

DECADE AT A GLANCE

Bank – Based on Financial Statements Prepared Under SLASs

Year ended December 31, Rs. Mn.	2007	2008	2009	2010
Operating Results				
Income	35,223	44,115	43,741	41,522
Interest income	30,503	37,188	35,925	34,740
Interest expenses	(18,951)	(24,336)	(23,515)	(18,328)
Foreign exchange profit	1,545	2,633	2,962	1,741
Commission and other income	3,175	4,294	4,854	5,041
Operating expenses and provisions	(9,567)	(12,259)	(13,035)	(13,876)
Profit before income tax	6,705	7,520	7,191	9,318
Income tax on profit	(2,601)	(3,252)	(2,887)	(3,794)
Net profit for the year	4,104	4,268	4,304	5,524

As at December 31, Rs. Mn.	2007	2008	2009	2010
Assets				
Cash and short-term funds	16,208	24,115	24,057	10,557
Balances with Central Banks	11,576	10,322	11,795	12,189
Government Treasury Bills, Bonds and other Securities	49,863	51,633	96,671	114,541
Commercial paper	-	-	-	-
Securities purchased under resale agreements	3,804	3,400	5,203	68
Dealing securities	207	58	81	283
Investments – Held-for-sale	205	-	-	-
Investments – Held-to-maturity	1,756	1,197	1,025	2,366
Bills of Exchange	3,195	3,059	2,847	5,291
Lease receivable	10,945	9,484	7,794	11,019
Loans and advances	160,184	167,858	161,329	200,729
	257,943	271,126	310,802	357,043
Investments in subsidiaries	434	434	279	354
Investments in associates	44	44	44	44
Property, plant & equipment and intangible assets	3,768	4,098	4,382	6,428
Other assets	5,751	5,512	6,808	6,191
Total assets	267,940	281,214	322,315	370,060
Liabilities				
Deposits from customers	183,110	199,881	234,745	259,779
Dividends payable	113	-	-	-
Borrowings	18,752	13,620	11,639	14,371
Securities sold under repurchase agreements	23,342	25,075	29,905	45,774
Other liabilities	10,308	10,646	12,888	12,259
Tax payable	1,698	1,665	1,203	2,448
Debentures	6,680	4,436	3,436	2,127
Total liabilities	244,003	255,323	293,816	336,758
Shareholders' Funds				
Share capital	10,515	10,548	10,608	10,811
Statutory reserve fund	1,634	1,896	2,164	2,472
Reserves	11,788	13,447	15,727	20,019
Total liabilities and shareholders' funds	267,940	281,214	322,315	370,060
Commitments and contingencies	116,212	115,809	146,072	196,617

Bank – Based on Financial Statements Prepared Under SLFRSs and LKASs

Year ended December 31, Rs. Mn.	2011	2012	2013	2014	2015	2016	CAGR %
Operating Results							
Income	45,860	63,395	73,736	72,753	77,868	93,143	15.22
Interest income	38,356	52,685	62,764	61,832	66,030	80,738	
Interest expenses	(19,650)	(29,830)	(36,879)	(34,610)	(35,685)	(47,915)	
Foreign exchange profit	2,322	4,687	1,996	1,481	2,877	2,326	
Commission and other income	5,182	6,023	8,976	9,440	8,961	10,079	
Operating expenses and provisions	(15,313)	(19,270)	(22,347)	(22,407)	(25,040)	(25,176)	
Profit before income tax	10,897	14,295	14,510	15,736	17,143	20,052	12.97
Income tax on profit	(3,014)	(4,197)	(4,065)	(4,556)	(5,240)	(5,539)	
Net profit for the year	7,883	10,098	10,445	11,180	11,903	14,513	12.98

As at December 31, Rs. Mn.	2011	2012	2013	2014	2015	2016	CAGR %
Assets							
Cash and cash equivalents	12,911	19,733	14,262	20,592	20,044	30,194	
Balances with Central Banks	17,343	18,168	18,432	19,634	28,221	43,873	
Placements with banks	11,674	16,163	4,132	14,508	17,194	11,718	
Securities purchased under resale agreements	1,542	3,697	8,946	41,198	8,002	–	
Derivative financial assets	40	1,351	838	460	4,118	1,053	
Other financial investments – Held-for-trading	6,418	6,041	6,379	6,327	7,656	4,988	
Loans and receivables to banks	580	629	546	551	601	624	} 16.54
Loans and receivables to other customers	286,314	337,247	353,062	405,431	508,115	616,018	
Financial investments – Available-for-sale	61,415	57,963	131,757	214,208	204,244	160,023	
Financial investments – Held-to-maturity	–	–	–	–	–	60,981	
Financial investments – Loans and receivables	26,630	31,971	48,943	50,436	57,724	51,824	
	424,867	492,963	587,297	773,345	855,919	981,296	
Investments in subsidiaries	315	303	289	1,211	1,237	2,435	
Investments in associates	44	44	44	44	44	44	
Property, plant & equipment	7,907	8,221	8,387	9,953	9,969	10,308	
Intangible assets	467	497	468	439	466	641	
Leasehold property	78	77	76	75	74	74	
Deferred tax assets	360	449	–	–	–	964	
Other assets	7,291	9,189	9,426	10,543	12,096	16,439	
Total assets	441,329	511,743	605,987	795,610	879,805	1,012,201	18.06
Liabilities							
Due to banks	11,574	4,894	14,194	25,261	30,319	67,609	
Derivative financial liabilities	435	84	1,412	1,193	1,891	1,515	
Securities sold under repurchase agreements	41,235	31,760	45,519	124,564	112,385	69,867	
Other financial liabilities – Held-for-trading	–	–	–	–	–	–	
Due to other customers/Deposits from customers	323,755	390,612	451,153	529,361	624,102	739,563	17.96
Other borrowings	8,368	15,823	8,654	11,637	9,986	9,270	
Debt securities issued	–	–	–	–	–	–	
Current tax liabilities	1,305	2,802	1,759	1,998	3,002	3,441	
Deferred tax liabilities	1,594	1,698	1,563	2,574	231	–	
Other provisions	1	2	2	2	2	2	
Other liabilities	8,162	10,363	9,827	17,444	15,547	17,710	
Due to subsidiaries	30	22	16	19	26	20	
Subordinated liabilities	1,106	1,106	10,944	11,045	11,973	24,850	
Total liabilities	397,565	459,166	545,043	725,098	809,464	933,847	
Equity							
Stated capital	16,474	18,009	19,587	21,458	23,255	24,978	
Statutory reserves	2,890	3,433	4,035	4,327	4,922	5,648	
Retained earnings	2,547	4,178	4,233	4,258	4,389	4,464	
Other reserves	21,853	26,957	33,089	40,469	37,775	43,264	
Total liabilities & shareholders' funds	441,329	511,743	605,987	795,610	879,805	1,012,201	18.06
Commitments and contingencies	234,551	279,593	295,452	352,453	521,232	498,305	

Bank – Based on Financial Statements Prepared Under SLASs

<i>Year ended December 31, Rs. Mn.</i>	2007	2008	2009	2010
Ratios				
Return on average shareholders' funds (%)	20.63	17.13	15.83	17.87
Income growth (%)	43.95	25.25	(0.85)	(5.07)
Return on average assets (%)	1.67	1.55	1.43	1.60
Dividend per share (Rs.)	7.00	7.00	7.00	7.00
Ordinary share dividend cover (times)	2.29	2.42	2.46	2.09
Gross dividends to ordinary shareholders (Rs. Mn.)	1,743.13	1,745.81	1,751.47	2,642.25
Advances to deposits and refinance (%)	91.75	87.12	70.88	80.97
Property, Plant & Equipment to shareholders' funds (%)	15.74	15.83	15.38	19.30
Total assets to shareholders' funds (times)	11.19	10.86	11.31	11.11
Capital funds to liabilities including contingent liabilities (%)	7.87	6.98	6.48	6.26
Cost/income ratio (%)	47.87	50.46	56.86	54.69
Liquid assets to liabilities (%)	24.24	24.83	38.80	29.74
(As specified in the Banking Act No. 30 of 1988)				
Group Capital Adequacy (%) Tier I	10.60	10.55	11.92	10.86
Tier I & II	13.71	13.13	13.93	12.26
Share Information				
Market value of a share (Rs.)	147.00	67.00	189.50	259.90
Earnings per share (Rs.)	5	6	6	7
Price earnings ratio (times)	9	4	11	18
Net assets value per share (Rs.)	30	34	38	44
Earnings yield (%)	11	25	9	6
Dividend payout ratio (%) – Cash	44	41	41	34
Total dividend payout ratio (%)	-	-	-	48
Other Information				
Number of employees	3,745	4,041	4,071	4,321
Number of delivery points – Sri Lanka	163	170	172	187
Number of delivery points – Bangladesh	9	11	15	17
Number of automated teller machines	301	346	368	414

Bank – Based on Financial Statements Prepared Under SLFRSs and LKASs

<i>Year ended December 31, Rs. Mn.</i>	2011	2012	2013	2014	2015	2016	CAGR %
Ratios							
Return on average shareholders' funds (%)	20.28	20.96	18.40	17.01	16.90	19.52	
Income growth (%)	10.45	38.24	16.31	(1.33)	7.03	19.62	
Return on average assets (%)	1.94	2.12	1.87	1.60	1.42	1.53	
Dividend per share (Rs.)	6.00	6.50	6.50	6.50	6.50	6.50	
Ordinary share dividend cover (times)	1.61	1.86	1.89	1.99	2.09	2.25	
Gross dividends to ordinary shareholders (Rs. Mn.)	4,904.70	5,421.42	5,522.47	5,630.32	5,700.22	5,793.93	
Advances to deposits and refinance (%)	83.30	82.01	77.48	75.89	80.84	82.69	
Property, plant & equipment to equity (%)	19.31	16.73	14.65	14.85	14.94	14.07	
Total assets to equity (times)	9.92	9.73	9.94	11.28	12.51	12.92	
Capital funds to liabilities including contingent liabilities (%)	6.92	7.12	7.25	6.54	5.29	5.47	
Cost/income ratio (%)	50.70	47.02	45.59	49.26	48.92	51.06	
Liquid assets to liabilities (%)	26.35	25.79	34.05	33.11	27.72	27.41	
<i>(As specified in the Banking Act No. 30 of 1988)</i>							
Group Capital Adequacy (%) Tier I	12.11	12.63	13.30	13.07	11.55	11.59	
Tier I & II	13.01	13.84	16.93	16.22	14.28	16.01	
Share Information							
Market value of a share (Rs.)	100.00	103.00	120.40	171.00	140.20	145.00	
Earnings per share (Rs.)	9	12	12	13	13	16	
Price earnings ratio (times)	11	9	10	13	10	9	
Net assets value per share (Rs.)	54	63	72	81	80	88	
Earnings yield (%)	9	12	10	8	10	11	
Dividend payout ratio (%) – Cash	42	37	37	35	33	28	
Total dividend payout ratio (%)	62	54	53	50	48	40	
Other Information							
Number of employees	4,524	4,602	4,730	4,852	4,951	4,987	
Number of delivery points – Sri Lanka	213	227	235	239	246	255	} 3.56
Number of delivery points – Bangladesh	17	17	18	18	18	19	
Number of automated teller machines	514	572	604	625	640	677	5.66

CAGR – Compounded Annual Growth Rate