

DECADE AT A GLANCE

Bank – Based on Financial Statements Prepared Under SLASs

<i>Year ended December 31, Rs. Mn.</i>	2008	2009	2010
Operating Results			
Gross Income	44,115	43,741	41,522
Interest income	37,188	35,925	34,740
Interest expense	(24,336)	(23,515)	(18,328)
Foreign exchange profit	2,633	2,962	1,741
Commission and other income	4,294	4,854	5,041
Operating expenses and provisions	(12,259)	(13,035)	(13,876)
Profit before tax	7,520	7,191	9,318
Income tax expense	(3,252)	(2,887)	(3,794)
Profit for the year	4,268	4,304	5,524

<i>As at December 31, Rs. Mn.</i>	2008	2009	2010
Assets			
Cash and short-term funds	24,115	24,057	10,557
Balances with Central Banks	10,322	11,795	12,189
Government Treasury Bills, Bonds and other Securities	51,633	96,671	114,541
Commercial paper	–	–	–
Securities purchased under resale agreements	3,400	5,203	68
Dealing securities	58	81	283
Investments – Held-for-sale	–	–	–
Investments – Held-to-maturity	1,197	1,025	2,366
Bills of Exchange	3,059	2,847	5,291
Lease receivable	9,484	7,794	11,019
Loans and advances	167,858	161,329	200,729
	271,126	310,802	357,043
Investments in subsidiaries	434	279	354
Investments in associates	44	44	44
Property, plant and equipment and intangible assets	4,098	4,382	6,428
Other assets	5,512	6,808	6,191
Total assets	281,214	322,315	370,060
Liabilities			
Deposits from customers	199,881	234,745	259,779
Dividends payable	–	–	–
Borrowings	13,620	11,639	14,371
Securities sold under repurchase agreements	25,075	29,905	45,774
Other liabilities	10,646	12,888	12,259
Tax payable	1,665	1,203	2,448
Debentures	4,436	3,436	2,127
Total liabilities	255,323	293,816	336,758
Shareholders' Funds			
Share capital	10,548	10,608	10,811
Statutory reserve fund	1,896	2,164	2,472
Reserves	13,447	15,727	20,019
Total liabilities and shareholders' funds	281,214	322,315	370,060
Commitments and contingencies	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	2017	CAGR %
Operating Results								
Gross Income	45,860	63,395	73,736	72,753	77,868	93,143	115,594	16.66
Interest income	38,356	52,685	62,764	61,832	66,030	80,738	103,034	
Interest expense	(19,650)	(29,830)	(36,879)	(34,610)	(35,685)	(47,915)	(64,011)	
Foreign exchange profit	2,322	4,687	1,996	1,481	2,877	2,326	588	
Commission and other income	5,182	6,023	8,976	9,440	8,961	10,079	11,972	
Operating expenses and Impairment	(15,313)	(19,270)	(22,347)	(22,407)	(25,040)	(25,177)	(28,400)	
Profit before tax	10,897	14,295	14,510	15,736	17,143	20,051	23,183	13.41
Income tax expense	(3,014)	(4,197)	(4,065)	(4,556)	(5,240)	(5,539)	(6,602)	
Profit for the year	7,883	10,098	10,445	11,180	11,903	14,512	16,581	13.19

As at December 31, Rs. Mn.	2011	2012	2013	2014	2015	2016	2017	CAGR %
Assets								
Cash and cash equivalents	12,911	19,733	14,262	20,592	20,044	30,194	33,225	
Balances with central banks	17,343	18,168	18,432	19,634	28,221	43,873	44,801	
Placements with banks	11,674	16,163	4,132	14,508	17,194	11,718	17,633	
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	2,335	
Other financial investments – Held for trading	6,418	6,041	6,379	6,327	7,656	4,988	4,411	
Loans and receivables to banks	580	629	546	551	601	624	641	} 17.06
Loans and receivables to other customers	286,314	337,247	353,062	405,431	508,115	616,018	737,447	
Financial investments – Available for sale	61,415	57,963	131,757	214,208	204,244	160,023	154,714	
Financial investments – Held to maturity	-	-	-	-	-	60,981	63,563	
Financial investments – Loans and receivables	26,630	31,971	48,943	50,436	57,724	51,824	48,712	
	424,867	492,963	587,297	773,345	855,919	981,296	1,107,482	
Investments in subsidiaries	315	303	289	1,211	1,237	2,435	3,066	
Investments in associates	44	44	44	44	44	44	44	
Property, plant and equipment	7,907	8,221	8,387	9,953	9,969	10,308	14,635	
Intangible assets	467	497	468	439	466	641	777	
Leasehold property	78	77	76	75	74	74	73	
Deferred tax assets	360	449	-	-	-	964	-	
Other assets	7,291	9,189	9,426	10,543	12,096	16,439	17,297	
Total assets	441,329	511,743	605,987	795,610	879,805	1,012,201	1,143,374	17.19
Liabilities								
Due to banks	11,574	4,894	14,194	25,261	30,319	67,609	57,121	
Derivative financial liabilities	435	84	1,412	1,193	1,891	1,515	3,678	
Securities sold under repurchase agreements	41,235	31,760	45,519	124,564	112,385	69,867	49,677	
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	850,128	17.46
Other borrowings	8,368	15,823	8,654	11,637	9,986	9,270	23,786	
Current tax liabilities	1,305	2,802	1,759	1,998	3,002	3,441	4,144	
Deferred tax liabilities	1,594	1,698	1,563	2,574	231	-	3,275	
Other provisions	1	2	2	2	2	2	-	
Other liabilities	8,162	10,363	9,827	17,444	15,547	17,710	19,225	
Due to subsidiaries	30	22	16	19	26	20	75	
Subordinated liabilities	1,106	1,106	10,944	11,045	11,973	24,850	25,166	
Total liabilities	397,565	459,166	545,043	725,098	809,464	933,847	1,036,275	
Equity								
Stated capital	16,474	18,009	19,587	21,458	23,255	24,978	37,144	
Statutory reserves	2,890	3,433	4,035	4,327	4,922	5,648	6,477	
Retained earnings	2,547	4,178	4,233	4,258	4,389	4,464	4,987	
Other reserves	21,853	26,957	33,089	40,469	37,775	43,264	58,491	
Total liabilities and equity	441,329	511,743	605,987	795,610	879,805	1,012,201	1,143,374	17.19
Contingent liabilities and commitments	234,551	279,593	295,452	352,453	521,232	498,305	564,795	

Bank – Based on Financial Statements Prepared Under SLASs

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

Bank – Based on Financial Statements Prepared Under SLFRSs and LKASs

Year ended December 31,	2011	2012	2013	2014	2015	2016	2017	CAGR %
Ratios								
Return on average shareholders' funds (%)	20.28	20.96	18.40	17.01	16.90	19.52	17.88	
Income growth (%)	10.45	38.24	16.31	(1.33)	7.03	19.62	24.10	
Return on average assets (%)	1.94	2.12	1.87	1.60	1.42	1.53	1.54	
Dividend per share (Rs.)	6.00	6.50	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	2.56	
Advances to deposits and refinance (%)	83.30	82.01	77.48	75.89	80.84	82.69	86.07	
Property, plant and equipment to equity (%)	19.31	16.73	14.65	14.85	14.94	14.07	14.46	
Total assets to equity (times)	9.92	9.73	9.94	11.28	12.51	12.92	10.68	
Capital funds to liabilities including contingent liabilities (%)	6.92	7.12	7.25	6.54	5.29	5.47	6.69	
Cost/income ratio (%)	50.70	47.02	45.59	49.26	48.92	51.06	49.82	
Liquid assets to liabilities (%)	26.35	25.79	34.05	33.11	27.72	27.41	27.64	
(As specified in the Banking Act No. 30 of 1988)								
Capital Adequacy – Group (%) Tier 1 ratio	12.11	12.63	13.30	13.07	11.55	11.59	12.12	
Total capital ratio	13.01	13.84	16.93	16.22	14.28	16.01	15.70	
Share Information								
Market value of a share (Rs.)	100.00	103.00	120.40	171.00	140.20	145.00	135.80	
Earnings per share (Rs.)	9	12	12	13	13	16	17	
Price earnings ratio (times)	11	9	10	13	10	9	8	
Net assets value per share (Rs.)	54	63	72	81	80	88	108	
Earnings yield (%)	9	12	10	8	10	11	13	
Dividend payout ratio – Cash (%)	42	37	37	35	33	28	27	
Total dividend payout ratio (%)	62	54	53	50	48	40	39	
Other Information								
Number of employees	4,524	4,602	4,730	4,852	4,951	4,987	4,982	
Number of delivery points – Sri Lanka	213	227	235	239	246	255	261	} 3.33
Number of delivery points – Bangladesh	17	17	18	18	18	19	19	
Number of automated teller machines	514	572	604	625	640	677	775	7.08

CAGR – Compounded Annual Growth Rate