Template 2

Basel III Computation of Capital Ratios

Item	Current Period As at 30/09/18 (Unaudited)	Previous Period As at 31/12/17 (Audited)
Common Equity Tier I (CETI) Capital after Adjustments	**12,698,482**	**13,082,604**
Total Common Equity Tier I (CET1) Capital	**12,244,587**	**12,599,576**
Equity capital or stated capital/assigned capital	1,524,250	1,524,250
Reserve fund	680,794	680,794
Published retained earnings/(Accumulated retained losses)	9,501,888	9,501,887
Accumulated other comprehensive income (OCI)	532,485	887,475
General and other disclosed reserves	5,170	5,170
Unpublished current year's profit/(losses) and gains reflected in OCI	-	-
Ordinary shares issued by consolidated banking and financial subsidiaries of the bank and held by third parties		
Total Adjustments to CET1 Capital	**(453,895)**	**(483,028)**
Goodwill (net)		
Other intangible assets (net)		
Revaluation losses of property, plant and equipment		
Deferred tax assets (net)	14,514	14,514
Cash flow hedge reserve		
Unrealised gains on sale related securitisation transactions		
Shortfall of the cumulative impairment to specific provisions		
Changes in own credit risk		
Defined benefit pension fund assets		
Investment in own shares		
Reciprocal cross holdings in the capital of banking and other financial institutions		
Investments in the capital of banking and financial institutions where the bank does not own more than 10 per cent of the issued ordinary share capital of the entity		
Significant investments in the capital of financial institutions where the bank owns more than 10 per cent of the issued ordinary share capital of the entity		
Shortfall of capital in financial subsidiaries		
Regulatory adjustments applied to CET1 Capital due to insufficient AT1 and Tier 2 Capital to cover adjustments		
Amount due from head office & branches outside Sri Lanka in Sri Lanka Rupees	-	-
Amount due to head office & branches outside Sri Lanka in Sri Lanka Rupees	(468,410)	(497,542)
Amount due from head office & branches outside Sri Lanka in Foreign Currency (net)	-	-
Additional Tier 1 (AT1) Capital after Adjustments	-	-
Total Additional Tier 1 (AT1) Capital	-	-
Qualifying Additional Tier 1 Capital Instruments		
Instruments issued by consolidated banking and financial subsidiaries of the bank and held by third parties		
Total Adjustments to AT1 Capital	-	-
Investment in own shares		
Reciprocal cross holdings in AT1 capital instruments		
Investments in the capital of banking and financial institutions where the bank does not own more than 10 per cent of the issued ordinary share capital of the entity		
Significant investments in the capital of banking and financial institutions where the bank own more than 10 per cent of the issued ordinary share capital of the entity		
Regulatory adjustments applied to AT1 due to insufficient Tier 2 capital to cover adjustments		
Tier 2 Capital after Adjustments	**87,638**	-
Total Tier 2 Capital	**87,638**	-
Qualifying Tier 2 Capital Instruments		
Revaluation gains		
General provisions	87,638	-
Instruments issued by consolidated banking and financial subsidiaries of the bank and held by third parties		
Total Adjustments to Tier 2 Capital	-	-
Investment in own shares		
Reciprocal cross holdings in Tier 2 capital instruments		
Investments in the capital of financial institutions and where the bank does not own more than 10 per cent of the issued capital carrying voting rights of the issuing entity		
Significant investments in the capital of banking and financial institutions where the bank own more than 10 per cent of the issued ordinary share capital of the entity		
Total Tier 1 Capital	**12,698,482**	**13,082,604**
Total Capital	**12,786,121**	**13,082,604**

Template 4

Basel III Computation of Liquidity Coverage Ratio

Item	Amount (LKR'000)			
	Current Period As at 30/09/18		Previous Period As at 31/12/17	
	Total Un-weighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)	**16,912,535**	**16,912,535**	**7,932,528**	**7,932,528**
Total Adjusted Level 1A Assets	17,342,042	17,342,042	8,211,247	8,211,247
Level 1 Assets	16,912,535	16,912,535	7,932,528	7,932,528
Total Adjusted Level 2A Assets	-	-	-	-
Level 2A Assets	-	-	-	-
Total Adjusted Level 2B Assets	-	-	-	-
Level 2B Assets				
Total Cash Outflows	**124,852,694**	**23,656,282**	**42,508,226**	**17,116,114**
Deposits	-	-	-	-
Unsecured Wholesale Funding	33,653,443	20,553,171	24,266,398	15,097,693
Secured Funding Transactions	56,025	-	220,873	-
Undrawn Portion of Committed (Irrevocable)	91,143,226	3,103,111	18,020,956	2,018,421
Facilities and Other Contingent Funding				
Obligations				
Additional Requirements				
Total Cash Inflows	**34,273,212**	**17,192,012**	**24,904,138**	**16,129,910**
Maturing Secured Lending Transactions				
Backed by Collateral				
Committed Facilities	5,081,100	-		
Other Inflows by Counterparty which are Maturing within 30 Days	24,284,616	16,359,482	21,742,928	16,129,423
Operational Deposits	3,242,437	-	3,160,234	-
Other Cash Inflows	1,665,059	832,530	976	488
Liquidity Coverage Ratio (%) (Stock of				
High Quality Liquid Assets/Total Net Cash		**261.63%**		**185.38%**
Outflows over the Next 30 Calendar Days) * 100				

Template 7

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

Asse Class	Amount (LKR'000) as at 30.09.2018					
	Exposures before Credit Conversion Factor (CCF) and CRM		Exposures post CCF and CRM		RWA and RWA Density (%)	
	On- Balance Sheet Amount	Off- Balance Sheet Amount	On- Balance Sheet Amount	Off- Balance Sheet Amount	RWA	RWA Density
Claims on Central Government and CBSL	17,263,654	-	17,263,654	-	-	-
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-
Claims on Public Sector Entities	-	307,076	-	307,076	306,620	1.00
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	-
Claims on Banks Exposures	9,741,772	52,300,662	9,741,772	2,623,397	3,963,302	0.32
Claims on Financial Institutions	474,654	26,109,550	474,654	1,099,586	827,866	0.53
Claims on Corporates	17,075,611	16,706,936	17,075,611	4,899,965	20,792,399	0.95
Retail Claims	-	-	-	-	-	-
Claims Secured by Residential Property	-	-	-	-	-	-
Claims Secured by Commercial Real Estate	-	-	-	-	-	-
Non-Performing Assets (NPAs)(i)	-	-	-	-	-	-
Higher-risk Categories	-	-	-	-	-	
Cash Items and Other Assets	3,866,623	-	3,866,623	-	2,905,918	0.75
Total	**48,422,312**	**95,424,225**	**48,422,312**	**8,930,025**	**28,796,106**	**0.50**

Template 9

Market Risk under Standardised Measurement Method

Item	RWA Amount (LKR'000) as at 30.09.2018
(a) RWA for Interest Rate Risk	161,647
General Interest Rate Risk	161,647
(i) Net Long or Short Position	161,647
(ii) Horizontal Disallowance	
(iii) Vertical Disallowance	
(iv) Options	
Specific Interest Rate Risk	
(b) RWA for Equity	0
(i) General Equity Risk	0
(ii) Specific Equity Risk	
Foreign Exchange & Gold = (e)	696,250
(c) RWA for Foreign Exchange & Gold	857,897
Capital Charge for Market Risk [(a) + (b) + (c)] * CAR	7,224,394

Template 10

Operational Risk under Basic Indicator Approach

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 30.09.2018		
			1st Year	2nd Year	3rd Year
The Basic Indicator Approach	15%		4,167,430	3,710,592	2,880,859
The Standardised Approach					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%				
Commercial Banking	15%				
The Alternative Standardised Approach					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%	0.035			
Commercial Banking	15%	0.035			
Capital Charges for Operational Risk (LKR'000)					
The Basic Indicator Approach	**537,944**				
The Standardised Approach					
The Alternative Standardised Approach					
Risk Weighted Amount for Operational Risk (LKR'000)					
The Basic Indicator Approach	**4,530,055**				
The Standardised Approach					
The Alternative Standardised Approach					