,120,491	22,738,796	25,891,071	26,980,436	50,360,763	68,083,621	75,473,232	316,648,410

	Up to 1 Month LKR 000	1-3 Months LKR 000	3-6 Months LKR 000	6-12 Months LKR 000	1-3 Years LKR 000	3-5 Years LKR 000	Over 5 Years LKR 000	Total*
								LKR 000
Financial liabilities								
Due to banks	68,965	45,501	2,871,692	4,659,044	2,001,746	-	-	9,646,948
Derivative liabilities held-for-risk management	367,435	-	-	-	-	-	-	367,435
Securities sold under repurchase agreements	3,193,156	1,322,489	27,022	3,397	-	-	-	4,546,064
Financial liabilities at amortised cost – Due to depositors	30,289,983	47,714,707	43,909,341	15,226,199	10,401,732	9,459,778	29,690,589	186,692,329
Financial liabilities at amortised cost – Due to other borrowers	1,103,460	57,217	980,812	2,020,105	10,157,772	10,728,555	10,211,745	35,259,666
Debt securities issued	-	430,347	388,098	15,342,972	8,306,064	-	-	24,467,481
Retirement benefit obligation	-	-	-	-	-	-	330,578	330,578
Government grant – deferred Income	-	-	-	654,583	-	-	-	654,583
Dividend payable	-	-	-	-	-	-	47,338	47,338
Other liabilities	3,892,393	3,163,947	3,115,282	2,658,511	233,646	139,804	445,424	13,649,007
Subordinated term debt	-	-	103,118	126,349	1,992,392	949,936	6,040,020	9,211,815
Total financial liabilities	38,915,392	52,734,208	51,395,365	40,691,160	33,093,352	21,278,073	46,765,694	284,873,244
Total net financial assets/(liabilities)	8,205,099	(29,995,412)	(25,504,294)	(13,710,724)	17,267,411	46,805,548	28,707,538	31,775,166
Contingencies								
Guarantees	16,571,273	-	-	-	-	-	-	16,571,273
Acceptance	1,545,458	2,559,024	1,829,954	8,233	11,520	-	-	5,954,189
Forward contracts	-	9,984,303	5,044,794	22,760,617	328,300	-	-	38,118,014
Documentary credit	2,333,711	5,788,172	662,801	359,235	-	-	-	9,143,919
Bills for collection	2,305,466	-	-	-	-	-	-	2,305,466
Total contingencies	22,755,908	18,331,499	7,537,549	23,128,085	339,820	-	-	72,092,861
Commitments								
Undrawn overdrafts	12,350,333	-	-	-	-	-	-	12,350,333
Undrawn loans	38,883,858	-	-	-	-	-	-	38,883,858
Undisbursed cash loans	-	-	-	-	-	-	-	-
Undrawn credit card limits	585,502	-	-	-	-	-	-	585,502
Undrawn indirect credit facilities	10,510,442	-	-	-	-	-	-	10,510,442
Capital commitments	751,422	-	-	-	-	-	-	751,422
Operating lease commitments – Undrawn leases	522,440	-	-	-	-	-	-	522,440
Total commitments	63,603,997	-	-	-	-	-	-	63,603,997
Total commitments and contingencies	86,359,905	18,331,499	7,537,549	23,128,085	339,820	-	-	135,696,858

* Represent the aggregate of the contractual maturities based on undiscounted cash flows.

Maturity Gap Analysis of Foreign Currency Denominated Financial Assets and Financial Liabilities – USD

As at 31 December 2018	Up to 1 Month USD 000	1-3 Months USD 000	3-6 Months USD 000	6-12 Months USD 000	1-3 Years USD 000	3-5 Years USD 000	Over 5 Years USD 000	Total USD 000
Total assets	35,987	50,559	22,979	809	40,906	37,776	279,435	468,451
Total liabilities	88,141	52,854	42,687	82,719	80,355	69,468	44,972	461,196
Total net financial assets/(liabilities)	(52,154)	(2,295)	(19,708)	(81,910)	(39,449)	(31,692)	234,463	7,255

As at 31 December 2017	Up to 1 Month USD 000	1-3 Months USD 000	3-6 Months USD 000	6-12 Months USD 000	1-3 Years USD 000	3-5 Years USD 000	Over 5 Years USD 000	Total USD 000
Total assets	64,483	29,634	15,313	1,980	48,855	39,970	259,724	459,959
Total liabilities	74,061	50,965	35,354	133,232	66,329	59,174	34,340	453,455
Total net financial Assets/(liabilities)	(9,578)	(21,331)	(20,041)	(131,252)	(17,474)	(19,204)	225,384	6,504

Sensitivity of Financial Assets and Financial Liabilities**Bank as at 31 December 2018**

	Up to 1 Month LKR 000	1-3 Months LKR 000	3-6 Months LKR 000	6-12 Months LKR 000	1-3 Years LKR 000	3-5 Years LKR 000	Over 5 Years LKR 000	Non-interest bearing LKR 000	Total LKR 000
Financial assets									
Cash and cash equivalents	304,618	-	-	-	-	-	-	4,735,011	5,039,629
Balances with Central Bank of Sri Lanka	-	-	-	-	-	-	-	11,841,814	11,841,814
Placements with banks	425,089	-	-	-	-	-	-	-	425,089
Derivative assets held-for-risk management	-	-	-	-	-	-	-	3,407,384	3,407,384
Financial assets measured at fair value through profit or loss/Financial assets held for trading	-	-	-	-	-	-	-	6,017,381	6,017,381
Financial assets at amortised cost – Loans to and receivables from banks	29,796	4,437,577	15,434	-	4,391,520	4,025,560	-	-	12,899,887
Financial assets at amortised cost – Loans to and receivables from other customers	141,488,372	7,882,526	12,494,899	14,181,994	24,669,960	19,371,704	26,605,155	6,369,663	253,064,273
Financial assets at amortised cost – Debt and other Instruments/Held to maturity	1,152,235	287,028	180,123	2,454,870	15,051,018	3,756,132	-	-	22,881,406
Financial assets measured at fair value through other comprehensive income/ Financial assets available for sale	1,319,910	748,264	9,735,552	12,237,686	7,737,500	5,443,117	7,588,444	4,259,295	49,069,768
Investment in subsidiaries	-	-	-	-	-	-	-	167,036	167,036
Investment in associate	-	-	-	-	-	-	-	35,270	35,270
Investment in joint venture	-	-	-	-	-	-	-	755,000	755,000
Due from subsidiaries	-	-	-	-	-	-	-	9,505	9,505
Investment Property	-	-	-	-	-	-	-	9,879	9,879
Property, Plant and equipment	-	-	-	-	-	-	-	1,620,783	1,620,783
Intangible assets	-	-	-	-	-	-	-	668,834	668,834
Other assets	-	-	-	-	-	-	-	2,961,598	2,961,598
Total financial assets	144,720,020	13,355,395	22,426,008	28,874,550	51,849,998	32,596,513	34,193,599	42,858,453	370,874,536

	Up to 1 Month LKR 000	1-3 Months LKR 000	3-6 Months LKR 000	6-12 Months LKR 000	1-3 Years LKR 000	3-5 Years LKR 000	Over 5 Years LKR 000	Non-interest bearing LKR 000	Total LKR 000
Financial liabilities									
Due to banks	7,285,625	36,365	-	2,124,948	-	-	-	-	9,446,938
Derivative liabilities held-for-risk management	-	-	-	-	-	-	-	114,209	114,209
Financial liabilities at amortised cost – Due to depositors	82,067,918	52,592,276	49,824,583	22,962,960	26,304,650	1,701,676	74,628	6,883,594	242,412,285
Financial liabilities at amortised cost – Due to other borrowers	3,567,792	1,474,741	2,230,085	5,224,477	12,854,025	11,775,945	10,290,935	-	47,418,000
Debt securities issued	-	5,758,994	151,757	-	2,994,784	-	-	-	8,905,535
Retirement benefit obligation	-	-	-	-	-	-	-	408,704	408,704
Current tax liability	-	-	-	-	-	-	-	1,135,988	1,135,988
Deferred tax liability	-	-	-	-	-	-	-	829,552	829,552
Other liabilities	-	-	-	-	-	-	-	4,654,828	4,654,828
Subordinated term debt	-	681,781	103,150	123,988	2,939,798	8,942,732	4,083,575	-	16,875,024
Equity capital and reserves	-	-	-	-	-	-	-	38,673,473	38,673,473
Total financial liabilities	92,921,335	60,544,157	52,309,575	30,436,373	45,093,257	22,420,353	14,449,138	52,700,348	370,874,536
Interest rate sensitivity gap	51,798,685	(47,188,762)	(29,883,567)	(1,561,823)	6,756,741	10,176,160	19,744,461	(9,841,895)	-

Bank as at 31 December 2017

	Up to 1 Month LKR 000	1-3 Months LKR 000	3-6 Months LKR 000	6-12 Months LKR 000	1-3 Years LKR 000	3-5 Years LKR 000	Over 5 Years LKR 000	Non-interest bearing LKR 000	Total LKR 000
Financial assets									
Cash and cash equivalents	655,327	-	-	-	-	-	-	3,450,898	4,106,225
Balances with Central Bank of Sri Lanka	-	-	-	-	-	-	-	10,557,688	10,557,688
Placements with banks	6,691,381	-	-	-	-	-	-	-	6,691,381
Derivative assets held-for-risk management	-	-	-	-	-	-	-	66,440	66,440
Financial assets measured at fair value through profit or loss/Financial assets held for trading	-	-	-	-	-	279,094	-	-	279,094
Financial assets at amortised cost – Loans to and receivables from banks	786,285	1,364,645	952,263	9,808	6,339,072	1,536,000	-	-	10,988,073
Financial assets at amortised cost – Loans to and receivables from other customers	118,551,359	7,678,804	8,163,974	17,702,281	22,549,741	14,456,335	19,917,642	1,653,509	210,673,645
Financial assets at amortised cost – Debt and other Instruments/Held to maturity	204,111	973,548	817,554	2,542,722	6,104,030	11,420,684	1,451,159	-	23,513,808

	Up to 1 Month LKR 000	1-3 Months LKR 000	3-6 Months LKR 000	6-12 Months LKR 000	1-3 Years LKR 000	3-5 Years LKR 000	Over 5 Years LKR 000	Non-interest bearing LKR 000	Total LKR 000
Financial assets measured at fair value through other comprehensive income/ Financial assets available for sale	1,938,150	836,695	10,133,632	10,756,311	3,261,869	4,202,149	11,983,320	-	43,112,126
Investment in subsidiaries	-	-	-	-	-	-	-	167,036	167,036
Investment in associate	-	-	-	-	-	-	-	35,270	35,270
Investment in joint venture	-	-	-	-	-	-	-	755,000	755,000
Due from subsidiaries	-	-	-	-	-	-	-	12,083	12,083
Investment property	-	-	-	-	-	-	-	-	-
Property, plant and equipment	-	-	-	-	-	-	-	1,273,250	1,273,250
Intangible assets	-	-	-	-	-	-	-	498,084	498,084
Government grant receivables	-	-	-	-	-	-	-	642,583	642,583
Other assets	-	-	-	-	-	-	-	5,740,852	5,740,852
Total financial assets	128,826,613	10,853,692	20,067,423	31,011,122	38,254,712	31,894,262	33,352,121	24,852,693	319,112,638
Financial liabilities									
Due to banks	64,581	45,501	2,871,692	4,659,044	2,001,746	-	-	4,384	9,646,948
Derivative liabilities held-for-risk management	-	-	-	-	-	-	-	367,435	367,435
Financial liabilities at amortised cost – Due to depositors	64,009,635	44,884,132	41,302,210	10,666,994	1,238,153	296,199	19,409,793	11,685,768	193,492,884
Financial liabilities at amortised cost – Due to other borrowers	1,533,807	57,217	1,007,834	2,394,341	11,548,027	11,678,491	13,102,955	-	41,322,672
Debt securities issued	-	-	388,098	15,171,182	8,908,201	-	-	-	24,467,481
Retirement benefit obligation	-	-	-	-	-	-	-	330,578	330,578
Current tax liability	-	-	-	-	-	-	-	485,418	485,418
Deferred tax liability	-	-	-	-	-	-	-	1,003,444	1,003,444
Government grant deferred income	-	-	-	-	-	-	-	654,583	654,583
Other liabilities	-	-	-	-	-	-	-	3,602,912	3,602,912
Subordinated term debt	-	-	-	-	2,103,367	7,108,449	-	-	9,211,816
Equity capital and reserves	-	-	-	-	-	-	-	34,526,467	34,526,467
Total financial liabilities	65,608,023	44,986,850	45,569,834	32,891,561	25,799,494	19,083,139	32,512,748	52,660,989	319,112,638
Interest rate sensitivity gap	63,218,590	(34,133,158)	(25,502,411)	(1,880,439)	12,455,218	12,811,123	839,373	(27,808,296)	-

Key regulatory ratios – capital

Item	31.12.2018		31.12.2017	
	Bank	Group	Bank	Group
Regulatory capital (LKR 000)				
Common equity Tier 1	31,633,211	32,106,706	33,017,170	34,211,431
Tier 1 capital	31,633,211	32,106,706	33,017,170	34,211,431
Total capital	47,203,364	47,676,859	41,993,352	43,187,613
Regulatory capital ratios (%)				
Common equity Tier 1 capital ratio minimum requirement 2018 – 6.375% (2017 – 5.75%)	10.766	10.888	12.681	13.093
Tier 1 capital ratio minimum requirement 2018 – 7.875% (2017 – 7.25%)	10.766	10.888	12.681	13.093
Total capital ratio minimum requirement 2018 – 11.875% (2017 – 11.25%)	16.065	16.168	16.128	16.529

Basel III computation of capital ratios

Item	31.12.2018		31.12.2017	
	Bank LKR 000	Group LKR 000	Bank LKR 000	Group LKR 000
Common equity Tier 1 (CET 1) capital after adjustments	31,633,211	32,106,706	33,017,170	34,211,431
Common equity Tier 1 (CET 1) capital	38,041,191	40,961,078	38,035,888	41,884,674
Equity capital (stated capital)/assigned capital	4,715,814	4,715,814	4,715,814	4,715,814
Reserve fund	2,358,275	2,358,275	2,224,275	2,224,275
Published retained earnings/(accumulated retained losses)	17,187,263	20,107,150	13,858,152	17,357,048
Published accumulated Other Comprehensive Income (OCI)	-	-	3,457,808	3,807,698
General and other disclosed reserves	13,779,839	13,779,839	13,779,839	13,779,839
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 CET 1 capital	6,407,980	8,854,372	5,018,718	7,673,243
Goodwill (net)	-	156,226		156,226
Intangible assets (net)	668,834	686,288	498,084	502,411
Others (investment in capital of banks and financial institutions)	5,739,146	8,011,858	4,520,634	7,014,606
Additional Tier 1 (AT1) capital after adjustments			-	
Additional Tier 1 (AT1) capital			-	
Qualifying additional Tier 1 capital instruments			-	

Item	31.12.2018		31.12.2017	
	Bank LKR 000	Group LKR 000	Bank LKR 000	Group LKR 000
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	15,570,153	15,570,153	8,976,182	8,976,182
Tier 2 capital	15,570,153	15,570,153	8,976,182	8,976,182
Qualifying Tier 2 capital instruments	14,417,256	14,417,256	8,008,628	8,008,628
Revaluation gains	-	-		
Loan loss provisions	1,152,897	1,152,897	967,554	967,554
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	31,633,211	32,106,706	33,017,170	34,211,431
Total Tier 1 capital	31,633,211	32,106,706	33,017,170	34,211,431
Total capital	47,203,364	47,676,859	41,993,352	43,187,613
Total risk weighted assets (RWA)				
RWAs for credit risk	262,979,953	263,746,741	237,481,831	237,671,154
RWAs for market risk	14,903,582	14,903,582	8,109,913	8,109,913
RWAs for operational risk	15,940,116	16,228,641	14,783,335	15,508,584
CET1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)	10.766	10.888	12.681	13.093
of which: capital conservation buffer (%)	1.875	1.875	1.25	1.25
of which: countercyclical buffer (%)	N/A	N/A	N/A	N/A
of which: capital surcharge on D-SIBs (%)	N/A	N/A	N/A	N/A
Total Tier 1 capital ratio (%)	10.766	10.888	12.681	13.093
Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)	16.065	16.168	16.128	16.529
of which: capital conservation buffer (%)	1.875	1.875	1.25	1.25
of which: countercyclical buffer (%)	N/A	N/A	N/A	N/A
of which: capital surcharge on D-SIBs (%)	N/A	N/A	N/A	N/A

**Credit Risk under Standardised Approach –
Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects**

Asset Class	As at 31 December 2018 – Bank					
	Exposures before credit conversion factor (CCF) and CRM		Exposures post CCF and CRM		RWA and RWA density (%)	
	On-balance sheet amount LKR 000	Off-balance sheet amount LKR 000	On-balance sheet amount LKR 000	Off-balance sheet amount LKR 000	RWA LKR 000	RWA density(ii)
Claims on central Government and CBSL	88,936,934	548,940	88,936,934	10,979	2,717,985	3%
Claims on foreign sovereigns and their Central Banks	-	-	-	-	-	-
Claims on public sector entities	6,443,394	1,480,307	298,126	740,154	1,038,280	100%
Claims on official entities and multilateral development banks	-	-	-	-	-	-
Claims on banks exposures	2,462,047	47,723,196	2,462,047	954,464	1,216,813	36%
Claims on financial institutions	13,032,475	750,000	13,032,475	375,000	7,016,336	52%
Claims on corporates	97,064,414	51,923,219	91,428,321	24,212,355	111,239,028	96%
Retail claims	38,819,978	-	29,983,983	-	25,171,608	84%
Claims secured by residential property	9,751,637	-	9,676,729	-	7,084,911	73%
Claims secured by commercial real estate	82,163,485	1,521,214	82,163,485	1,521,214	83,684,699	100%
Non-performing assets (NPAs) (i)	4,467,326	-	4,467,326	-	6,073,431	136%
Higher-risk categories	371,370	-	371,370	-	928,426	250%
Cash Items and other assets	17,513,470	13,319,084	17,305,581	3,384,010	16,808,436	81%
Total	361,026,530	117,268,960	340,126,377	31,198,176	262,979,953	

Note:

- (i) (i) NPAs - As per banking act Directions on classification of loans and advances, income recognition and provisioning.
(ii) RWA density - Total RWA/exposures post CCF and CRM.

**Credit Risk under Standardised Approach –
Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects**

Asset Class	As at 31 December 2018 – Group					
	Exposures before credit conversion factor (CCF) and CRM		Exposures post CCF and CRM		RWA and RWA density (%)	
	On- balance sheet amount LKR 000	Off- balance sheet amount LKR 000	On- balance sheet amount LKR 000	Off- balance sheet amount LKR 000	RWA LKR 000	RWA density(ii)
Claims on central Government and CBSL	88,936,934	548,940	88,936,934	10,979	2,717,985	3%
Claims on foreign sovereigns and their Central Banks	-	-	-	-	-	-
Claims on public sector entities	6,443,394	1,480,307	298,126	740,154	1,038,279	100%
Claims on official entities and multilateral development banks	-	-	-	-	-	-
Claims on banks exposures	2,503,762	47,723,196	2,503,762	954,464	1,225,156	35%
Claims on financial institutions	13,032,475	750,000	13,032,475	375,000	7,016,336	52%
Claims on corporates	97,064,414	51,923,219	91,428,321	24,212,355	111,239,029	96%
Retail claims	38,819,978	-	29,983,983	-	25,171,609	84%
Claims secured by residential property	9,751,637	-	9,676,729	-	7,084,911	73%
Claims secured by commercial real estate	82,163,485	1,521,214	82,163,485	1,521,214	83,684,698	100%
Non-performing assets (NPAs)(i)	4,467,326	-	4,467,326	-	6,073,431	136%
Higher-risk categories	400,685	-	400,685	-	1,001,713	250%
Cash items and other assets	18,904,675	13,319,084	18,000,933	3,384,010	17,493,594	82%
Total	362,488,765	117,265,960	340,892,759	31,198,176	263,746,741	

Note:

(i) NPAs - As per banking act directions on classification of loans and advances, income recognition and provisioning.

(ii) RWA density - Total RWA/exposures post CCF and CRM.

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

Description	Amount (LKR 000) as at 31 December 2018 (Post CCF and CRM) – Bank							Total credit exposures amount
	0%	20%	50%	75%	100%	150%	>150%	
Claims on central Government and Central Bank of Sri Lanka	75,357,988	13,589,925	-	-	-	-	-	88,947,912
Claims on foreign sovereigns and their Central Banks	-	-	-	-	-	-	-	-
Claims on public sector entities	-	-	-	-	1,038,280	-	-	1,038,280
Claims on official entities and multilateral development banks	-	-	-	-	-	-	-	-
Claims on banks exposures	-	1,929,567	1,356,936	-	85,160	44,847	-	3,416,511
Claims on financial institutions	-	1,250,000	10,782,279	-	1,375,196	-	-	13,407,475
Claims on corporates	-	4,836,043	1,226,011	-	109,418,234	160,388	-	115,640,676
Retail claims	434,962	2,504,418	-	9,495,514	17,549,090	-	-	29,983,984
Claims secured by residential property	-	-	5,183,636	-	4,493,093	-	-	9,676,729
Claims secured by commercial real estate	-	-	-	-	83,684,699	-	-	83,684,699
Non-performing assets (NPAs)	-	-	25,519	-	1,204,077	3,237,730	-	4,467,326
Higher-risk categories	-	-	-	-	-	-	371,370	371,370
Cash items and other assets	3,856,512	30,804	-	-	16,802,275	-	-	20,689,591
Total	79,649,462	24,140,757	18,574,381	9,495,514	235,650,104	3,442,965	371,370	371,324,553

Description	Amount (LKR' 000) as at 31 December 2018 (Post CCF and CRM) – Group							Total credit exposures amount	
	Risk Weight Asset Classes	0%	20%	50%	75%	100%	150%		>150%
Claims on central Government and Central Bank of Sri Lanka	75,357,988	13,589,925	-	-	-	-	-	-	88,947,913
Claims on foreign sovereigns and their Central Banks	-	-	-	-	-	-	-	-	-
Claims on public sector entities	-	-	-	-	1,038,280	-	-	-	1,038,280
Claims on official entities and multilateral development banks	-	-	-	-	-	-	-	-	-
Claims on banks exposures	-	1,971,283	1,356,936	-	85,160	44,847	-	-	3,458,226
Claims on financial institutions	-	1,250,000	10,782,279	-	1,375,196	-	-	-	13,407,475
Claims on corporates	-	4,836,043	1,226,011	-	109,418,234	160,388	-	-	115,640,676
Retail claims	434,962	2,504,418	-	9,495,514	17,549,090	-	-	-	29,983,984
Claims secured by residential property	-	-	5,183,636	-	4,493,093	-	-	-	9,676,729
Claims secured by commercial real estate	-	-	-	-	83,684,699	-	-	-	83,684,699
Non-performing assets (NPAs)	-	-	25,519	-	1,204,077	3,237,730	-	-	4,467,326
Higher-risk categories	-	-	-	-	-	-	400,685	-	400,685
Cash items and other assets	3,866,706	30,804	-	-	17,487,432	-	-	-	21,384,942
Total	79,659,656	24,182,473	18,574,381	9,495,514	236,335,261	3,442,965	400,685	400,685	372,090,935

Market Risk under Standardised Measurement Method

Item	31 December 2018 RWA	
	Bank LKR 000	Group LKR 000
(a) RWA for interest rate risk	1,769,800	1,769,800
General Interest Rate Risk	1,065,810	1,065,810
(i) Net long or short position	1,065,810	1,065,810
(ii) Horizontal disallowance	-	-
(iii) Vertical disallowance	-	-
(iv) Options	-	-
Specific interest rate risk	-	-
(b) RWA for equity	697,585	697,585
(i) General equity risk	419,434	419,434
(ii) Specific equity risk	278,151	278,151
(c) RWA for Foreign exchange and gold	6,405	6,405
Capital charge for market risk [(a)+(b)+(c)]* CAR	14,903,582	14,903,582

Operational risk under basic indicator approach/the standardised approach/the alternative standardised approach – Bank

Business lines	Capital charge factor %	Fixed factor	Gross income year ended 31 December		
			1st year LKR 000	2nd year LKR 000	3rd year LKR 000
The basic indicator approach	15		13,401,828	13,147,262	11,308,687
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 charges for operational risk (LKR 000)					
The basic indicator approach	1,892,889				
The standardised approach					
The alternative standardised approach					
Risk-weighted amount for operational risk (LKR 000)					
The basic indicator approach	15,940,116				
The standardised approach					
The alternative standardised approach					

Operational risk under basic indicator approach/the standardised approach/the alternative standardised approach – Group

Business lines	Capital charge factor %	Fixed factor	Gross income year ended 31 December		
			1st year LKR 000	2nd year LKR 000	3rd year LKR 000
The basic indicator approach	15		13,738,681	13,239,350	11,564,991
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 charges for operational risk (LKR 000)					
The basic indicator approach	1,927,151				
The standardised approach					
The alternative standardised approach					
Risk-weighted amount for operational risk (LKR 000)					
The basic indicator approach	16,228,641				
The standardised approach					
The alternative standardised approach					