

CITIBANK, N. A. COLOMBO, SRI LANKA

Rated ‘AAA (lka)’ by Fitch Ratings Lanka Ltd.



INCOME STATEMENT

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	01/01/18 to 31/12/18	01/01/17 to 31/12/17
	(Audited)	(Audited)
Interest income	3,225,313	2,939,519
Interest expenses	878,574	748,179
Net interest income	2,346,739	2,191,340
Fee and commission income	858,198	896,548
Fee and commission expenses	157,843	177,727
Net fee and commission income	700,355	718,821
Net gains/(losses) from trading	920,279	322,341
Net fair value gains/(losses) on:		
financial assets at fair value through profit or loss	-	-
financial liabilities at fair value through profit or loss	-	-
Net gains/(losses) on derecognition of financial assets:		
at fair value through profit or loss	-	-
at amortised cost	-	-
at fair value through other comprehensive income	-	-
Net other operating income	622,783	867,243
Total operating income	4,590,156	4,099,745
Impairment charges	(8,491)	26,139
Net operating income	4,581,665	4,125,884
Personnel expenses	658,723	689,267
Depreciation and amortization expenses	102,699	99,569
Other expenses	571,342	665,651
Operating profit before VAT, NBT and DRL	3,248,901	2,671,399
Value Added Tax (VAT) on financial services	604,951	463,373
Operating profit/(loss) after VAT & NBT on financial services	2,643,950	2,208,026
Share of profits of associates and joint ventures	-	-
Profit/(loss) before tax	2,643,950	2,208,026
Income tax expenses	897,619	748,658
Profit/(loss) for the period	1,746,331	1,459,368
Profit attributable to:		
Equity holders of the parent	1,746,331	1,459,368
Non-controlling interests	-	-
	1,746,331	1,459,368
	-	-
Earnings per share on profit		
Basic earnings per ordinary share		
Diluted earnings per ordinary share		

STATEMENT OF COMPREHENSIVE INCOME

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	01/01/18 to 31/12/18	01/01/17 to 31/12/17
	(Audited)	(Audited)
Profit/(loss) for the period	1,746,331	1,459,368
Items that will be reclassified to income statement		
Exchange differences on translation of foreign operations	542,257	60,821
Net gains/(losses) on cash flow hedges	-	-
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	-	-
Share of profits of associates and joint ventures	-	-
Debt instruments at fair value through other comprehensive income	-	-
Others (specify)	-	-
Less: Tax expense relating to items that will be reclassified to income statement	-	-
Items that will not be reclassified to income statement		
Change in fair value on investments in equity instruments designated at fair value through other comprehensive income	(50,457)	(2,522)
Change in fair value attributable to change in the Bank's own credit risk on financial liabilities designated at fair value through profit or loss	-	-
Re-measurement of post-employment benefit obligations	43,663	(27,057)
Changes in revaluation surplus	-	-
Share of profits of associates and joint ventures	-	-
Others (specify)	-	-
Less: Tax expense relating to items that will not be reclassified to income statement	1,902	8,282
Other Comprehensive Income (OCI) for the period, net of taxes		
Total comprehensive income for the period	2,283,696	1,498,891
Attributable to:		
Equity holders of the parent	2,283,696	1,498,891
Non-controlling interests	-	-

STATEMENT OF FINANCIAL POSITION

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	As at 31/12/18	As at 31/12/17
	(Audited)	(Audited)
Assets		
Cash and cash equivalents	5,772,510	4,083,299
Balances with central banks	1,223,727	882,714
Placements with banks	6,559,072	11,038,804
Derivative financial instruments	2,444,682	709,248
Financial assets recognized through profit or loss		
- measured at fair value	4,890,750	1,704,504
- designated at fair value	-	-
Financial assets at amortised cost		
- loans and advances	18,770,128	15,221,983
- debt and other instruments	-	-
Financial assets measured at fair value through other comprehensive income	9,092,021	5,195,349
Investment in subsidiaries	-	-
Investments in associates and joint ventures	-	-
Property, plant and equipment	247,847	311,915
Investment properties	-	-
Goodwill and intangible assets	-	-
Deferred tax assets	20,671	14,514
Other assets	381,372	356,477
Total assets	49,402,780	39,518,807
Liabilities		
Due to banks	8,726,754	4,868,953
Derivative financial instruments	1,755,480	583,918
Financial liabilities recognized through profit or loss		
- measured at fair value	-	-
- designated at fair value	-	-
Financial liabilities at amortised cost		
- due to depositors	23,513,531	19,474,257
- due to debt securities holders	-	-
- due to other borrowers	70,875	220,961
Debt securities issued	-	-
Retirement benefit obligations	224,665	236,479
Current tax liabilities	912,680	642,865
Deferred tax liabilities	-	-
Other provisions	-	-
Other liabilities	761,117	891,797
Due to subsidiaries	-	-
Total liabilities	35,965,102	26,919,230
Equity		
Stated capital/Assigned capital	1,524,250	1,524,250
Statutory reserve fund	768,111	680,794
OCI reserve	1,395,405	887,475
Retained earnings	9,746,744	9,501,888
Other reserves	5,170	5,170
Total shareholders' equity	13,437,678	12,599,577
Non-controlling interests	-	-
Total equity	13,437,678	12,599,577
Total equity and liabilities	49,402,780	39,518,807
Contingent liabilities and commitments	97,981,763	77,550,722
Memorandum Information		
Number of Employees	84	84
Number of Branches	1	1
Signed	Signed	
Ravin Basnayake	Feroze Kamaldeen	
(Sgd.) Citi Country Officer	(Sgd.) Chief Finance Officer	
Date: 30 /05/19	Date: 30/05/19	

STATEMENT OF CASH FLOWS

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	31/12/18	31/12/17
	(Audited)	(Audited)
Cash flows from operating activities		
Interest and commission receipts	3,976,961	3,606,050
Interest and commission payments	(963,816)	(803,614)
Receipts from other operating activities	1,543,062	838,316
Payments to employees	(617,973)	(696,948)
Other overhead expenses and other taxes paid	(1,176,293)	(1,094,573)
Operating Profit before changes in Operating Assets & Liabilities	2,761,941	1,849,231
(Increase)/Decrease in Operating Assets		
Financial assets at amortised cost - loans and advances	(3,562,567)	(2,581,718)
Net proceeds from Sale, Maturity, and Purchases of Financial Investments	(6,992,926)	4,606,781
Deposits held for regulatory purposes	(341,013)	(573,397)
Placements with Bank	4,473,862	(1,040,944)
Other Assets	(1,746,652)	73,977
	(8,169,296)	484,699
Increase / (decrease) in operating liabilities		
Financial liabilities at amortised cost - due to depositors	7,824,396	182,682
Financial liabilities at amortised cost - due to debt securities holders	(150,010)	(178,504)
Other liabilities (please specify)	1,032,529	181,646
Net cash generated from operating activities before income tax	3,299,560	2,519,754
Income tax paid	(645,734)	(607,546)
Gratuity Paid	(8,901)	(18,157)
Net unrealized gains arising from translating the financial statements of foreign operation	542,257	60,821
Net cash (used in) / from operating activities	3,187,182	1,954,872
Cash flows from investing activities		
Purchase of Property, Plant & Equipment	(38,631)	(51,825)
Dividend income received from financial investments	-	1,048
Proceeds from Sale of Property, Plant & Equipment	-	333
Net cash (used in) / from investing activities	(38,631)	(50,445)
Cash flows from financing activities		
Profit remittance to Head office	(1,459,115)	-
Net cash (used in) / from financing activities	(1,459,115)	-
Net increase / (decrease) in cash & cash equivalents	1,689,436	1,904,427
Cash and cash equivalents at the beginning of the period	4,083,299	2,178,872
Exchange difference in respect of cash & cash equivalents	-	-
Cash and cash equivalents at the end of the period	5,772,735	4,083,299
Reconciliation of Cash & Cash Equivalents		
Cash in hand	868,702	925,896
Balances with banks	4,904,033	2,987,698
Money at call and short notice	-	169,705
Gross Cash & Cash Equivalents	5,772,735	4,083,299
Less: Accumulated impairment - Stage 1 for Balances with banks.	(225)	-
Net Cash & Cash Equivalents	5,772,510	4,083,299

NOTES TO THE FINANCIAL STATEMENT

Rupees
Thousands

Analysis of Loans & Advances, Commitments, Contingencies and Impairment	CURRENT PERIOD	PREVIOUS PERIOD
	As at 31/12/18	As at 31/12/17
	(Audited)	(Audited)
Product-wise Gross loans & advances		
By product – Domestic currency		
Overdrafts	6,923,138	2,719,698
Term loans	5,933,134	7,441,819
Lease rentals receivable	-	-
Credit cards	-	-
Pawning	-	-
Other loans (specify)	4,456	2,830
Sub total	12,860,728	10,164,347
By product – Foreign currency		
Overdrafts	2,279,150	1,061,725
Term loans	3,643,268	4,024,561
Guarantees	-	-
Bonds	-	-
Other loans (specify)	-	-
Sub total	5,922,419	5,086,286
Total	18,783,146	15,250,633
Product-wise commitments and contingencies		
By product – Domestic currency		
Guarantees	2,362,132	4,055,046
Bonds	35,484	245,211
Undrawn credit lines	-	-
Other commitments (specify)	1,803,368	1,387,472
Other contingencies (specify)	-	-
Sub total	4,200,984	5,687,729
By product – Foreign currency		
Guarantees	9,705,476	4,063,356
Bonds	789,596	611,442
Undrawn credit lines	83,285,707	59,674,932
Other commitments (specify)	-	7,513,263
Other contingencies (specify)	-	-
Sub total	93,780,779	71,862,993
Total	97,981,763	77,550,722
Stage-wise impairment on loans & advances, commitments and contingencies		
Gross loans and advances, commitments and contingencies		
Less: Accumulated impairment under stage 1	(21,371)	(28,650)
Accumulated impairment under stage 2	-	-
Accumulated impairment under stage 3	-	-
Net value of loans and advances, commitments and contingencies	116,743,538	92,772,705
Movement of impairment during the period		
Under Stage 1		
Charge/(Write back) to income statement	8,491	26,139
Write-off during the year	-	-
Other movements	-	-
Closing balance at 31.12.2018	23,622	26,139
Under Stage 2		
Charge/(Write back) to income statement	-	-
Write-off during the year	-	-
Other movements	-	-
Closing balance at.....	-	-
Under Stage 3		
Charge/(Write back) to income statement	-	-
Write-off during the year	-	-
Other movements	-	-
Closing balance at.....	-	-
Total impairment	23,622	26,139
ANALYSIS OF DEPOSITS		
By product – Domestic currency		
Demand deposits (current accounts)	5,717,297	5,627,409
Savings deposits	1,334,626	1,040,688
Fixed deposits	7,336,921	4,198,567
Others (Specify)	1,294,126	194,939
Sub total	15,682,970	11,061,603
By product – Foreign currency		
Demand deposits (current accounts)	3,979,076	2,993,059
Savings deposits	3,332,434	4,643,959
Fixed deposits	430,417	714,611
Others (Specify)	88,637	61,024
Sub total	7,830,564	8,412,654
Total	23,513,534	19,474,257

STATEMENT OF CHANGES IN EQUITY AND RESERVES

Rupees
Thousands

	Stated capital/Assigned capital			Statutory Reserve Fund	Reserves				Total	Non-Controlling Interest	Total Equity
	Ordinary Voting Shares	Ordinary Non-voting Shares	Assigned Capital		OCI reserve	Exchange Equalization Reserve	Retained earnings	Other reserves			
Balance as at 01/01/18 (Opening balance)	-	-	1,524,250	680,794	26,697	860,778	9,501,888	5,170	12,599,577	-	12,599,577
Adjustment on initial application on IFRS 09, net of tax	-	-	-	-	-	-	13,520	-	13,520	-	13,520
Total comprehensive income for the period	-	-	-	-	-	-	1,746,331	-	1,746,331	-	1,746,331
Profit/(loss) for the year (net of tax)	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income (net of tax)	-	-	-	-	(36,329)	542,257	31,437	-	537,365	-	537,365
Total comprehensive income for the period	-	-	-	-	(36,329)	542,257	1,791,288	-	2,297,216	-	2,297,216
Transactions with equity holders, recognised directly inequity											
Share issue/increase of assigned capital	-	-	-	-	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-	-	-	-	-
Bonus issue	-	-	-	-	-	-	-	-	-	-	-
Rights issue	-	-	-	-	-	-	-	-	-	-	-
Transfers to reserves during the period	-	-	-	87,317	-	-	(87,317)	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	-
Profit transferred to head office	-	-	-	-	-	-	(1,459,115)	-	(1,459,115)	-	(1,459,115)
Gain/(loss) on revaluation of Property, Plant and Equipment (if cost method is adopted)	-	-	-	-	-	-	-	-	-	-	-
Others (Please specify)	-	-	-	-	-	-	-	-	-	-	-
Total transactions with equity holders	-	-	-	87,317	-	-	(1,546,432)	-	(1,459,115)	-	(1,459,115)
Balance as at 31/12/18 (Closing balance)	-	-	1,524,250	768,111	(9,632)	1,403,035	9,746,744	5,170	13,437,678	-	13,437,678

CITIBANK, N. A. COLOMBO, SRI LANKA

Rated ‘AAA (lka)’ by Fitch Ratings Lanka Ltd.



ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Rupees
Thousands

As at 31 December 2018	FVPL*	Amortised Cost	FVOCI	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Financial Assets				
Cash and cash equivalents	-	5,772,510	-	5,772,510
Balances with central banks	-	1,223,727	-	1,223,727
Placements with banks	-	6,559,072	-	6,559,072
Derivative financial instruments	2,444,682	-	-	2,444,682
Financial assets recognised through profit or loss- measured at fair value	4,890,750	-	-	4,890,750
Financial assets at amortised cost - loans and advances	-	18,791,616	-	18,791,616
Financial assets measured at fair value through other comprehensive income	-	-	9,092,021	9,092,021
Other Assets	-	20,890	1,040	21,930
Total financial assets	7,335,432	32,367,815	9,093,061	48,796,308

	FVPL*	Amortised Cost	Total
	Rs. '000	Rs. '000	Rs. '000
Financial Liabilities			
Due to banks	-	8,726,754	8,726,754
Derivative financial instruments	1,755,480	-	1,755,480
Financial liabilities at amortised cost - due to depositors	-	23,513,531	23,513,531
Securities sold under repurchase agreements	-	70,875	70,875
Other liabilities	-	368,113	368,113
Total financial liabilities		1,755,480	34,434,753

As at 31 December 2017	FVPL*	Amortised Cost	FVOCI	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Financial Assets				
Cash and cash equivalents	-	4,083,299	-	4,083,299
Balances with central banks	-	882,714	-	882,714
Placements with banks	-	11,038,804	-	11,038,804
Derivative financial instruments	709,248	-	-	709,248
Financial assets recognised through profit or loss- measured at fair value	1,704,504	-	-	1,704,504
Financial assets at amortised cost - loans and advances	-	15,243,471	-	15,243,471
Financial assets measured at fair value through other comprehensive income	-	-	5,195,349	5,195,349
Other Assets	-	21,579	1,040	22,619
Total financial assets	2,413,752	31,269,867	5,196,389	38,880,008

	FVPL*	Amortised Cost	Total
	Rs. '000	Rs. '000	Rs. '000
Financial Liabilities			
Due to banks	-	4,868,953	4,868,953
Derivative financial instruments	583,918	-	583,918
Financial liabilities at amortised cost - due to depositors	-	19,474,257	19,474,257
Securities sold under repurchase agreements	-	220,961	220,961
Other liabilities	-	523,924	523,924
Total financial liabilities		25,088,095	25,672,013

*Financial assets measured at fair value through other comprehensive income - FVOCI

* Designated at fair value through profit or loss - Designated at fair value - FVPL

SELECTED PERFORMANCE INDICATORS

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	As at 31/12/18 (Audited)	As at 31/12/17 (Audited)
Common Equity Tier 1	13,691,677	13,082,604
Tier 1 Capital	13,691,677	13,082,604
Total Capital	13,715,299	13,082,604
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 6.375%)	39.38%	43.80%
Tier 1 Capital Ratio (Minimum Requirement - 7.875%)	39.38%	43.80%
Total Capital Ratio (Minimum Requirement -11.875%)	39.45%	43.80%
Leverage Ratio (Minimum Requirement =3)	0.00%	0.00%
Regulatory Liquidity		
Statutory Liquid Assets (LKR'000)	26,234,474	21,765,189
Statutory Liquid Assets Ratio (Minimum Requirement = 20%)		
Domestic Banking Unit (%)	60.57%	71.26%
Off-Shore Banking Unit (%)	91.13%	92.84%
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 100%)	758.70%	423,01%
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement -100%)	260.47%	185.38%
Net Stable Funding Ratio (%) (Minimum Requirement = 90%)	123.72%	0.00%
Assets Quality (Quality of Loan Portfolio)	-	
Gross Non-Performing Advances (%) (net of interest in Suspense)	-	
Net-Non Performing Advances (%) (net of interest in suspense and provision)	-	
Profitability	-	
Interest Margin (%)	5.01%	5.56%
Return on Assets (Before Tax %)	6.49%	5.60%
Return on Equity (%)	23.88%	12.25%

INCOME STATEMENT

Rupees
Thousands

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	01/01/18 to 31/12/18 (Audited)	01/01/17 to 31/12/17 (Audited)
Interest income	3,225,313	2,939,519
Interest expenses	878,574	748,179
Net interest income	2,346,739	2,191,340
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Net fee and commission income	700,355	718,821
Net gains/(losses) from trading	920,279	322,341
Net fair value gains/(losses) on:		
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financial liabilities at fair value through profit or loss	-	-
Net gains/(losses) on derecognition of financial assets:		
at fair value through profit or loss	-	-
at amortised cost	-	-
at fair value through other comprehensive income	-	-
Net other operating income	622,783	867,243
Total operating income	4,590,156	4,099,745
Impairment charges	(8,491)	26,139
Net operating income	4,581,665	4,125,884
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Other expenses	571,342	665,651
Operating profit before VAT, NBT and DRL	3,248,901	2,671,399
Value Added Tax (VAT) on financial services	604,951	463,373
Operating profit/(loss) after VAT & NBT on financial services	2,643,950	2,208,026
Share of profits of associates and joint ventures	-	-
Profit/(loss) before tax	2,643,950	2,208,026
Income tax expenses	897,619	748,658
Profit/(loss) for the period	1,746,331	1,459,368
Profit attributable to:		
Equity holders of the parent	1,746,331	1,459,368
Non-controlling interests	-	-
	1,746,331	1,459,368
Earnings per share on profit	-	-
Basic earnings per ordinary share		
Diluted earnings per ordinary share		

STATEMENT OF COMPREHENSIVE INCOME

Rupees
Thousands

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	01/01/18 to 31/12/18 (Audited)	01/01/17 to 31/12/17 (Audited)
Profit/(loss) for the period	1,746,331	1,459,368
Items that will be reclassified to income statement		
Exchange differences on translation of foreign operations	542,257	60,821
Net gains/(losses) on cash flow hedges	-	-
Net gains/(losses) on investments in debt instruments	-	-
measured at fair value through other comprehensive income	-	-
Share of profits of associates and joint ventures	-	-
Debt instruments at fair value through other comprehensive income	-	-
Others (specify)	-	-
Less: Tax expense relating to items that will be reclassified to income statement	-	-
Items that will not be reclassified to income statement		
Change in fair value on investments in equity instruments		
designated at fair value through other comprehensive income	(50,457)	(2,522)
Change in fair value attributable to change in the Bank's own credit risk on		
financial liabilities designated at fair value through profit or loss	-	-
Re-measurement of post-employment benefit obligations	43,663	(27,057)
Changes in revaluation surplus	-	-
Share of profits of associates and joint ventures	-	-
Others (specify)	-	-
Less: Tax expense relating to items that will not be reclassified to income statement	1,902	8,282
Other Comprehensive Income (OCI) for the period, net of taxes		
Total comprehensive income for the period	2,283,696	1,498,891
Attributable to:		
Equity holders of the parent	2,283,696	1,498,891
Non-controlling interests	-	-

STATEMENT OF FINANCIAL POSITION

Rupees
Thousands

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	As at 31/12/18 (Audited)	As at 31/12/17 (Audited)
Assets		
Cash and cash equivalents	5,772,510	4,083,299
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- measured at fair value	4,890,750	1,704,504
- designated at fair value	-	-
Financial assets at amortised cost		
- loans and advances	18,770,128	15,221,983
- debt and other instruments	-	-
Financial assets measured at fair value through other comprehensive income	9,092,021	5,195,349
Investment in subsidiaries	-	-
Investments in associates and joint ventures	-	-
Property, plant and equipment	247,847	311,915
Investment properties	-	-
Goodwill and intangible assets	-	-
Deferred tax assets	20,671	14,514
Other assets	381,372	356,477
Total assets	49,402,780	39,518,807
Liabilities		
Due to banks	8,726,754	4,868,953
Derivative financial instruments	1,755,480	583,918
Financial liabilities recognized through profit or loss		
- measured at fair value	-	-
- designated at fair value	-	-
Financial liabilities at amortised cost		
- due to depositors	23,513,531	19,474,257
- due to debt securities holders	-	-
- due to other borrowers	70,875	220,961
Debt securities issued	-	-
Retirement benefit obligations	224,665	236,479
Current tax liabilities	912,680	642,865
Deferred tax liabilities	-	-
Other provisions	-	-
Other liabilities	761,117	891,797
Due to subsidiaries	-	-
Total liabilities	35,965,102	26,919,230
Equity		
Stated capital/Assigned capital	1,524,250	1,524,250
Statutory reserve fund	768,111	680,794
OCI reserve	1,393,403	887,475
Retained earnings	9,746,744	9,501,888
Other reserves	5,170	5,170
Total shareholders' equity	13,437,678	12,599,577
Non-controlling interests	-	-
Total equity	13,437,678	12,599,577
Total equity and liabilities	49,402,780	39,518,807
Contingent liabilities and commitments	97,981,763	77,550,722
Memorandum Information		
Number of Employees	84	84
Number of Branches	1	1

Signed

Ravin Basnayake

(Sgd.) Citi Country Officer

Date: 30 /05/19

Signed

Feroze Kamaldeen

(Sgd.) Chief Finance Officer

Date: 30/05/19

STATEMENT OF CHANGES IN EQUITY AND RESERVES

Rupees
Thousands

	Stated capital/Assigned capital			Reserves					Total	Non-Controlling Interest	Total Equity
	Ordinary Voting Shares	Ordinary Non-voting Shares	Assigned Capital	Statutory Reserve Fund	OCI reserve	Exchange Equalization Reserve	Retained earnings	Other reserves			
Balance as at 01/01/18 (Opening balance)	-	-	1,524,250	680,794	26,697	860,778	9,501,888	5,170	12,599,577	-	12,599,577
Adjustment on initial application on IFRS 09, net of tax							13,520		13,520		13,520
Total comprehensive income for the period						-					
Profit/(loss) for the year (net of tax)	-	-	-	-	-	-	1,746,331		1,746,331		1,746,331
Other comprehensive income (net of tax)	-	-	-	-	(36,329)	542,257	31,437		537,365		537,365
Total comprehensive income for the period	-	-	-	-	(36,329)	542,257	1,791,288	-	2,297,216	-	2,297,216
Transactions with equity holders, recognised directly inequity											
Share issue/increase of assigned capital	-	-	-	-	-	-	-	-	-	-	-
Share options exercised					-	-					
Bonus issue					-	-					
Rights issue					-	-					
Transfers to reserves during the period				87,317			(87,317)		-		-
Dividends to equity holders					-	-					
Profit transferred to head office							(1,459,115)		(1,459,115)		(1,459,115)
Gain/(loss) on revaluation of Property, Plant and Equipment (if cost method is adopted)						-	-				
Others (Please specify)					-	-					
Total transactions with equity holders	-	-	-	87,317	-	-	(1,546,432)	-	(1,459,115)	-	(1,459,115)
Balance as at 31/12/18 (Closing balance)	-	-	1,524,250	768,111	(9,632)	1,403,035	9,746,744	5,170	13,437,678	-	13,437,678

STATEMENT OF CASH FLOWS

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	31/12/18 (Audited)	31/12/17 (Audited)
Cash flows from operating activities		
Interest and commission receipts	3,976,961	3,606,050
Interest and commission payments	(963,816)	(803,614)
Receipts from other operating activities	1,543,062	838,316
Payments to employees	(617,973)	(696,948)
Other overhead expenses and other taxes paid	(1,176,293)	(1,094,573)
Operating Profit before changes in Operating Assets & Liabilities	2,761,941	1,849,231
(Increase)/Decrease in Operating Assets		
Financial assets at amortised cost - loans and advances	(3,562,567)	(2,581,718)
Net proceeds from Sale, Maturity, and Purchases of Financial Investments	(6,992,926)	4,606,781
Deposits held for regulatory purposes	(341,013)	(573,397)
Placements with Bank	4,473,862	(1,040,944)
Other Assets	(1,746,652)	73,977
	(8,169,296)	484,699
Increase / (decrease) in operating liabilities		
Financial liabilities at amortised cost – due to depositors	7,824,396	182,682
Financial liabilities at amortised cost – due to debt securities holders	(150,010)	(178,504)
Other liabilities (please specify)	1,032,529	181,646
Net cash generated from operating activities before income tax	3,299,560	2,519,754
Income tax paid	(645,734)	(607,546)
Gratuity Paid	(8,901)	(18,157)
Net unrealized gains arising from translating the financial statements of foreign operation	542,257	60,821
Net cash (used in) / from operating activities	3,187,182	1,954,872
Cash flows from investing activities		
Purchase of Property, Plant & Equipment	(38,631)	(51,825)
Dividend income received from financial investments	-	1,048
Proceeds from Sale of Property, Plant & Equipment	-	333
Net cash (used in) / from investing activities	(38,631)	(50,445)
Cash flows from financing activities		
Profit remittance to Head office	(1,459,115)	-
Net cash (used in) / from financing activities	(1,459,115)	-
Net increase / (decrease) in cash & cash equivalents	1,689,436	1,904,427
Cash and cash equivalents at the beginning of the period	4,083,299	2,178,872
Exchange difference in respect of cash & cash equivalents	-	-
Cash and cash equivalents at the end of the period	5,772,735	4,083,299
Reconciliation of Cash & Cash Equivalents		
Cash in hand	868,702	925,896
Balances with banks	4,904,033	2,987,698
Money at call and short notice	-	169,705
Gross Cash & Cash Equivalents	5,772,735	4,083,299
Less: Accumulated impairment - Stage 1 for Balances with banks.	(225)	-
Net Cash & Cash Equivalents	5,772,510	4,083,299

NOTES TO THE FINANCIAL STATEMENT

Rupees
Thousands

Analysis of Loans & Advances, Commitments, Contingencies and Impairment	CURRENT PERIOD	PREVIOUS PERIOD
	As at 31/12/18 (Audited)	As at 31/12/17 (Audited)
Product-wise Gross loans & advances		
By product – Domestic currency		
Overdrafts	6,923,138	2,719,698
Term loans	5,933,134	7,441,819
Lease rentals receivable	-	-
Credit cards	-	-
Pawning	-	-
Other loans (specify)	4,456	2,830
Sub total	12,860,728	10,164,347
By product – Foreign currency		
Overdrafts	2,279,150	1,061,725
Term loans	3,643,268	4,024,561
Guarantees	-	-
Bonds	-	-
Other loans (specify)	-	-
Sub total	5,922,419	5,086,286
Total	18,783,146	15,250,633
Product-wise commitments and contingencies		
By product – Domestic currency		
Guarantees	2,362,132	4,055,046
Bonds	35,484	245,211
Undrawn credit lines		
Other commitments (specify)	1,803,368	1,387,472
Other contingencies (specify)		
Sub total	4,200,984	5,687,729
By product – Foreign currency		
Guarantees	9,705,476	4,063,356
Bonds	789,596	611,442
Undrawn credit lines	83,285,707	59,674,932
Other commitments (specify)	-	7,513,263
Other contingencies (specify)	-	-
Sub total	93,780,779	71,862,993
Total	97,981,763	77,550,722
Stage-wise impairment on loans & advances, commitments and contingencies		
Gross loans and advances, commitments and contingencies		
Less: Accumulated impairment under stage 1	(21,371)	(28,650)
Accumulated impairment under stage 2		
Accumulated impairment under stage 3		
Net value of loans and advances, commitments and contingencies	116,743,538	92,772,705
Movement of impairment during the period		
Under Stage 1		
Charge/(Write back) to income statement	8,491	26,139
Write-off during the year		
Other movements		
Closing balance at 31.12.2018	23,622	26,139
Under Stage 2		
Charge/(Write back) to income statement		
Write-off during the year		
Other movements		
Closing balance at.....		
Under Stage 3		
Charge/(Write back) to income statement		
Write-off during the year		
Other movements		
Closing balance at.....		
Total impairment	23,622	26,139
ANALYSIS OF DEPOSITS		
By product – Domestic currency		
Demand deposits (current accounts)	5,717,297	5,627,409
Savings deposits	1,334,626	1,040,688
Fixed deposits	7,336,921	4,198,567
Others (Specify)	1,294,126	194,939
Sub total	15,682,970	11,061,603
By product – Foreign currency		
Demand deposits (current accounts)	3,979,076	2,993,059
Savings deposits	3,332,434	4,643,959
Fixed deposits	430,417	714,611
Others (Specify)	88,637	61,024
Sub total	7,830,564	8,412,654
Total	23,513,534	19,474,257

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Rupees
Thousands

As at 31 December 2018

	FVPL*	Amortised Cost	FVOCI	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Financial Assets				
Cash and cash equivalents	-	5,772,510	-	5,772,510
Balances with central banks	-	1,223,727	-	1,223,727
Placements with banks	-	6,559,072	-	6,559,072
Derivative financial instruments	2,444,682	-	-	2,444,682
Financial assets recognised through profit or loss- measured at fair value	4,890,750	-	-	4,890,750
Financial assets at amortised cost - loans and advances	-	18,791,616	-	18,791,616
Financial assets measured at fair value through other comprehensive income	-	-	9,092,021	9,092,021
Other Assets	-	20,890	1,040	21,930
Total financial assets	7,335,432	32,367,815	9,093,061	48,796,308

	FVPL*	Amortised Cost	Total
	Rs. '000	Rs. '000	Rs. '000
Financial Liabilities			
Due to banks	-	8,726,754	8,726,754
Derivative financial instruments	1,755,480	-	1,755,480
Financial liabilities at amortised cost - due to depositors	-	23,513,531	23,513,531
Securities sold under repurchase agreements	-	70,875	70,875
Other liabilities	-	368,113	368,113
Total financial liabilities		32,679,273	34,434,753

As at 31 December 2017

	FVPL*	Amortised Cost	FVOCI	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Financial Assets				
Cash and cash equivalents	-	4,083,299	-	4,083,299
Balances with central banks	-	882,714	-	882,714
Placements with banks	-	11,038,804	-	11,038,804
Derivative financial instruments	709,248	-	-	709,248
Financial assets recognised through profit or loss- measured at fair value	1,704,504	-	-	1,704,504
Financial assets at amortised cost - loans and advances	-	15,243,471	-	15,243,471
Financial assets measured at fair value through other comprehensive income	-	-	5,195,349	5,195,349
Other Assets	-	21,579	1,040	22,619
Total financial assets	2,413,752	31,269,867	5,196,389	38,880,008

	FVPL*	Amortised Cost	Total
	Rs. '000	Rs. '000	Rs. '000
Financial Liabilities			
Due to banks	-	4,868,953	4,868,953
Derivative financial instruments	583,918	-	583,918
Financial liabilities at amortised cost - due to depositors	-	19,474,257	19,474,257
Securities sold under repurchase agreements	-	220,961	220,961
Other liabilities	-	523,924	523,924
Total financial liabilities		25,088,095	25,672,013

*Financial assets measured at fair value through other comprehensive income - FVOCI

* Designated at fair value through profit or loss - Designated at fair value - FVPL

SELECTED PERFORMANCE INDICATORS

Rupees
Thousands

	CURRENT PERIOD	PREVIOUS PERIOD
	As at 31/12/18 (Audited)	As at 31/12/17 (Audited)
Common Equity Tier 1	13,691,677	13,082,604
Tier 1 Capital	13,691,677	13,082,604
Total Capital	13,715,299	13,082,604
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 6.375%)	39.38%	43.80%
Tier 1 Capital Ratio (Minimum Requirement - 7.875%)	39.38%	43.80%
Total Capital Ratio (Minimum Requirement -11.875%)	39.45%	43.80%
Leverage Ratio (Minimum Requirement =3)	0.00%	0.00%
Regulatory Liquidity		
Statutory Liquid Assets (LKR'000)	26,234,474	21,765,189
Statutory Liquid Assets Ratio (Minimum Requirement = 20%)		
Domestic Banking Unit (%)	60.57%	71.26%
Off-Shore Banking Unit (%)	91.13%	92.84%
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 100%)	758.70%	423,01%
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement -100%)	260.47%	185.38%
Net Stable Funding Ratio (%) (Minimum Requirement = 90%)	123.72%	0.00%
Assets Quality (Quality of Loan Portfolio)	-	
Gross Non-Performing Advances (%) (net of interest in Suspense)	-	
Net-Non Performing Advances (%) (net of interest in suspense and provision)	-	
Profitability	-	
Interest Margin (%)	5.01%	5.56%
Return on Assets (Before Tax %)	6.49%	5.60%
Return on Equity (%)	23.88%	12.25%