

# SEYLAN BANK PLC

## FINANCIAL STATEMENTS

### Three months ended 31st March, 2017



#### INCOME STATEMENT

(In terms of Rule 7.4 of the Colombo Stock Exchange)

	Rs. '000					
	BANK			GROUP		
	For the three months ended 31st March			For the three months ended 31st March		
	2017	2016	Growth %	2017	2016	Growth %
Interest Income	10,120,010	6,954,329	45.52	10,123,349	6,958,076	45.49
Less: Interest Expenses	6,564,655	4,015,359	63.49	6,558,871	4,010,932	63.52
<b>Net Interest Income</b>	<b>3,555,355</b>	<b>2,938,970</b>	<b>20.97</b>	<b>3,564,478</b>	<b>2,947,144</b>	<b>20.95</b>
Fee and Commission Income	905,095	725,560	24.74	905,081	725,555	24.74
Less: Fee and Commission Expenses	36,525	30,352	20.34	38,056	31,964	19.06
<b>Net Fee and Commission Income</b>	<b>868,570</b>	<b>695,208</b>	<b>24.94</b>	<b>867,025</b>	<b>693,591</b>	<b>25.01</b>
Net Trading Income	(89,141)	(516,324)	82.74	(90,706)	(516,924)	82.45
Net Gain from Financial Investments	(4,096)	36,664	(111.17)	(4,096)	36,664	(111.17)
Net Exchange Income	244,103	285,123	(14.39)	244,103	285,123	(14.39)
Other Operating Income (Net)	148,012	126,558	16.95	95,697	89,075	7.43
<b>298,878</b>	<b>(67,979)</b>	<b>539.66</b>	<b>244,998</b>	<b>(106,062)</b>	<b>331.00</b>	
<b>Total Operating Income</b>	<b>4,722,803</b>	<b>3,566,199</b>	<b>32.43</b>	<b>4,676,501</b>	<b>3,534,673</b>	<b>32.30</b>
Less: Impairment for Loans and Other Losses - Charges/(Reversal)						
Individual Impairment	253,395	70,604	258.90	253,395	70,604	258.90
Collective Impairment	83,889	13,324	529.61	83,889	13,324	529.61
Others	8,465	413	1,949.64	8,465	413	1,949.64
<b>345,749</b>	<b>84,341</b>	<b>309.94</b>	<b>345,749</b>	<b>84,341</b>	<b>309.94</b>	
<b>Net Operating Income</b>	<b>4,377,054</b>	<b>3,481,858</b>	<b>25.71</b>	<b>4,330,752</b>	<b>3,450,332</b>	<b>25.52</b>
Personnel Expenses	1,326,536	1,134,408	16.94	1,335,460	1,142,785	16.86
Depreciation and Amortisation	164,745	140,529	17.23	176,114	152,053	15.82
Other Expenses	1,214,240	997,974	21.67	1,190,855	982,327	21.23
<b>2,705,521</b>	<b>2,272,911</b>	<b>19.03</b>	<b>2,702,429</b>	<b>2,277,165</b>	<b>18.68</b>	
<b>Operating Profit before Taxes</b>	<b>1,671,533</b>	<b>1,208,947</b>	<b>38.26</b>	<b>1,628,323</b>	<b>1,173,167</b>	<b>38.80</b>
Value Added Tax (VAT) and Nation Building Tax (NBT) on Financial Services	415,740	237,376	75.14	405,507	237,376	70.83
<b>Profit before Income Tax</b>	<b>1,255,793</b>	<b>971,571</b>	<b>29.25</b>	<b>1,222,816</b>	<b>935,791</b>	<b>30.67</b>
Income Tax Expense	389,613	251,315	55.03	399,119	258,210	54.57
<b>Profit for the Period</b>	<b>866,180</b>	<b>720,256</b>	<b>20.26</b>	<b>823,697</b>	<b>677,581</b>	<b>21.56</b>
Attributable to:						
Owners of the Parent	866,180	720,256	20.26	818,475	673,539	21.52
Non-Controlling Interest	-	-	-	5,222	4,042	29.19
<b>Profit for the Period</b>	<b>866,180</b>	<b>720,256</b>	<b>20.26</b>	<b>823,697</b>	<b>677,581</b>	<b>21.56</b>
Basic/Diluted Earnings per Ordinary Share (In Rupees)	2.51	2.09	20.22	2.37	1.95	21.48

#### CASH FLOW STATEMENT

(In terms of Rule 7.4 of the Colombo Stock Exchange)

	Rs. '000			
	BANK		GROUP	
	2017	2016	2017	2016
<b>Cash Flows from Operating Activities</b>				
Interest Receipts	10,314,083	6,995,318	10,321,210	6,999,065
Fees and Commission Receipts	905,095	725,560	905,081	725,555
Interest Payments	(6,257,872)	(3,898,147)	(6,252,088)	(3,893,720)
Trading Income	(145,346)	(529,034)	(146,911)	(529,634)
Receipts/Payments from Other Operating Activities	(445,069)	322,602	(427,168)	342,058
Cash Payments to Employees and Suppliers	(2,860,707)	(2,554,504)	(2,828,175)	(2,490,438)
Cash Payments to Other Operating Activities	(36,525)	(30,352)	(38,056)	(31,964)
<b>Operating Profit before Changes in Operating Assets and Liabilities</b>	<b>1,473,659</b>	<b>1,031,443</b>	<b>1,533,893</b>	<b>1,120,922</b>
(Increase)/Decrease in Operating Assets:				
Loans and Receivables to Customers	(6,027,371)	(8,474,196)	(6,027,371)	(8,474,196)
Deposits Held for Regulatory or Monetary Control Purposes	(459,742)	(3,862,386)	(459,742)	(3,862,386)
<b>Increase/(Decrease) in Operating Liabilities:</b>				
Deposits from Customers	845,923	1,274,521	845,923	1,274,521
Certificates of Deposit from Customers	(581,439)	(298,996)	(581,439)	(298,996)
<b>Cash used in Operations</b>	<b>(4,748,970)</b>	<b>(10,329,614)</b>	<b>(4,688,736)</b>	<b>(10,240,135)</b>
Income Tax Paid	(304,606)	(176,664)	(304,606)	(176,664)
Contribution Paid into Employees Retirement Benefit Plan/fo Employees	(21,064)	(24,989)	(21,064)	(24,989)
<b>Net Cash used in Operating Activities</b>	<b>(5,074,640)</b>	<b>(10,531,267)</b>	<b>(5,014,406)</b>	<b>(10,441,788)</b>
<b>Cash Flows from Investing Activities</b>				
Investment in Subsidiary Company	-	(1,673)	-	-
Dividend Income Received	4,801	2,141	4,801	2,141
Net Proceeds from Sale, Maturity and Purchase of Financial Investments of Government of Sri Lanka Treasury Bills/Bonds and Development Bonds Maturing after 03 Months	(7,746,854)	(5,422,817)	(7,746,854)	(5,422,817)
Reverse Repurchase Agreements Maturing after 03 Months	(1,100)	-	(1,100)	-
Net Proceeds from Sale, Maturity and Purchase of Financial Investments of Shares and Debentures	52,379	282,784	104,189	289,852
Purchase of Property, Plant & Equipment and Intangible Assets	(126,853)	(171,995)	(126,853)	(173,592)
Proceeds from Sale of Property, Plant & Equipment	505	12,586	505	12,586
Improvements to Investment Properties	-	-	(4,147)	-
<b>Net Cash Used in Investing Activities</b>	<b>(7,817,122)</b>	<b>(5,298,974)</b>	<b>(7,769,459)</b>	<b>(5,291,830)</b>
<b>Cash Flows from Financing Activities</b>				
Securities Sold under Repurchase Agreements	8,268,138	17,984,342	8,268,138	17,984,342
Increase/(Decrease) in Other Borrowings	3,924,816	(219,687)	3,857,464	(307,435)
Dividends Paid - Ordinary Shares	(3,395)	(205)	(43,960)	(9,080)
<b>Net Cash Generated from Financing Activities</b>	<b>12,189,559</b>	<b>17,764,450</b>	<b>12,081,652</b>	<b>17,667,827</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	(702,203)	1,934,209	(702,213)	1,934,209
Cash and Cash Equivalents at beginning of the Year	23,277,093	14,682,092	23,277,143	14,682,142
<b>Cash and Cash Equivalents at end of the Period</b>	<b>22,574,890</b>	<b>16,616,301</b>	<b>22,574,930</b>	<b>16,616,351</b>
<b>Reconciliation of Cash and Cash Equivalents</b>				
Cash and Cash Equivalents	8,845,830	7,497,370	8,845,870	7,497,420
Government of Sri Lanka Treasury Bills/Bonds and Development Bonds Maturing within 03 Months	6,420,689	3,821,997	6,420,689	3,821,997
Securities Purchased under Resale Agreements Maturing within 03 Months	7,308,371	5,296,934	7,308,371	5,296,934
<b>22,574,890</b>	<b>16,616,301</b>	<b>22,574,930</b>	<b>16,616,351</b>	

#### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(In terms of Rule 7.4 of the Colombo Stock Exchange)

	Rs. '000					
	Bank			Group		
	For the Three Months Ended 31st March			For the Three Months Ended 31st March		
	2017	2016	Growth%	2017	2016	Growth%
<b>Profit for the Period</b>	<b>866,180</b>	<b>720,256</b>	<b>20.26</b>	<b>823,697</b>	<b>677,581</b>	<b>21.56</b>
<b>Other Comprehensive Income/(Loss), Net of Tax</b>						
Net Gain/(Loss) on Re-measuring Available-for-Sale Financial Assets	47,943	(2,391,504)	102.00	47,525	(2,393,549)	101.99
<b>Other Comprehensive Income/(Loss) for the Period, Net of Taxes</b>	<b>47,943</b>	<b>(2,391,504)</b>	<b>102.00</b>	<b>47,525</b>	<b>(2,393,549)</b>	<b>101.99</b>
<b>Total Comprehensive Income/(Loss) for the Period</b>	<b>914,123</b>	<b>(1,671,248)</b>	<b>154.70</b>	<b>871,222</b>	<b>(1,715,968)</b>	<b>150.77</b>
Attributable to:						
Owners of the Parent	914,123	(1,671,248)	154.70	866,123	(1,719,405)	150.37
Non-Controlling Interest	-	-	-	5,099	3,437	48.36
<b>Total Comprehensive Income/(Loss) for the Period</b>	<b>914,123</b>	<b>(1,671,248)</b>	<b>154.70</b>	<b>871,222</b>	<b>(1,715,968)</b>	<b>150.77</b>

#### STATEMENT OF FINANCIAL POSITION

(In terms of Rule 7.4 of the Colombo Stock Exchange)

	Rs. '000					
	Bank			Group		
	As at 31.03.2017	As at 31.12.2016	Growth %	As at 31.03.2017	As at 31.12.2016	Growth %
<b>Assets</b>						
Cash and Cash Equivalents	8,845,830	8,336,143	6.11	8,845,870	8,336,193	6.11
Balances with Central Bank of Sri Lanka	16,671,360	16,211,618	2.84	16,671,360	16,211,618	2.84
Placements with Banks and Finance Companies	-	334,230	(100.00)	-	334,230	(100.00)
Derivative Financial Instruments	92,462	115,707	(20.09)	92,462	115,707	(20.09)
Other Financial Assets Held-for-Trading	7,768,373	9,060,416	(14.26)	7,773,545	9,066,980	(14.27)
Securities Purchased under Resale Agreements	7,309,471	7,317,022	(0.10)	7,309,471	7,317,022	(0.10)
Customer Loans and Receivables	242,531,491	236,020,197	2.76	242,531,491	236,020,197	2.76
Financial Investments - Available-for-Sale	53,100,223	45,863,945	15.78	53,135,858	45,900,746	15.76
Financial Investments - Held-to-Maturity	18,968,311	18,412,060	3.02	18,982,367	18,479,155	2.72
Investment in Subsidiary	1,153,602	1,153,602	-	-	-	-
Group Balances Receivable	100,424	30,102	233.61	-	-	-
Property, Plant & Equipment	4,295,263	4,329,522	(0.79)	5,930,319	5,971,693	(0.69)
Leasehold Rights	41,885	42,370	(1.14)	588,364	590,701	(0.40)
Investment Properties	-	-	-	855,822	854,078	0.20
Intangible Assets	258,964	262,112	(1.20)	258,964	262,112	(1.20)
Assets Held-for-Sale	-	-	-	204,535	226,827	(9.83)
Deferred Tax Assets	81,370	-	-	19,599	-	-
Other Assets	8,058,454	8,523,510	(5.46)	8,000,155	8,562,182	(6.56)
<b>Total Assets</b>	<b>369,277,483</b>	<b>356,012,556</b>	<b>3.73</b>	<b>371,200,182</b>	<b>358,249,441</b>	<b>3.62</b>
<b>Liabilities</b>						
Due to Banks	22,352,961	17,728,293	26.09	22,352,961	17,728,293	26.09
Derivative Financial Instruments	11,169	86,654	(87.11)	11,169	86,654	(87.11)
Customer Deposits	274,120,849	273,456,344	0.24	274,120,849	273,456,344	0.24
Securities Sold under Repurchase Agreements	24,289,428	15,976,518	52.03	24,289,428	15,976,518	52.03
Other Borrowings	23,702	21,249	11.54	23,702	21,249	11.54
Group Balances Payable	307,638	226,351	35.91	-	-	-
Debentures	12,272,510	12,493,645	(1.77)	12,272,510	12,493,645	(1.77)
Current Tax Liabilities	753,859	750,385	0.46	761,957	757,467	0.59
Deferred Tax Liabilities	-	11,874	(100.00)	-	70,959	(100.00)
Other Liabilities	6,881,538	7,488,961	(8.11)	6,866,221	7,572,848	(9.33)
<b>Total Liabilities</b>	<b>341,013,654</b>	<b>328,240,274</b>	<b>3.89</b>	<b>340,698,797</b>	<b>328,163,977</b>	<b>3.82</b>
<b>Equity</b>						
Stated Capital	11,228,269	10,529,724	6.63	11,228,269	10,529,724	6.63
Statutory Reserve Fund	1,387,964	1,387,964	-	1,387,964	1,387,964	-
Retained Earnings	13,798,516	14,050,233	(1.79)	14,005,503	14,304,925	(2.09)
Other Reserves	1,849,080	1,804,361	2.48	2,842,085	2,797,661	1.59
Total Shareholders' Equity	<b>28,263,829</b>	<b>27,772,282</b>	<b>1.77</b>	<b>29,463,821</b>	<b>29,020,274</b>	<b>1.53</b>
<b>Non-Controlling Interest</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,037,564</b>	<b>1,065,190</b>	<b>(2.59)</b>
<b>Total Equity</b>	<b>28,263,829</b>	<b>27,772,282</b>	<b>1.77</b>	<b>30,501,385</b>	<b>30,085,464</b>	<b>1.38</b>
<b>Total Equity &amp; Liabilities</b>	<b>369,277,483</b>	<b>356,012,556</b>	<b>3.73</b>	<b>371,200,182</b>	<b>358,249,441</b>	<b>3.62</b>
<b>Contingent Liabilities and Commitments</b>	<b>89,816,595</b>	<b>64,110,695</b>	<b>40.10</b>	<b>89,883,595</b>	<b>64,18</b>	

# SEYLAN BANK PLC

## FINANCIAL STATEMENTS

### Three months ended 31st March, 2017



#### 10. ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Rs. '000

	Bank - 31.03.2017					Bank - 31.12.2016				
	Held-for-Trading (HFT)	Held-to-Maturity (HTM)	Loans & Receivables (L&R)	Available-for-sale (AFS)	Total	Held-for-Trading (HFT)	Held-to-Maturity (HTM)	Loans & Receivables (L&R)	Available-for-sale (AFS)	Total
<b>Assets</b>										
Cash and Cash Equivalents	-	-	8,845,830	-	8,845,830	-	-	8,336,143	-	8,336,143
Balances with Central Bank of Sri Lanka	-	-	16,671,360	-	16,671,360	-	-	16,211,618	-	16,211,618
Placements with Banks and Finance Companies	-	-	-	-	-	-	-	334,230	-	334,230
Derivative Financial Instruments	92,462	-	-	-	92,462	115,707	-	-	-	115,707
Other Financial Assets Held-for-Trading	7,768,373	-	-	-	7,768,373	9,060,416	-	-	-	9,060,416
Securities Purchased under Resale Agreements	-	-	7,309,471	-	7,309,471	-	-	7,317,022	-	7,317,022
Customer Loans and Receivables	-	-	242,531,491	-	242,531,491	-	-	236,020,197	-	236,020,197
Financial Investments - Available-for-Sale	-	-	-	53,100,223	53,100,223	-	-	-	45,863,945	45,863,945
Financial Investments - Held-to-Maturity	-	-	-	-	-	-	18,412,060	-	-	18,412,060
Group Balances Receivable	-	18,968,311	-	-	18,968,311	-	-	-	-	18,968,311
Other Assets	-	-	100,424	-	100,424	-	-	30,102	-	30,102
	-	-	5,164,600	-	5,164,600	-	-	5,712,285	-	5,712,285
<b>Total Financial Assets</b>	<b>7,860,835</b>	<b>18,968,311</b>	<b>280,623,176</b>	<b>53,100,223</b>	<b>360,552,545</b>	<b>9,176,123</b>	<b>18,412,060</b>	<b>273,961,597</b>	<b>45,863,945</b>	<b>347,413,725</b>
<b>Liabilities</b>										
Due to Banks	-	-	22,352,961	-	22,352,961	-	-	17,728,293	-	17,728,293
Derivative Financial Instruments	11,169	-	-	-	11,169	86,654	-	-	-	86,654
Customer Deposits	-	-	274,120,849	-	274,120,849	-	-	273,456,344	-	273,456,344
Securities Sold under Repurchase Agreements	-	-	24,289,428	-	24,289,428	-	-	15,976,518	-	15,976,518
Other Borrowings	-	-	23,702	-	23,702	-	-	21,249	-	21,249
Debentures	-	-	12,272,510	-	12,272,510	-	-	12,493,645	-	12,493,645
Group Balances Payable	-	-	307,638	-	307,638	-	-	226,351	-	226,351
Current Tax Liabilities	-	-	753,859	-	753,859	-	-	750,385	-	750,385
Other Liabilities	-	-	5,567,779	-	5,567,779	-	-	5,959,234	-	5,959,234
<b>Total Financial Liabilities</b>	<b>11,169</b>	<b>-</b>	<b>339,688,726</b>	<b>-</b>	<b>339,688,726</b>	<b>86,654</b>	<b>-</b>	<b>326,612,019</b>	<b>-</b>	<b>326,612,019</b>

#### EXPLANATORY NOTES

1. General  
There are no changes to the accounting policies and methods of computation since the publication of the last Annual Report. The Interim Financial Statements of the Bank and the Group have been prepared & presented in accordance with the Sri Lanka Accounting Standards (LKAS/SLFRS) and provided necessary disclosure to comply with LKAS 34, Interim Financial Reporting. The Interim Financial Statements have been prepared in accordance with LKAS/SLFRS.

The group financial statements comprise a consolidation of the Financial Statements of the Company and its subsidiary Seylan Developments PLC (70.51%).

2. Information on Ordinary Shares

MARKET PRICE (Rs.)	31/03/2017		31/03/2016	
	Voting	Non-Voting	Voting	Non-Voting
Market Price Per Share	87.00	54.70	86.00	63.00
Highest price per share during the quarter ended	99.09	60.00	73.00	73.00
Lowest price per share during the quarter ended	83.60	51.50	77.00	58.50

3. Shareholders' Information

3.1 Twenty Largest Ordinary Voting Shareholders as at March 31, 2017

No. of Shares	%	
1. Sri Lanka Insurance Corporation Ltd.	26,942,047	15.00
2. Sri Lanka Insurance Corporation Ltd (General Fund) 17,961,365 and Sri Lanka Insurance Corporation Ltd (Life Fund) -8,980,682	24,921,279	13.87
3. Brown & Company PLC A/C No. 1	17,705,441	9.86
4. Employees' Provident Fund	17,155,820	9.55
5. LOLC Investments Ltd.	15,671,043	8.72
6. National Development Bank PLC A/C No. 02	13,471,025	7.50
7. Bank of Ceylon No.1 Account	7,954,389	4.43
8. Mr. R S Captain	3,883,458	2.16
9. BNYM SA/NV-Frontier Market Opportunities Master Fund LP	3,240,747	1.80
10. Employees' Trust Fund Board	3,080,300	1.71
11. Seyfish (Private) Limited	2,929,842	1.68
12. Seabest (Private) Limited	2,794,437	1.57
13. Seyshop (Private) Limited	2,747,808	1.50
14. Esots (Private) Limited	2,741,854	1.57
15. Lanka Century Investments PLC	1,989,471	1.14
16. Capital Development and Investment Company PLC A/C No. 02	1,942,143	1.11
17. AIA Insurance Lanka PLC A/C No. 07	1,823,813	1.04
18. HSBC Intl Nom Ltd - SSBT-Russell Institutional Funds Public Limited Company	1,567,840	0.87
19. Mr. K R B Fernando	1,036,232	0.58
20. Mr. S E Captain	1,021,384	0.57

3.2 Twenty Largest Ordinary Non-Voting Shareholders as at March 31, 2017

No. of Shares	%	
1. Lanka Orix Leasing Company PLC	76,812,865	43.93
2. Employees' Provident Fund	9,328,028	5.33
3. Akbar Brothers (Pvt) Ltd A/C No. 1	3,189,599	1.82
4. Deutsche Bank AG as Trustee for JB Vantage Value Equity Fund	2,929,842	1.68
5. Commercial Bank of Ceylon PLC/Dunamis Capital PLC	2,794,437	1.57
6. Pershing LLC S/A Averbach Gausson & Co.	2,747,808	1.50
7. Mr. E Thavagnanasooriyam & Mr. E Thavagnanasundaram	2,741,854	1.57
8. J B Cocoshell (Pvt) Ltd.	1,989,471	1.14
9. Merrill J Fernando & Sons (Pvt) Limited	1,942,143	1.11
10. Mr. N Balasingam	1,823,813	1.04
11. Lanka Orix Information Technology Services Ltd.	1,522,613	0.87
12. Deutsche Bank AG - National Equity Fund	1,296,721	0.74
13. Deutsche Bank AG as Trustee for Namal Acuity Value Fund	1,189,875	0.68
14. Dr. S Yaddheghe	1,164,008	0.67
15. Employees' Trust Fund Board	1,121,448	0.64
16. HSBC International Nominees Ltd-SSBT-Deutsche Bank AG Singapore A/C 01	888,352	0.51
17. Mr. R Gautam	886,716	0.51
18. Mr. M J Fernando	879,473	0.50
19. Mr. A P Somasiri	852,054	0.49
20. Miss. S Durga	813,055	0.47

3.3 Public Holdings as at March 31, 2017

Number of Share Holders	Percentage Holdings	
Ordinary Voting Shares	9,151	54.27%
Ordinary Non-Voting Shares	6,893	59.94%

4. Directors' and Chief Executive Officer's Shareholdings as at March 31, 2017

Name of Director	No. of Shares (Ordinary Voting)	No. of Shares (Ordinary Non-voting)
Mr. W M R S Dias Non Executive Director/Chairman	Nil	Nil
Mr. I C Nanayakkara, Non-executive Director/Deputy Chairman	Nil	Nil
Ms. M C Peeters, Independent Director/Senior Director	Nil	Nil
Mr. K P Arjyathne, Director/Chief Executive Officer	37,275	139,681
Rear Admiral B A J G Peiris, Independent Director	Nil	Nil
Mr. S P S Ranatunga, Independent Director	Nil	Nil
Mr. W D K Jayawardena, Non-executive Director	Nil	Nil
Mr. P L S K Perera, Independent Director	Nil	Nil
Mr. S V Corea, Non-executive Director	Nil	Nil
Mr. A S Wijesinha, Independent Director	Nil	Nil
Mrs. S K Salgado, Independent Director	Nil	Nil

5. Stated Capital as at March 31, 2017

	Rs. '000
33,560,000 Voting Ordinary Shares @ Rs. 10/- each	335,600
4,000,000 Voting Ordinary Shares @ Rs. 25/- each	100,000
92,440,000 Voting Ordinary Shares @ Rs. 35/- each	3,235,400
2,644,068 Voting Ordinary Shares @ Rs. 59/- each	156,000
43,333,333 Voting Ordinary Shares @ Rs. 75/- each	3,250,000
3,636,268 Voting Ordinary Shares @ Rs. 98/- each	356,354
83,560,000 Non-Voting Ordinary Shares @ Rs. 12/50 each	1,044,500
40,000,000 Non-Voting Ordinary Shares @ Rs. 25/- each	1,000,000
45,423,009 Non-Voting Ordinary Shares @ Rs. 35/- each	1,589,805
5,559,428 Non-Voting Ordinary Shares @ Rs. 58/40 each	342,191
Totals: Issue Expenses	(181,581)
<b>Total</b>	<b>11,228,269</b>

6. Basic/Diluted Earnings per Share

Basic Earnings per share has been calculated by dividing profit after tax attributable to the equity holders of the Bank by the weighted average number of shares in issue (both Voting & Non-voting) during the three months ended March 31, 2017. Diluted Earnings per Share and the Basic Earnings per Share is the same due to non-availability of potentially dilutive ordinary shares.

7. Events after the Reporting Date

The dividend of Rs. 3.25 per share was declared and approved by the shareholders at the Annual General Meeting of the Bank held on 31st March 2017. This dividend consisted of Rs. 1.00 per share in the form of cash dividend and Rs. 2.25 per share in the form of a scrip dividend, and was paid/issued to the Ordinary Voting Shareholders and Ordinary Non-voting Shareholders who were entitled/registered as at end of trading on 31st March 2017.

8. Comparative Figures

Comparative figures have been re-stated/re-classified where necessary, to conform to the current period presentation. During the quarter there were no material changes in Contingent Liabilities, composition of Assets and Liabilities and use of funds raised by the Bank.

All known expenditure items have been provided for in these Interim Accounts.

#### 9. SEGMENT REPORTING - GROUP

Rs. '000

	BANKING		TREASURY		PROPERTY/INVESTMENTS		UNALLOCATED/ELIMINATIONS		TOTAL	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Interest Income	8,726,102	5,815,556	832,889	705,322	9,131	8,174	555,227	429,024	10,123,349	6,958,076
Interest Expense	5,796,849	3,647,998	767,421	366,724	8	-	(5,407)	(3,790)	6,558,871	4,010,332
<b>Net Interest Income</b>	<b>2,929,253</b>	<b>2,167,558</b>	<b>65,468</b>	<b>338,598</b>	<b>9,123</b>	<b>8,174</b>	<b>560,634</b>	<b>432,814</b>	<b>3,564,478</b>	<b>2,947,744</b>
Fee and Commission Income	904,682	725,150	401	400	-	-	(2)	5	905,081	725,555
Fee & Commission Expenses	28,157	22,030	8,351	8,322	1,531	1,612	(19)	-	38,056	31,964
<b>Net Fee and Commission Income</b>	<b>876,525</b>	<b>703,120</b>	<b>(7,950)</b>	<b>(7,922)</b>	<b>(1,531)</b>	<b>(1,612)</b>	<b>(19)</b>	<b>5</b>	<b>867,025</b>	<b>693,591</b>
Net Trading Income	(89,141)	(516,324)	(1,965)	(600)	-	-	-	-	(90,786)	(516,924)
Net Gain from Financial Investments	-	-	(4,096)	36,664	-	-	-	-	(4,096)	36,564
Net Exchange Income	41,389	76,924	181,924	191,544	-	-	20,790	16,655	244,103	285,123
Other Operating Income (Net)	10,901	(114,196)	64,263	51,768	52,872	51,318	(32,339)	100,185	95,697	89,075
Inter Segments Revenue	(54,805)	(62,729)	36,013	44,210	-	-	18,792	18,519	-	-
<b>Total Operating Income</b>	<b>3,803,263</b>	<b>2,770,677</b>	<b>246,461</b>	<b>138,538</b>	<b>58,899</b>	<b>57,280</b>	<b>567,858</b>	<b>568,178</b>	<b>4,676,501</b>	<b>3,534,673</b>
Depreciation and Amortisation	108,721	95,978	288	319	199	412	66,906	55,344	176,114	152,053
Impairment for Loans and Other Losses - Charges/(Reversal)	345,749	84,341	-	-	-	-	-	-	345,749	84,341
Operating Expenses, NBT & VAT	2,333,733	1,756,765	56,993	39,444	20,524	25,197	520,572	541,082	2,931,822	2,362,488
<b>Reportable Segment Profit Before Income Tax</b>	<b>1,015,060</b>	<b>833,593</b>	<b>189,200</b>	<b>98,775</b>	<b>38,176</b>	<b>31,671</b>	<b>(19,620)</b>	<b>(28,248)</b>	<b>1,222,816</b>	<b>935,791</b>

OTHER INFORMATION

	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Total Assets	240,968,197	196,815,372	103,817,689	94,251,878	5,346,198	5,032,729	21,068,098	20,114,112	371,200,182	316,214,091
Total Liabilities & Equity	285,564,006	232,935,471	41,052,923	43,381,722	5,346,198	5,032,729	39,237,055	34,864,169	371,200,182	316,214,091
Cash Flows from Operating Activities	(5,371,397)	(10,656,352)	189,488	99,094	9,186	17,957	158,317	97,513	(5,014,406)	(10,441,788)
Cash Flows from Investing Activities	(67,576)	(47,386)	(7,764,112)	(5,139,565)	83,764	13,449	(21,356)	(118,328)	(7,769,459)	(5,291,830)
Cash Flows from Financing Activities	(67,576)	(47,386)	12,192,953	17,707,213	(110,974)	(327)	(39,386)	(3,327)	12,081,652	17,667,827
Capital Expenditure	(67,576)	(46,136)	-	-	(4,147)	(1,597)	(55,130)	(125,859)	(126,853)	(173,592)

#### STATEMENT OF CHANGES IN EQUITY - BANK

Rs. '000

For the Three Months ended 31st March	Stated Capital		Statutory Reserve Fund	Retained Earnings	Reserves		Other Reserves	Total
	Ordinary Shares - Voting	Ordinary Shares - Non-Voting			Revaluation Reserve	Available for Sale Reserve		
<b>1 Balance as at 01st January 2016</b>	<b>6,962,722</b>	<b>3,567,002</b>	<b>1,187,441</b>	<b>11,125,666</b>	<b>651,483</b>	<b>(468,826)</b>	<b>2,030,189</b>	<b>25,055,677</b>
Total Comprehensive Income for the Period	-	-	-	720,256	-	-	-	720,256
Profit for the Period	-	-	-	720,256	-	-	-	720,256
Other Comprehensive Income (net of tax)	-	-	-	-	-	-	-	-
- Net Loss on Re-measuring Available-for-Sale Financial Assets	-	-	-	-	-	(2,391,504)	-	(2,391,504)
<b>2 Total Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>720,256</b>	<b>-</b>	<b>(2,391,504)</b>	<b>-</b>	<b>(1,671,248)</b>
Transactions with Equity Holders, Recognised Directly in Equity	-	-	-	-	(948,641)	-	-	(948,641)
Dividends to Equity Holders	-	-	-	-	2,182	-	-	2,182
Transferred from Investment Fund Reserve	-	-	-	-	-	(2,182)	-	(2,182)
<b>3 Total Transactions with Equity Holders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(946,459)</b>	<b>-</b>	<b>-</b>	<b>(946,641)</b>
<b>Balance as at 31st March 2016 (1 + 2 + 3)</b>	<b>6,962,722</b>	<b>3,567,002</b>	<b>1,187,441</b>	<b>10,899,463</b>	<b>651,483</b>	<b>(2,860,330)</b>	<b>2,028,007</b>	<b>22,435,768</b>
<b>1 Balance as at 01st January 2017</b>	<b>6,962,722</b>	<b>3,567,002</b>	<b>1,387,964</b>	<b>14,050,2</b>				