# SEYLAN BANK PLC FINANCIAL STATEMENTS Six months ended 30th June, 2018



Current

Comparative Period

(In terms of Rule 7.4 of the Colombo Stock Exchange)		Bank			Bank			Group			Group		
(	-	or the 06 mo	onths		For the Quai	ter	Fo	For the 06 months			For the Quarter		
		nded 30th J	une		Ended 30th	June	En	ded 30th Ju	ne	E	nded 30th Ju	ine	
	2018	2017	Growth	2018	2017	Growth	2018	2017	Growth	2018	2017	Growth	
			%			%			%			9/	
Interest Income	23,267,082	20,707,683	12.36	11,823,027	10,610,995	11.42	23,266,480	20,712,245	12.33	11,822,311	10,612,218	11.40	
Less: Interest Expenses	14,633,922	13,442,304	8.86	7,428,049	6,938,106	7.06	14,601,927	13,422,703	8.79	7,421,800	6,924,289	7.1	
Net Interest Income	8,633,160	7,265,379	18.83	4,394,978	3,672,889	19.66	8,664,553	7,289,542	18.86	4,400,511	3,687,929	19.3	
5	0.040.000	1 0 1 1 0 0 7	44.00	1 001 010	000 000		0.040.040	1 011 000	44.07	1 004 045	000 010		
Fee and Commission Income	2,048,266	1,844,027	11.08	1,004,348	938,932	6.97	2,048,048	1,844,000	11.07	1,004,345	938,919	6.9	
Less: Fee and Commission Expenses	92,595	70,532	31.28	44,131	34,007	29.77	94,613	73,893	28.04	45,101	35,837	25.8	
Net Fee and Commission Income	1,955,671	1,773,495	10.27	960,217	904,925	6.11	1,953,435	1,770,107	10.36	959,244	903,082	6.2	
Net Trading Income	283,339	167,766	68.89	193,431	204,521	(5.42)	282,344	166,865	69.21	192,512	205,185	(6.1	
Net Gains from Financial Investments	35,532	242,915	(85.37)	2,164	247,011	(99.12)		242,915	(85.37)		247,011	(99.1	
Net Exchange Income	94,359	377,602	(75.01)	15,586	185,885	(91.62)		377,602	(75.01)		185,885	(91.6	
Other Operating Income (Net)	189,153	104,194	81.54	25.439	16,639	52.89	149,408	593,038	(74.81)		557,798	(91.7	
	602,383	892.477	(32.50)	236,620	654,056	(63.82)	561,643	1,380,420	(59.31)	,	1,195,879	(78.5	
Total Operating Income	11,191,214		12.69	5,591,815		/	11,179,631			5,616,203	5,786,890	(2.9	
pilg involino	,,	2,001,001	12.00	2,001,010	2,201,070	5.50	,,	, ,		2,010,230	-,,,,,,,,,,	(2.3	
Less: Impairment for Loans and Other													
Losses - Charges/(Reversal)													
Individual Impairment	1,115,157	938,180	18.86	734,815	684.785	7.31	1,115,157	938,180	18.86	734,815	684,785	7.3	
Collective Impairment	207,258	230,336	(10.02)	46,437	146,447	(68.29)		230,336	(10.02)		146,447	(68.2	
Others	19,154	8,463	126.33	17,875		893,850	19,154	8,463	126.33	17,875		893,85	
Others	1,341,569	1,176,979	13.98	799,127	831,230		1,341,569		13.98	799,127	831,230	(3.8)	
Net Operating Income	9,849,645	8,754,372	12.51	4,792,688	4,400,640	8.91	9,838,062			4,817,076	4,955,660	(2.8	
not operating moonic	3,043,040	0,704,072	12.01	4,732,000	4,400,040	0.51	3,000,002	3,200,030	0.21	4,017,070	4,300,000	(2.0	
Personnel Expenses	2,930,969	2,613,920	12.13	1,427,235	1,310,706	8.89	2,950,965	2,631,899	12.12	1,437,770	1,319,761	8.9	
Depreciation and Amortisation	359,588	334,004	7.66	179,088	169,259	5.81	391,327	356.795	9.68	195,026	180,681	7.9	
Other Expenses	2,706,180	2,473,230	9.42	1,401,931	1,258,990	11.35	2,632,882	/	8.58	1,358,451	1,234,088	10.0	
Other Expenses	5,996,737	5,421,154	10.62	3,008,254	2,738,955	9.83	5,975,174			2,991,247	2,734,530	9.39	
Operating Profit before Taxes	3,852,908	3,333,218	15.59	1,784,434	1,661,685	7.39	3,862,888			1,825,829	2,221,130	(17.80	
operating Front before Taxes	3,032,300	0,000,210	10.05	1,704,404	1,001,000	1.05	3,002,000	0,040,400	0.00	1,020,025	2,221,100	(17.0	
Value Added Tax (VAT) and Nation Building Tax													
(NBT) on Financial Services	954,884	826,711	15.50	449,884	410,971	9.47	942,605	816,478	15.45	449,884	410,971	9.4	
(NBT) on Thianold Convictor	001,001	020,711	10.00	110,001	4110,071	0.47	0.12,000	010,110	10.10	110,001	110,071	0.1	
Profit before Income Tax	2,898,024	2,506,507	15.62	1,334,550	1,250,714	6.70	2,920,283	3,032,975	(3.72)	1,375,945	1,810,159	(23.9	
Income Tax Expense	888,428	701,142	26.71	377,980	311,529	2 <b>1.33</b>	923,860	722,993	27.78	395,066	323,874	21.9	
Profit for the Period	2,009,596	1,805,365	11.31	956,570	939,185	1.85	1,996,423	2,309,982	(13.57)	980,879	1,486,285	(34.0	
Attributable to:													
Owners of the Parent	2,009,596	1,805,365	11.31	956,570	939,185	1.85	1,979,006	2,143,420	(7.67)		1,324,945	(26.5	
Non-Controlling Interest							17,417	166,562	(89.54)		161,340	(95.5	
Profit for the Period	2,009,596	1,805,365	11.31	956,570	939,185	1.85	1,996,423	2,309,982	(13.57)	980,879	1,486,285	(34.0	
D													
Basic/Diluted Earnings per Ordinary Share	5.49	4.93	11.31	2.61	2.57	1.85	5.41	5.85	(7.67)	2.66	3.62	(26.5	
(in Rupees)													

Part	CASH FLOW STATEMENT		(A	mount in Rupees	s Thousands)
Cash Flows from Operating Activities		BAN	IK .	GRO	UP
Interest Recipion   Personal Commission Recipion	For the 06 Months ended 30th June				
Interest Receipts		KS. 'UUU	KS. 'UUU	KS. UUU	KS. UUU
	Cash Flows from Operating Activities				
Increase   Decrains   Assets:   Loans and Receivable's to Customers   (24,912,552)   (8,043,759)   (6,945,564)   (614,086)   (65,964)   (614,086)   (65,964)   (614,086)   (65,964)   (614,086)   (65,964)   (614,086)   (65,964)   (614,086)   (65,964)   (614,086)   (65,964)   (614,086)   (65,964)   (614,086)   (65,964)   (614,086)   (65,964)   (614,086)   (65,964)   (614,086)	Fees and Commission Receipts Interest Payments Trading Income Receipts/Payments from Other Operating Activities Cash Payments to Employees and Suppliers	2,048,266 (14,676,294) 63,790 565,873 (6,211,640)	1,844,027 (13,047,471) (101,776) 1,192,033 (5,902,039)	2,048,048 (14,644,299) 62,795 526,128 (6,149,787)	1,844,000 (13,027,870) (102,677) 1,155,247 (5,867,170)
Loss and Receivables to Dissoners   (24, 912,552)   (24, 912,552)   (514,578	Operating Profit before Changes in Operating Assets and Liabilities	4,293,273	4,322,215	4,343,543	4,340,172
Deposits from Customers	Loans and Receivables to Customers				
Contribution Paid Into Employees Retirement Benefit Plan/to Employees   (26,818)   (49,818)   (26,818)   (49	Deposits from Customers Certificates of Deposit from Customers	(690,097)	(524,352)	(690,097)	(524,352)
Cash Flows from Investing Activities					
Dividend Income Received   108,884   78,385   24,375   7,961     Nel Proceeds from Sale, Maturity and Purchase of Financial Investments of Government of Sri Lanka Trassury Bills/Bonds and Development Bonds Maturing after 03 months   7,547,898   (7,043,333)   7,547,898   (7,043,333)     Reverse Repurchase Agreements Maturing after 03 Months   7,209   -	Net Cash (Used in)/Generated from Operating Activities	(8,049,238)	1,615,632	(7,999,518)	1,626,541
Net Proceeds from Sale, Maturity and Purchase of Financial Investments of Government of Sri Lanka Trassury Billis/Bonds and Development Bonds Maturing after 03 Months 17,209 - 7,20	Cash Flows from Investing Activities				
Cash Flows from Financing Activities           Debenture Redemption Debenture Issued         (2,000,000)         - (1,950,000)         - (1,950,000)         - Debenture Issued         6,234,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 7,752,990         - 2,792,990         - 2,84,54,727         429,494         7,752,990         - 7,752,990         - (1,233,802)         (1,123,333)         (1,282,552)         (1,163,888)         - (1,163,888)         - (1,163,888)         - (1,162,032)         - (1,163,888)         - (1,162,032)         - (1,163,888)         - (1,162,032)         - (1,163,888)         - (1,162,032)         - (1,163,888)         - (1,162,032)         - (1,163,888)         - (1,162,032)         - (1,163,888)         - (1,162,032)         - (1,163,888)         - (1,162,032)         - (1,163,888)         - (1,162,032)         - (1,163,888)         - (1,162,032)         - (1,163,888)         - (1,162,032)         - (1,163,888)         - (1,162,032)         - (1,163,888)         - (1,162,032)         - (1,163,888)         - (1,163,888)         - (1,162,032)         - (1,163,888)         - (1,163,888)         - (1,163,888)         - (1,163,888)         - (1,163,888)         - (1,162	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 Reverse Repurchase Agreements Maturing after 03 Months Net Proceeds from Sale, Maturity and Purchase of Financial Investments of Shares and Debentures Purchase of Property, Plant & Equipment and Intangible Assets Proceeds from Sale of Property, Plant & Equipment Proceeds from Sale of Property, Plant & Equipment Proceeds from Sale of Sests Held-for-Sale	7,547,898 7,209 216,995 (356,102) 5,309	(7,043,333) 202,274 (359,068)	7,547,898 7,209 217,788 (362,170) 5,309	(7,043,333) - 256,933 (359,068) 7,552 752,457
Cash Flows from Financing Activities           Debenture Redemption         (2,000,000)         - (1,950,000)         - 0,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 6,134,000         - 7,752,990         - 7,752,990         - 7,752,990         - 7,752,990         - 7,752,990         - 7,752,990         - 7,752,990         - 7,752,990         - 7,752,703         - 7,752,550         2,974,244         - 7,82,990         - 7,752,550         2,974,244         - 7,82,652         3,716,536         6,779,550         2,974,244         - 7,82,032         - 6,18,637         (1,782,032)         6,218,637         (1,782,032)         - 6,18,637         (1,782,032)         - 6,18,637         (1,782,032)         - 6,18,637         (1,782,032)         - 6,18,637         (1,782,032)         - 6,18,637         (1,782,032)         - 6,18,637         (1,782,032)         - 6,18,637         (1,782,032)         - 6,18,637         (1,782,032)         - 6,18,637         (1,782,032)         - 6,18,637         (1,782,032)         - 6,18,637         (1,782,032)         - 6,18,637         (1,782,032)<	Net Cash (Used in)/Generated from Investing Activities	8.464.193	(7.114.190)	7.438.605	(6.382.817)
Debenture Redemption			,, ,,,,,		,,
Net Increase/(Decrease) in Cash and Cash Equivalents 6,218,637 (1,782,022) 6,218,637 (1,782,032) Cash and Cash Equivalents at beginning of the Year 16,073,851 23,277,193 16,073,891 23,277,143  Cash and Cash Equivalents at end of the Period 22,292,488 21,495,071 22,292,528 21,495,111  Reconciliation of Cash and Cash Equivalents 18,891,617 7,727,667 8,891,657 7,727,707 Placements with Banks and Finance Companies Covernment of Srt Lanks Treasury Bills/Bonds and Development Bonds Maturing within 03 Months 12,443,814 2,685,799 12,443,814 2,685,759 Securities Purchased under Resale Agreements Maturing within 03 Months 957,057 8,542,073 957,057 8,542,073	Debenture Redemption Debenture Issued Securities Sold under Repurchase Agreements Increase/Gerease) in Other Borrowings	6,234,000 3,448,608 (645,124)	8,454,727	6,134,000 3,448,608 429,494	7,752,990
Cash and Cash Equivalents at beginning of the Year       16,073,851       23,277,093       16,073,891       23,277,143         Cash and Cash Equivalents at end of the Period       22,292,488       21,495,071       22,292,528       21,495,111         Reconciliation of Cash and Cash Equivalents       8,891,617       7,727,667       8,891,657       7,727,707         Cash and Cash Equivalents with Banks and Finance Companies       -       2,539,572       -       2,539,572         Government of Sri Lanka Treasury Bills/Bonds and Development Bonds Maturing within 03 Months       12,443,814       2,685,759       12,443,814       2,685,759         Securities Purchased under Resale Agreements Maturing within 03 Months       957,057       8,542,073       957,057       8,542,073	Net Cash Generated from Financing Activities	5,803,682	3,716,536	6,779,550	2,974,244
Reconciliation of Cash and Cash Equivalents         8,891,617         7,727,667         8,891,657         7,727,707           Cash and Cash Equivalents         8,891,617         7,727,667         8,891,657         7,727,707           Placements with Banks and Finance Companies         2,599,572         2,599,572         2,599,572           Government of Srt Lanks Treasury Bills/Bonds and Development Bonds Maturing within 03 Months         12,443,814         2,685,759         12,443,814         2,685,759           Securities Purchased under Resale Agreements Maturing within 03 Months         957,057         8,542,073         957,057         8,542,073					
Cash and Cash Equivalents         8,891,617         7,727,667         8,891,657         7,727,707           Placements with Banks and Finance Companies         2,539,572         2,539,572         2,539,572         2,539,572           Government of Srt Lanks Treasury Bills/Bonds and Development Bonds Maturing within 03 Months         12,443,814         2,685,759         12,443,814         2,685,759           Securities Purchased under Resale Agreements Maturing within 03 Months         957,057         8,542,073         957,057         8,542,073	Cash and Cash Equivalents at end of the Period	22,292,488	21,495,071	22,292,528	21,495,111
<b>22,292,488 21,495,071 22,292,528 21,495,111</b>	Cash and Cash Equivalents Placements with Banks and Finance Companies Government of Sr i Lanka Treasury Bills/Bonds and Development Bonds Maturing within 03 Months	12,443,814 957,057	2,539,572 2,685,759 8,542,073	12,443,814 957,057	2,539,572 2,685,759 8,542,073
		22,292,488	21,495,071	22,292,528	21,495,111

**SEYLAN BANK PLC - DEBENTURES** 

STATEMENT OF PROFIT	UK LU	<b>22 AND</b>	UTHEK	CUMI	KEHEN	21AF IV	ICUME		(Amo	unt in Ku	pees Tho	usands)
(In terms of Rule 7.4 of the Colombo Stock Exchange)	Bank For the 06 months Ended 30th June		For the Q	Bank uarter Ended 3	30th June	For the O	Group 6 months Ended	30th June	For the C	Group Quarter Ende	d 30th June	
	2018	2017	Growth %	2018	2017 0	Growth %	2018	2017	Growth %	2018	2017	Growth %
Profit for the Period	2,009,596	1,805,365	11.31	956,570	939,185	1.85	1,996,423	2,309,982	(13.57)	980,879	1,486,285	(34.00)
Other Comprehensive Income/(Loss), Net of Tax Net Gains/(Losses) on Re-measuring Available-for-Sale												
Financial Assets Net Movement of Cash Flow hedge Reserve	(173,209) 9,735	1,116,080	(115.52) -	98,778 17,482	1,068,137	(90.75) -	(173,209) 9,735	1,115,396 -	(115.53) -	98,778 17,482	1,067,871 -	(90.75) -
Other Comprehensive Income/(Loss) for the Period, Net of Taxes	(163,474)	1,116,080	(114.65)	116,260	1,068,137	(89.12)	(163,474)	1,115,396	(114.66)	116,260	1,067,871	(89.11)
Total Comprehensive Income for the Period	1,846,122	2,921,445	(36.81)	1,072,830	2,007,322	(46.55)	1,832,949	3,425,378	(46.49)	1,097,139	2,554,156	(57.04)
Attributable to: Owners of the Parent Non-Controlling Interest	1,846,122	2,921,445	(36.81)	1,072,830	2,007,322	(46.55)	1,815,532 17,417	3,259,018 166,360	(44.29) (89.53)	1,089,970 7,169	2,392,895 161.261	(54.45) (95.55)
Total Comprehensive Income for the Period	1,846,122	2,921,445	(36.81)	1,072,830	2,007,322	(46.55)	1,832,949	3,425,378	(46.49)	,	2,554,156	(57.04)

n terms of Rule 7.4 of the Colombo Stock Exchange)		Bank			Group	
	As at 30.06.2018	As at 31.12.2017	Growth %	As at 30.06.2018	As at 31.12.2017	Growt
ssets						
ash and Cash Equivalents	8,891,617	8,319,384	6.88	8,891,657	8,319,424	6.88
alances with Central Bank of Sri Lanka	19,185,807	19,119,843	0.35	19,185,807	19,119,843	0.35
acements with Banks and Finance Companies	-	1,455,115	(100.00)	-	1,455,115	(100.00
rivative Financial Instruments	10,403	60,165	(82.71)	10,403	60,165	(82.71
ner Financial Assets Held-for-Trading	5,267,776	7,939,213	(33.65)	5,272,332	7,944,562	(33.64
curities Purchased under Resale Agreements	957,057	1,750,855	(45.34)	957,057	1,750,855	(45.34
stomer Loans and Receivables	304,843,290	280,861,907	8.54	304,843,290	280,861,907	8.54
ancial Investments - Available-for-Sale	55,671,792	53,507,037	4.05	55,671,792	53,507,037	4.05
ancial Investments - Held-to-Maturity	21,882,530	21,529,778	1.64	21,882,530	21,529,778	1.64
estment in Subsidiary	1,153,602	1,153,602		-	-	
pup Balances Receivable	63,070	30,000	110.23	-	-	
perty, Plant & Equipment	3,452,193	3,495,140	(1.23)	5,983,051	6,001,586	(0.31
sehold Rights	39,718	40,425	(1.75)	576,935	581,346	(0.76
estment Properties	-	-	-	848,224	851,667	(0.40
angible Assets	406,678	363,451	11.89	406,678	363,451	11.89
sets Held-for-Sale	-	900,543	(100.00)	-	-	
ner Assets	6,976,599	7,599,381	(8.20)	7,003,908	7,637,019	(8.29
al Assets	428,802,132	408,125,839	5.07	431,533,664	409,983,755	5.26
bilities						
e to Banks	23,871,450	27,052,972	(11.76)	23,871,450	27,052,972	(11.76
rivative Financial Instruments	201,489	571,557	(64.75)	201,489	571,557	(64.75
stomer Deposits	320,416,958	307,098,902	4.34	320,416,958	307,098,902	4.34
curities Sold under Repurchase Agreements	20,083,183	16,631,973	20.75	20,083,183	16,631,973	20.75
	24,563	22,396	9.68			9.68
her Borrowings				24,563	22,396	9.00
oup Balances Payable	218,892	1,145,110	(80.88)	10.700.000	10 404 005	24.00
bentures	16,790,229	12,494,025	34.39	16,790,229	12,494,025	34.39
rrent Tax Liabilities	1,152,088	1,022,378	12.69	1,174,214	1,046,249	12.23
ferred Tax Liabilities	979,217	1,359,044	(27.95)	1,079,833	1,431,294	(24.56
ner Liabilities	9,455,088	6,521,559	44.98	9,500,498	6,593,748	44.08
al Liabilities	393,193,157	373,919,916	5.15	393,142,417	372,943,116	5.42
ıity						
ted Capital	12,025,795	11,228,269	7.10	12,025,795	11,228,269	7.10
atutory Reserve Fund	1,609,484	1,609,484		1,609,484	1,609,484	
tained Earnings	18,327,589	17,178,024	6.69	18,937,514	17,818,539	6.28
ner Reserves	3,646,107	4,190,146	(12.98)	4,626,642	5,170,681	(10.52
al Shareholders' Equity	35,608,975	34,205,923	4.10	37,199,435	35,826,973	3.83
n-Controlling Interest	-			1,191,812	1,213,666	(1.80
tal Equity	35,608,975	34,205,923	4.10	38,391,247	37,040,639	3.65
al Equity & Liabilities	428,802,132	408,125,839	5.07	431,533,664	409,983,755	5.26
ntingent Liabilities and Commitments	115,793,860	99,500,731	16.37	115,793,860	99,568,595	16.30
		,,.		-,:,	, 3,000	10.00
morandum Information mber of Employees	3,254	3,199	1.72	3,277	3,225	1.61
Imber of Employees Imber of Banking Centres	168	166	1.20	168	166	1.20
t Assets Value per Ordinary Share (Rs.)	97.27	96.50	0.80	101.61	101.08	0.52

ı		Period	Period
		01-April-18 to 30-June-18	01-April-17 to 30-June-17
ı	Debt (Debentures)/Equity Ratio (Times)	0.47	0.41
ı	Debt (Debentures plus Long term Debt)/Equity Ratio (Times)	0.79	0.79
ı	Interest Cover (Times)	4.58	4.56
ı	Quick Asset Ratio (Times)	0.78	0.76
	2013/2018 Issue (Debenture matured and redeemed on 22/02/2018) Market Prices during April to June (EX Interest) Annual Interest - 15.50% p.a. Semi Annual - 15.00% p.a. Monthly Interest - 14.50% p.a.		* *
ı	Interest Yield as at Date of Last Trade		*
ı	Yield to Maturity of Trade Done on		*
ı	Interest Rate of Comparable Government Security		10.48%
	2014 Issue Market Prices during April to June (Ex Interest) 4 Year Fixed Semi Annual - 8.00% p.a. 5 Year Fixed Semi Annual - 8.35% p.a. 5 Year Fixed Annual - 8.60% p.a. 6 Year Fixed Semi Annual - 8.60% p.a. 6 Year Fixed Annual - 8.75% p.a.	* * *	· · ·
ı	Interest Yield as at Date of Last Trade	*	*
ı	Yield to Maturity of Trade Done on	*	*
	Interest Rate of Comparable Government Security - 4 Years - 5 Years - 6 Years  2016 Issue Market Prices during April to June (Ex Interest) 5 Year Fixed Semi Annual - 13.00% p.a 5 Year Floating Semi Annual - six months treasury bill rate + 1.5% 7 Year Fixed Semi Annual - 13.75% p.a	8.71% 9.56% 9.91%	10.70% 10.95% 11.29%
ı	Interest Yield as at Date of Last Trade	*	*
ı	Yield to Maturity of Trade Done on	*	*
	Interest Rate of Comparable Government Security - 5 Years - 7 Years 2018 Issue	10.02% 10.47%	11.34% 11.59%
	Market Prices during April to June (Ex Interest) 5 Year Fixed Semi Annual - 12.85% p.a - Highest Price - Lowest Price - Last Traded Price (09/04/2018) 7 Year Fixed Semi Annual - 13.20% p.a. 10 Year Fixed Semi Annual - 13.50% p.a	100.06 100.06 100.06	
	Interest Yield as at Date of Last Trade 5 Year Fixed Semi Annual - 12.85% p.a 7 Year Fixed Semi Annual - 13.20% p.a. 10 Year Fixed Semi Annual - 13.50% p.a	13.25%	
	Yield to Maturity of Trade Done on 5 Year Fixed Semi Annual - 12.85% p.a 7 Year Fixed Semi Annual - 13.20% p.a. 10 Year Fixed Semi Annual - 13.50% p.a	12.83%	
	Interest Rate of Comparable Government Security		
	- 5 Years - 7 Years - 10 Years	10.47% 10.51% 10.65%	

SELECTED PERFORMANCE INDICATORS				
	B	ANK	G	ROUP
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
Regulatory Capital (LKR '000)				
Common Equity Tier I	30,715,943	30,686,859	31,600,946	31,571,862
Total Tier I Capital	30,715,943	30,686,859	31,600,946	31,571,862
Total Capital	41,758,222	36,451,164	42,543,225	37,286,167
Regulatory Capital Ratios (%) Common Equity Tier I Capital Ratio (Minimum Requirement - 6.375%/2017 - 5.75%)	10.13	11.16	10.33	11.39
Total Tier I Capital Ratio (Minimum Requirement - 7.875%/2017 - 7.25%)	10.13	11.16	10.33	11.39
Total Capital Ratio (Minimum Requirement - 11.875%/2017 - 11.25%)	13.78	13.25	13.91	13.46
Assets Quality ( Quality of Loan Portfolio )				
Gross Non-Performing Advances Ratio % (Net of Interest in Suspense)	5.50	4.42		
Net Non-Performing Advances Ratio % (Net of Interest in Suspense and Provision)	3.96	3.10		
Profitability Interest Margin % Return (Net Profit before Tax) on Average Assets % Return on Equity %	4.14 1.39 11.55	4.24 1.74 14.30		
Regulatory Liquidity Statutory Liquid Assets Domestic Banking Unit USD '000 Offshore Banking Unit USD '000 Statutory Liquid Assets Ratio% (Minimum Requirement 20%) Domestic Banking Unit Offshore Banking Unit Liquidity Coverage Ratio %	72,830,079 27,943 21.32 22.02	77,783,808 41,711 23.57 37.08		
Rupee - (Minimum Requirement - 90%/2017 - 80%) All Currency - (Minimum Requirement - 90%/2017 - 80%)	139.22 115.07	160.30 121.94		

- a) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka and where ever required provides additional disclosures to comply with Sri Lanka Accounting Standard - LKAS 34 - Interim Financial Reporting.
- b) The information contained in these statements have been extracted from the un-audited financial statements of the Bank & Group, which have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.

(Sgd.) Champika Dodanwela (Ms.) Chief Financial Officer July 25, 2018 Colombo (Sgd.) Kapila Ariyaratne Director/Chief Executive Officer

(Sgd.) W. M. R. S. Dias **Chairman** 

\* No Trading During The Period

## SEYLAN BANK PLC FINANCIAL STATEMENTS

Six months ended 30th June, 2018



11. ANALYSIS OF FINA	NGIAL INS				INIENI E	MSIS			in Rupees T	nousanus)
		В	ank - 30.06.201	8				Bank - 31.12.201	7	
	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
Assets										
Cash and Cash Equivalents	-	-	8,891,617	-	8,891,617	-	-	8,319,384	-	8,319,38
Balances with Central Bank of Sri Lanka	-	-	19,185,807	-	19,185,807	-	-	19,119,843	-	19,119,84
Placements with banks & finance companies	-	-	-	-	-	-	-	1,455,115	-	1,455,11
Derivative Financial Instruments	10,403	-	-	-	10,403	60,165	-	-	-	60,16
Other Financial Assets Held-for-Trading	5,267,776	-	-	-	5,267,776	7,939,213	-	-	-	7,939,21
Securities Purchased under Resale Agreements			957,057	_	957,057	-		1,750,855	_	1,750,85
Customer Loans and Receivables			304,843,290	_	304,843,290	_		280,861,907	_	280,861,90
Financial Investments - Available-for-Sale			-	55,671,792	55,671,792				53,507,037	53,507,03
Financial Investments - Held-to-Maturity		21,882,530	_	33,071,732	21,882,530	_	21,529,778	_	33,307,037	21,529,77
		21,002,000	-	-		-	21,529,770	-	-	
Group Balances Receivable	-	-	63,070	-	63,070	-	-	30,000	-	30,00
Other Financial Assets	-	-	4,608,680	-	4,608,680	-	-	4,922,113	-	4,922,11
Total Financial Assets	5,278,179	21,882,530	338,549,521	55,671,792	421,382,022	7,999,378	21,529,778	316,459,217	53,507,037	399,495,41
		Held-for- Trading (HFT)		Amortised Cost	Total		Held-for- Trading (HFT)		Amortised Cost	Total
Liabilities		mauning (mr r)					mading (mr)			
Due to Banks				23,871,450	23,871,450				27,052,972	27,052,97
Derivative Financial Instruments		201.489		23,071,430	201.489		571.557		21,002,012	571.55
Customer Deposits		201,403		320,416,958	320,416,958		371,337		307,098,902	307,098,90
				20,083,183	20,083,183		-		16,631,973	
Securities Sold under Repurchase Agreements		-					-			16,631,97
Other Borrowings		-		24,563	24,563		-		22,396	22,39
Debentures		-		16,790,229	16,790,229		-		12,494,025	12,494,02
Group Balances Payable		-		218,892	218,892		-		1,145,110	1,145,11
Other Financial Liabilities		-		7,516,363	7,516,363		-		5,154,901	5,154,90
Total Financial Liabilities		201,489		388,921,638	389,123,127		571,557		369,600,279	370,171,830
		G	roup - 30.06.201	8			G	roup - 31.12.201	7	
	Held-for-	Held-to-	Loans &	Available-	Total	Held-for- Held-to-		Loans & Available-		Total
	Trading (HFT)	Maturity (HTM)	Receivables (L&R)	for-sale (AFS)		Trading (HFT)	Maturity (HTM)	Receivables (L&R)	for-sale (AFS)	
Assets										
Cash and Cash Equivalents	-	-	8,891,657	-	8,891,657	-	-	8,319,424	-	8,319,42
Balances with Central Bank of Sri Lanka	-	-	19,185,807	-	19,185,807	-	-	19,119,843	-	19,119,84
Placements with banks & finance companies		-	-	-		-	-	1,455,115	-	1,455,11
Derivative Financial Instruments	10,403	-	-	-	10,403	60,165	-	-	-	60,16
Other Financial Assets Held-for-Trading	5,272,332				5,272,332	7,944,562	_		-	7,944,56
Securities Purchased under Resale Agreements			957,057	_	957,057	-	_	1,750,855		1,750,85
Customer Loans and Receivables			304,843,290		304,843,290		_	280,861,907		280,861,90
Financial Investments - Available-for-Sale			004,040,250	55,671,792	55,671,792			200,001,307	53,507,037	53,507,03
Financial Investments - Held-to-Maturity		21,882,530		00,071,732	21,882,530		21,529,778		30,007,007	21,529,77
		21,002,000	4 004 000		, ,		21,029,770	4.044.004	·	
Other Financial Assets	5,282,735	21,882,530	4,631,382 338,509,193	55,671,792	4,631,382 421,346,250	8,004,727	21,529,778	4,944,991	53,507,037	4,944,99
Total Financial Assets	5,282,735	, , , , , , , , , , , , , , , , , , , ,	338,509,193			8,004,727		316,452,135		399,493,67
		Held-for- Trading (HFT)		Amortised Cost	Total		Held-for- Trading (HFT)		Amortised Cost	Total
Liabilities										
				00 074 450	00 074 450				07.050.070	07.050.03
Due to Banks				23,871,450	23,871,450				27,052,972	27,052,97
Derivative Financial Instruments		201,489		-	201,489		571,557		-	571,55
Customer Deposits		-		320,416,958	320,416,958		-		307,098,902	307,098,90
Securities Sold under Repurchase Agreements		-		20,083,183	20,083,183		-		16,631,973	16,631,97
Other Borrowings		-		24,563	24,563		-		22,396	22,39
Dehentures	1			16,790,229	16,790,229				12,494,025	12,494,02
Debentures					10,730,223					
Debentures Other Financial Liabilities				7,521,135	7,521,135		-		5,187,172	5,187,17

Total Financial Elabilities	01,405		,707,310	300,303,007		371,337		7,407,440	303,030,337	
10. SEGMENT REPORTING - G	ROUP						(4	Amount in R	upees Thou	isands)
	BANK	ING	TREAS	SURY	PROPERTY/IN	<b>VESTMENTS</b>	UNALLOCATED/	ELIMINATIONS	T01	AL
	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017
Interest Income	19,387,296	17,789,183	2,728,966	1,738,869	32,222	24,255	1,117,996	1,159,938	23,266,480	20,712,245
Interest Expense	12,875,368	11,907,461	1,756,273	1,533,989	829	92	(30,543)	(18,839)	14,601,927	13,422,703
Net Interest Income	6,511,928	5,881,722	972,693	204,880	31,393	24,163	1,148,539	1,178,777	8,664,553	7,289,542
Fee and Commission Income	2,029,845	1,818,645	4,310	4,877	-	-	13,893	20,478	2,048,048	1,844,000
Fee and Commission Expense	77,103	50,957	15,492	19,486	2,018	3,361	-	89	94,613	73,893
Net Fee And Commission Income	1,952,742	1,767,688	(11,182)	(14,609)	(2,018)	(3,361)	13,893	20,389	1,953,435	1,770,107
Net Trading Income	-	-	283,339	167,766	(995)	(901)	-	-	282,344	166,865
Net Gain on Financial Investments	-	-	35,532	242,915	-	-	-		35,532	242,915
Net Exchange Income	74,923	79,450	(60,173)	260,480	-	-	79,609	37,672	94,359	377,602
Other Operating Income (Net)	38,208	19,293	1,869	4,108	136,282	153,924	(26,951)	415,713	149,408	593,038
Inter Segment Revenue	(119,222)	(117,432)	82,159	80,608	-	-	37,063	36,824	-	-
Total Operating Income	8,458,579	7,630,721	1,304,237	946,148	164,662	173,825	1,252,153	1,689,375	11,179,631	10,440,069
Depreciation and Amortisation	216,803	219,199	1,048	578	438	392	173,038	136,626	391,327	356,795
Impairment For Loans and Other Losses - Charges/ (Reversal)	1,353,192	1,201,097	(10,118)	-	-	-	(1,505)	(24,118)	1,341,569	1,176,979
Operating Expenses, VAT & NBT	4,861,507	4,646,602	275,767	180,135	38,434	39,548	1,350,744	1,007,035	6,526,452	5,873,320
Reportable Segment Profit Before Income Tax	2,027,077	1,563,823	1,037,540	765,435	125,790	133,885	(270,124)	569,832	2,920,283	3,032,975
Other Information										
Total Assets	302,299,729	240,481,654	103,093,034	104,365,555	5,482,815	5,338,143	20,658,086	21,395,150	431,533,664	371,580,502
Total Liabilities & Equity	351,226,598	290,060,431	48,513,931	37,431,021	5,482,815	5,338,143	26,310,320	38,750,907	431,533,664	371,580,502
Cash Flows From Operating Activities	(9,051,347)	31,496	1,038,588	1,316,778	102,132	45,388	(88,891)	232,879	(7,999,518)	1,626,541
Cash Flows From Investing Activities	654,198	(148,469)	7,766,763	(6,836,952)	(958,015)	56,357	(24,340)	546,247	7,438,605	(6,382,817)
Cash Flows From Financing Activities	(005 405)	(4.40.400)	7,037,484	4,839,869	(133,168)	(110,974)	(124,766)	(1,754,651)	6,779,550	2,974,244
Capital Expenditure	(225,465)	(148,188)	(2,074)	(281)	(7,872)	(5,319)	(128,563)	(210,599)	(363,974)	(364,387)

STATEMENT OF CHANGES IN FOURTY DANK

3 Total Transactions with Equity Holders

Balance as at 30th June 2018 (1 + 2 + 3)

	Stated	l Capital	Statutory	Retained		Reserves		]
or the Six Months ended 30th June	Ordinary	Ordinary	Reserve Fund	Earnings	Revaluation	Available for	Other	Tota
	Shares	Shares	*		Reserve	Sale Reserve	Reserves	
	Voting	Non-Voting						
Balance as at 01st January 2017	6,962,722	3,567,002	1,387,964	14,050,233	1,474,482	(1,691,584)	2,021,463	27,772,28
Total Comprehensive Income for the Period								
Profit for the Period				1,805,365				1,805,36
Other Comprehensive Income (net of tax)				1,000,000				1,000,01
- Net Gain on Re-measuring Available-for-Sale Financial Assets						1,116,080		1,116,0
Total Comprehensive Income for the Period	-			1,805,365		1,116,080		2,921,4
Transactions with Equity Holders, Recognised Directly In Equity								
Cash/Scrip Dividends to Equity Holders	356,354	342,191		(1,121,121)				(422,5
Transferred from Investment Fund Reserve	-	-		7,490			(7,490)	(,-
Total Transactions with Equity Holders	356,354	342,191	-	(1,113,631)		-	(7,490)	(422,57
Balance as at 30th June 2017 (1 + 2 + 3)	7,319,076	3,909,193	1,387,964	14,741,967	1,474,482	(575,504)	2,013,973	30,271,15
Balance as at 01st January 2018	7,319,076	3,909,193	1,609,484	17,178,024	1,242,493	945,408	2,002,245	34,205,92
Total Comprehensive Income for the Period								
Profit for the Period				2,009,596				2,009,59
Other Comprehensive Income (net of tax)				_,,				_,,-
- Net Loss on Re-measuring Available-for-Sale Financial Assets						(173,209)		(173,2
- Net Movement of Cash Flow hedge Reserve						-	9,735	9,7
Total Comprehensive Income for the Period			-	2,009,596		(173,209)	9,735	1,846,1
Transactions with Equity Holders, Recognised Directly In Equity								
Cash/Scrip Dividends to Equity Holders	404,131	393,395		(1,240,596)				(443,0
Revesral of Revaluation Reserve on Disposed Property, Plant and Equipment	-	-	-	376,202	(376,202)		-	(,.
Transferred from Investment Fund Reserve	-	-	-	4,363	(,)		(4,363)	
Total Transactions with Equity Holders	404,131	393,395		(860,031)	(376,202)		(4,363)	(443,0
Balance as at 30th June 2018 (1 + 2 + 3)	7,723,207	4,302,588	1,609,484	18,327,589	866,291	772,199	2,007,617	35,608,97

STATEMENT OF CHANGES IN EQUITY -	GROUF						(Amo	ount in R	upees 1
	Stated	Capital	Statutory	Retained		Reserves			
For the Six Months ended 30th June	Ordinary Shares Voting	Ordinary Shares Non-Voting	Reserve Fund	Earnings	Revaluation Reserve	Available for Sale Reserve	Other Reserves	Total	Nor Controllin Intere

F0	r the Six Months ended 30th June	Ordinary	Ordinary F	Reserve Fund	Earnings	Revaluation	Available for	Other	Total	Non-	Total
		Shares	Shares	*		Reserve	Sale Reserve	Reserves		Controlling	Equity
		Voting	Non-Voting							Interest	
1	Balance as at 01st January 2017	6,962,722	3,567,002	1,387,964	14,304,925	2,214,050	(1,693,065)	2,276,676	29,020,274	1,065,190	30,085,464
	Total Comprehensive Income for the Period										
	Profit for the Period	-	-	-	2,143,420		-		2,143,420	166,562	2,309,982
	Other Comprehensive Income (net of tax)										
	- Net Gain on Re-measuring Available-for-Sale Financial Assets	-	-	-			1,115,598		1,115,598	(202)	1,115,396
2	Total Comprehensive Income for the Period	-	-		2,143,420		1,115,598		3,259,018	166,360	3,425,378
_	·									-	
	Transactions with Equity Holders, Recognised Directly In Equity										
	Cash/Scrip Dividends to Equity Holders	356,354	342,191		(1,121,121)		-		(422,576)	(32,725)	(455,301)
	Transferred from Investment Fund Reserve	-	-	-	7,490		-	(7,490)	_	-	-
3	Total Transactions with Equity Holders	356,354	342,191		(1,113,631)		-	(7,490)	(422,576)	(32,725)	(455,301)
_											
_	Balance as at 30th June 2017 (1 + 2 + 3)	7,319,076	3,909,193	1,387,964	15,334,714	2,214,050	(577,467)	2,269,186	31,856,716	1,198,825	33,055,541
_	Balance as at 30th June 2017 (1 + 2 + 3)	7,319,076	3,909,193	1,387,964	15,334,714	2,214,050	(577,467)	2,269,186	31,856,716	1,198,825	33,055,541
_ _ 1	Balance as at 30th June 2017 (1 + 2 + 3)  Balance as at 01st January 2018	7,319,076 7,319,076	3,909,193 3,909,193	, ,	15,334,714 17,818,539	2,214,050 1,967,727	, , ,		31,856,716 35,826,973	,,-	33,055,541
		,,.	.,,	, ,	-,,	, , ,	, , ,			,,-	
		,,.	.,,	, ,	-,,	, , ,	, , ,			,,-	
	Balance as at 01st January 2018	,,.	.,,	, ,	-,,	, , ,	, , ,			,,-	
	Balance as at 01st January 2018  Total Comprehensive Income for the Period	,,.	.,,	, ,	17,818,539	, , ,	, , ,		35,826,973	1,213,666	37,040,639
1	Balance as at 01st January 2018  Total Comprehensive Income for the Period Profit for the Period	,,.	.,,	, ,	17,818,539	, , ,	, , ,		35,826,973	1,213,666	37,040,639
	Balance as at 01st January 2018  Total Comprehensive Income for the Period Profit for the Period Other Comprehensive Income (net of tax)	,,.	.,,	, ,	17,818,539	, , ,	945,496		<b>35,826,973</b> 1,979,006	1,213,666	<b>37,040,639</b> 1,996,423
1	Total Comprehensive Income for the Period Profit for the Period Other Comprehensive Income (net of tax) - Net Loss on Re-measuring Available-for-Sale Financial Assets	,,.	.,,	, ,	17,818,539	, , ,	945,496	2,257,458	35,826,973 1,979,006 (173,209)	1,213,666	37,040,639 1,996,423 (173,209)
	Total Comprehensive Income for the Period Profit for the Period Other Comprehensive Income (net of tax) - Net Loss on Re-measuring Available-for-Sale Financial Assets - Net Movement of Cash Flow hedge Reserve	,,.	.,,	, ,	<b>17,818,539</b> 1,979,006	1,967,727	945,496	<b>2,257,458</b> - 9,735	35,826,973 1,979,006 (173,209) 9,735	<b>1,213,666</b> 17,417	37,040,639 1,996,423 (173,209) 9,735
	Total Comprehensive Income for the Period Profit for the Period Other Comprehensive Income (net of tax) - Net Loss on Re-measuring Available-for-Sale Financial Assets - Net Movement of Cash Flow hedge Reserve	,,.	.,,	, ,	<b>17,818,539</b> 1,979,006	1,967,727	945,496	<b>2,257,458</b> - 9,735	35,826,973 1,979,006 (173,209) 9,735	<b>1,213,666</b> 17,417	37,040,639 1,996,423 (173,209) 9,735
1	Balance as at 01st January 2018  Total Comprehensive Income for the Period Profit for the Period Other Comprehensive Income (net of tax) - Net Loss on Re-measuring Available-for-Sale Financial Assets - Net Movement of Cash Flow hedge Reserve Total Comprehensive Income for the Period	,,.	.,,	, ,	<b>17,818,539</b> 1,979,006	1,967,727	945,496	<b>2,257,458</b> - 9,735	35,826,973 1,979,006 (173,209) 9,735	<b>1,213,666</b> 17,417	37,040,639 1,996,423 (173,209) 9,735
1	Balance as at 01st January 2018  Total Comprehensive Income for the Period Profit for the Period Other Comprehensive Income (net of tax) - Net Loss on Re-measuring Available-for-Sale Financial Assets - Net Movement of Cash Flow hedge Reserve Total Comprehensive Income for the Period  Transactions with Equity Holders, Recognised Directly In Equity	7,319,076	3,909,193	, ,	1,979,006 1,979,006	1,967,727	945,496	<b>2,257,458</b> - 9,735	35,826,973 1,979,006 (173,209) 9,735 1,815,532	1,213,666 17,417 - 17,417	37,040,639 1,996,423 (173,209) 9,735 1,832,949

404,131

7,723,207

\* Statutory Reserve Fund represents the statutory requirement in terms of the Section 20(1) and (2) of the Banking Act No. 30 of 1988 (5% of net profit after tax).

393,395

(860,031) (376,202)

4,302,588 1,609,484 18,937,514 1,591,525

### **EXPLANATORY NOTES**

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 Bank has prepared Interim Financial Statements based on "LKAS 39 – Financial Instruments: Recognition and Measurement" as permitted by the Statement of Alternative Treatment (SoAT) issued by CA Sri Lanka.

The Department Financial Statement comprises accomposition of the Energical Statements of the Company and the subsidiers (Soaten Development PLC (78 ESE)).

2. Information on Ordinary Shares											
	MARKET PRICE (Rs.)	30/06	5/2018	30/0	06/2017						
		Voting	Non-Voting	Voting	Non-Voting						
	Market Price Per Share	81.00	49.00	93.50	60.80						
	Highest price per share during the quarter ended	90.00	59.00	96.00	61.90						
	Lowest price per share during the quarter ended	77.00	48.00	88.00	52.60						
	3. Shareholders' Information			No. of SI	nares	%					

	wood price per chare during the quarter chace	11.00	10.00	00.00	02.00
3.	Shareholders' Information			No. of Shares	%
3.1	Twenty Largest Ordinary Voting Shareholders as at June 30, 2018				
1	Sri Lanka Insurance Corporation Ltd.				
	[includes Sri Lanka Insurance Corporation Ltd. (General Fund) 18,41	0,399			
	and Sri Lanka Insurance Corporation Ltd. (Life Fund) -9,205,199]			27,615,598	15.00
2	Brown & Company PLC A/C No. 01			25,544,310	13.87
3	Employees' Provident Fund			18,148,076	9.86
4	LOLC Investments Ltd.			17,584,715	9.55
5	National Development Bank PLC A/C No. 02			16,062,819	8.72
6	Bank of Ceylon No.1 Account			13,807,800	7.50
- 7	Mr. R S Captain			11,155,828	6.06
8	Mr. S E Captain			3.722.015	2.02
9	Employees' Trust Fund Board			3,550,045	1.93
10	Seyfest (Private) Limited			3.157.307	1.71
11	Ms. L A Captain			2.580.425	1.40
12	Sesot (Private) Limited			2.384.287	1.30
13	Seyshop (Private) Limited			2.265.433	1.23
14	Seybest (Private) Limited			2,265,433	1.23
15	Esots (Private) Limited			2.247.331	1.22
16	Lanka Century Investments PLC			2.175.175	1.18
17	Capital Development and Investment Company PLC A/C No. 02			1,864,739	1.01
18	AIA Insurance Lanka PLC A/C No. 07			1,693,458	0.92
19	Mr. K R B Fernando			1,062,137	0.58
20	Sotse (Pvt) Ltd.			1,022,127	0.56
3.2	Twenty Largest Ordinary Non-Voting Shareholders as at June 30, 2018			-,,	
1	Lanka Orix Leasing Company Plc			79,955,209	43.93
2	Employees' Provident Fund			9.707.547	5.33
3	Akbar Brothers Pvt Ltd A/C No . 01			3,672,827	2.02
4	J.B. Cocoshell (Pvt) Ltd.			3,84,169	1.86
5	Deutsche Bank AG As Trustee For Jb Vantage Value Equity Fund			3,361,368	1.85
6	Pershing LLC S/A Averbach Grauson & Co.			3,357,772	1.84
7	Mr. E Thavagnanasooriyam & Mr. E Thawagnasundaram			2.804.991	1.54
8	Commercial Bank of Ceylon PLC/Dunamis Capital P L C			2,781,131	1.54
9	Employees' Trust Fund Board			2,753,811	
10	Merrill J Fernando & Sons (Pvt) Limited			2,753,811	1.51
11	Mr. N Balasingam			1,898,423	1.11 1.04
12	Lanka Orix Information Technology Services Ltd.			1,584,901	0.87
					0.87
13	Deutsche Bank AG-National Equity Fund			1,349,768 1,238,551	
14 15	Deutsche Bank AG As Trustee For Namal Acuity Value Fund				0.68 0.68
	Don & Don Holdings (Pvt) Limited			1,237,771	
16	Dr. S Yaddehige			1,141,365	0.63
17	Mr. R Gautam	(0.01		991,000	0.54
18	HSBC International Nominees LtdSSBT-Deustche Bank Ag Singapore A	/601		924,693	0.51
19	Mr. M J Fernando			915,451	0.50
20	Mr. A P Somasiri			903,877	0.50
3.3	Public Holdings as at June 30, 2018	Num	ber of Share Holders	Percentage Holdings	
	Ordinary Voting Shares		9,010	54.28%	
	Ordinary Non-Voting Shares		6,749	55.93%	

#### 4. Directors' and Chief Executive Officer's Shareholdings as at June 30, 2018

	Name of Director	No. or onares	No. or onares
		(Ordinary Voting)	(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 Pietersz, Independent Director/Senior Director	Nil	Nil
	Mr. K P Ariyaratne, Director/Chief Executive Officer	38,206	145,395
	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 Viran Corea, Non-Executive Director	93	Nil
	Mr. A S Wijesinha, Independent Director	Nil	Nil
	Mrs. S K Salgado, Independent Director	Nil	Nil
	Mr. D M D K Thilakaratne, Non-Executive/Alternate Director to Mr I C Nanayakkara	Nil	Nil
	Mr. R D Tissera, Non-Executive/Alternate Director to Mr. W D K Jayawardena	Nil	Nil
5.	Stated Capital as at June 30, 2018		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
	5,859,428 Non-Voting Ordinary Shares @ Rs. 58/40 each		342,191
	7,152,645 Non-Voting Ordinary Shares @ Rs. 55/- each		393,395
	Less: Issue Expenses		(181,581)
	Total		12,025,795

#### 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 six months ended June 30, 2018. Diluted Earnings per Share and the Basic Earnings per Share is the same due to non-availability of potentially dilutive ordinary shares. Weighted average number of ordinary shares and the earnings per share for the 6 months ended June 30, 2017 have been restated based on the no of shares issued for scrip dividend 2017.

Events after the Reporting Date
There were no material events occurred after the reporting date that require adjustments to or disclosure in the financial statements.

- 8. Other Matters \*\*Matters\*\*
  The bank designated some of forward foreign currency SWAPs as hedging instruments to hedge foreign currency risk of liabilities denominated in foreign currencies. The fair value changes associated with these derivatives were initially recognized in Other Reserves through Other Comprehensive Income (OCI). The amount recognized in OCI is reclassified to profit or loss, and in the same line item in the Income Statement.

  The Bank has signed a Memorandum of Settlement (MoS) with Ceylon Bank Employees Union (CBEU) who represents the majority of current employees to settle the payment of the enhanced gratuity by utilizing proceeds expected from disposal of shares held by Share Trust companies upon compliance of the following conditions;

- There being no orders from court which would prevent the share owning companies and trustees from disposing of the shares and crediting the proceeds there from to the gratuity fund of the bank for the payment of the enhanced gratuity; and

  The Bank being lyone a period of one year effective from 1st Jan 2018 to procure the disposal of the shares by the trustees and crediting the proceeds there from to the gratuity fund.

  Further, the bank has extended the proposal to its ex-employees who are eligible for enhanced gratuity.

  The bank has not recognized the enhanced gratuity liability in the financial statements as the settlement is contingent upon the completion of the above events and also making a reliable estimate of the financial impact is not practical as it would depend on number of uncertain variables that are attached to the above mentioned proposed settlement scheme.

  SLFRS 09, issued in July 2014, is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted. It replaces LKAS 39 Financial Instruments: Recognition and Measurement.
- The Bank has assessed the impact on transition based on gap analysis and quantifications performed on its Financial Statements as at 31st December 2016 on adoption of SLFRS 9 with the assistance
- Based on the preliminary assessments undertaken, the estimated additional impairment provision on the Financial Statements for the year ended December 31, 2017, on adoption of SLFRS 9 is expected to be in the range of 30% to 45% of the total impairment provision on different portfolios. Debenture Issue – March 2018 Debenture Issue Proceeds Utilization as at 30/06/2018

Objective Number	Objective as per Prospectus	Proposed date of Utilization as per Prospectus	Amount allocated from Proceeds in LKR (A)	% of total Proceeds	Amount Utilized in LKR (B)	%of Utilized against allocation (B/A)	Details, if not fully Utilized
1	To strengthen the Tier 2 Capital base of the Bank in accordance with Basel III requirements	With effect from the closure of the issue	6.234Bn.	100%	6.234Bn.	100%	N/A
2	To utilize the entire proceeds of the issue to grow the loans and advances portfolio through diverse lending products in the ordinary course of the Bank.	Over the period of twelve months from the date of allotment or 31st December 2018 whichever is earlier					

v. Mr. D M D K Thilakaratne and Mr. R D Tissera were appointed as Alternate Directors to Mr. I C Nanayakkara and Mr. W D K Jayawardena respectively, with effect from 18th April 2018.

#### 9. Comparative Figures Comparative figures have been re-stated/re-classified where necessary, to conform to the current period presentation.

ADDITIONAL DISCLOSURES (Amount in Rupees Thousands)						
	В	ANK	GROUP			
12 Customer Loans and Receivables	As at 30.06.2018	As at 31.12.2017	As at 30.06.2018	As at 31.12.2017		
Gross Loans and Receivables (Refer 12.1)  Less: Individual Impairment  Collective Impairment	311,628,336 (2,583,674) (4,201,372)	286,469,373 (1,744,089) (3,863,377)	311,628,336 (2,583,674) (4,201,372)	286,469,373 (1,744,089) (3,863,377)		
Net Loans and Receivables	304,843,290	280,861,907	304,843,290	280,861,907		
12.1 Customer Loans and Receivables - By product By product - Domestic Currency						
Export Bills Import Bills Local Bills Lease Rentals Receivable Overdrafts Revolving Import Loans Packing Credit Loans Trust Receipts Loans Staff Loans Housing Loans Pawning Receivables Refinance Loans Credit Cards Margin Trading Factoring Term Loans Total	27,483 962,236 44,057 17,732,955 58,488,254 13,123,933 1,227,231 1,957,245 6,107,121 14,236,330 10,868,230 2,583,913 5,381,191 1,859,408 1,370,711 142,796,063 228,666,381	15,359 335,352 130,330 16,222,825 61,901,243 10,531,334 1,191,070 1,812,834 6,108,917 13,401,222 10,046,055 2,479,247 4,886,489 2,588,413 1,099,984 125,086,423 257,837,997	27,483 962,236 44,057 17,732,955 58,488,254 13,123,933 1,227,231 1,957,245 6,107,121 14,236,330 10,868,230 2,583,913 5,381,191 1,859,408 1,370,711 142,796,063	15,359 335,352 130,330 16,222,825 61,901,243 10,551,334 1,191,070 1,812,834 6,108,917 13,401,222 10,046,055 2,479,247 4,886,489 2,588,413 1,099,984 125,086,423 257,837,097		
By product - Foreign Currency	270,700,001	237,007,037	270,700,001	231,031,031		
Export Bills Import Bills Local Bills Overdrafts Revolving Import Loans Packing Credit Loans Housing Loans Term Loans Total Gross Loans and Receivables	2,718,975 500,953 41,319 1,607,386 444,632 10,445,118 174,464 16,929,128 32,861,975 311,628,336	3,164,298 459,456 44,659 886,908 442,327 9,555,196 98,917 13,980,515 28,632,276 286,469,373	2,718,975 500,953 41,319 1,607,386 444,632 10,445,118 174,464 16,929,128 32,861,975 311,628,336	3,164,298 459,456 44,659 886,908 442,327 9,555,196 98,917 13,980,515 28,632,276 286,469,373		
Gross Loans and Receivables  12.2 Movements in Individual and Collective Impairment during the period for Cus			311,628,336	286,469,373		
	Bank	0047	Group	0047		

Overdraits	1,007,300	000,900	1,007,300	000,900			
Revolving Import Loans	444,632	442,327	444,632	442,327			
Packing Credit Loans	10,445,118	9,555,196	10,445,118	9,555,196			
Housing Loans	174,464	98,917	174,464	98,917			
Term Loans	16,929,128	13,980,515	16,929,128	13,980,515			
Total	32,861,975	28,632,276	32,861,975	28,632,276			
Gross Loans and Receivables	311,628,336	286,469,373	311,628,336	286,469,373			
12.2 Movements in Individual and Collective Impairment during the period for Cu	etomor Loane and Rocais	rahlae					
12.2 movements in marviagar and confective impairment during the period for ou	Bank						
	2018	2017	2018	2017			
	(For 06 Months)	(For 12 Months)	(For 06 Months)	(For 12 Months)			
ndividual Impairment	(	(	(	(: -: :=)			
Opening Balance as at 01st January	1,744,089	2,420,888	1,744,089	2,420,888			
Net Charge Income Statement	1,115,157	1,069,797	1,115,157	1,069,797			
Reversal for Write-Offs	(175,621)	(1,413,347)	(175,621)	(1,413,347)			
Interest Accrued on Impaired Loans and Receivables	(120,879)	(326,532)	(120,879)	(326,532)			
Transfer from/(to) Collective Impairment	20.928	(6,717)	20.928	(6,717)			
Closing Balance as at 30th June 2018	2,583,674	(0,717)	2,583,674	(0,7117)			
as at 31st December 2017	2,000,011	1,744,089	2,000,011	1,744,089			
		1,7 11,000		1,7 11,000			
ollective Impairment							
Opening Balance as at 01st January	3,863,377	3,632,097	3,863,377	3,632,097			
Net Charge Income Statement	207,258	423,679	207,258	423,679			
Reversal for Write-Offs	(269,734)	(199,116)	(269,734)	(199,116)			
Transfer from/(to) Collective Impairment	(20,928)	6,717	(20,928)	6,717			
Other Movement	421,399	-	421,399	-			
Closing Balance as at 30th June 2018	4,201,372		4,201,372				
as at 31st December 2017		3,863,377		3,863,377			
otal Impairment	6,785,046	5,607,466	6,785,046	5,607,466			
			_				
	Bank		Group				
3 Customer Deposits - By product	As at	As at	As at	As at			
	30.06.2018	31.12.2017	30.06.2018	31.12.2017			
y product - Domestic Currency	40.005.044	45 404 540	40.005.044	45 404 540			
Demand Deposits	16,625,641	15,421,548	16,625,641	15,421,548			
Savings Deposits	67,506,143	65,596,837	67,506,143	65,596,837			
Fixed Deposits	199,416,335	188,861,741	199,416,335	188,861,741			
Certificate of Deposits	2,748,522	3,438,619	2,748,522	3,438,619			
Total	286,296,641	273,318,745	286,296,641	273,318,745			
y product - Foreign Currency							
Demand Deposits	4,729,346	4,581,517	4,729,346	4,581,517			
Savings Deposits	9,775,853	10,207,465	9,775,853	10,207,465			
Fixed Deposits	19,615,118	18,991,175	19,615,118	18,991,175			
Total	34,120,317	33,780,157	34,120,317	33,780,157			
Total Customer Deposits	320,416,958	307,098,902	320,416,958	307,098,902			

772,287 2,262,830 37,199,435 1,191,812 38,391,247

(4,363) (443,070) (39,271) (482,341)