







# GROUP STRUCTURE

	Commercial Development Co. PLC	ONEzero Co. Ltd.	Commex Sri Lanka S.R.L. – Italy	Serendib Finance Ltd.*	Commercial Bank of Maldives Private Limited	CBC Myanmar Microfinance Company Limited
<b>Company Profile</b>						
Relationship to the Bank	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary
Incorporated on	March 14, 1980 in Sri Lanka	February 17, 2003 in Sri Lanka	December 02, 2008 in Italy	February 18, 1987 in Sri Lanka	March 24, 2015 in Maldives	April 4, 2017 in Myanmar
Bank's Holding	92.97%	100%	100%	100%	55%	100%
						
Principal Business Activities	Property Development	Provision of IT Related Services	Money Transfer and Money Exchange	Leasing and Hire Purchase Financing	Banking	Microfinancing
Business Address	4th floor, No. 8-4/2, York Arcade Building, Leyden Bastian Road, Colombo 01.	"Commercial House", No. 21, Sir Razik Fareed Mawatha, Colombo 01.	No. 34, Via Giacomo, Leopardi, Cap 00185 Rome, Italy.	No. 187, Katugastota Road, Kandy.	H Filigasdhoshuge, Ameer Ahmed Magu, Male 20066, Maldives.	42A, Pantra Street, Dagon Township, Yangon.
Contact Numbers	2447300	2430420	+39 06 48905707	081 2213498, 081 2200272	+96 03332668	+95 1378975
<b>Board of Directors</b>						
Chairman	B R L Fernando	Prof A K W Jayawardane	K G D D Dheerasinghe	K G D D Dheerasinghe	Hussain Afeef	K G D D Dheerasinghe
Managing Director/CEO	J Durairatnam			E M P Edirisinghe	D D J Rajapakse	R C P Kalugamage
Director	A L Gooneratne	K D N Buddhipala	K D N Buddhipala	Dr (Mrs) J P Kuruppu	S Renganathan	Mrs S A Walgama
Director	A T P Edirisinghe	S C U Manatunga	U K P Banduwansa	S R Pushpakumara	S C U Manatunga	D J D P Hettiarachchi
Director	L D A Jayasinghe	Mrs S A Walgama	Prof Francesco Bellini	A N P Sooriyaarachchi	U I S Thillakawardana	
Director	U I S Tillakawardana	K S A Gamage	Dr Antonia Coppola	Y S H R S Silva	Adam Saleem	
Director		S Prabagar			Dr Ibrahim Vishan	
Director						
Director						
Company Secretary	L W P Indrajith	M P Dharmasiri	U K P Banduwansa	R A P Rajapaksha	Ms Fathmath Muaza	

## Summary of Financial Information

	2017		2016		2017		2016		2017		2016	
	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.
Total assets	2,753.384	2,364.676	138.209	104.734	94.969	41.853	5,273.422	5,242.565	9,509.824	5,682.531	64.512	N/A
Total liabilities	417.129	388.810	54.450	40.135	43.379	71.443	4,071.738	4,541.251	7,695.776	3,946.301	–	N/A
Net assets	2,336.255	1,975.866	83.759	64.599	51.590	(29.590)	1,201.684	701.314	1,814.048	1,736.230	64.512	N/A
Total revenue	354.488	329.258	191.970	138.000	83.460	20.796	1,047.098	681.187	404.845	30.291	–	N/A
Profit before tax	482.538	391.653	61.320	46.616	(3.005)	(19.086)	0.118	83.064	46.485	(107.699)	–	N/A
Profit after tax	426.780	326.441	44.274	33.209	17.702	(19.086)	2.603	29.056	32.984	(107.730)	–	N/A
Dividend per share (Rs.)	5.00	5.00	50.00	50.00	–	–	0.50	–	–	–	–	N/A

# GLOSSARY OF FINANCIAL AND BANKING TERMS

## A

### Acceptances

Promise to pay created when the drawee of a time draft stamps or writes the word "accepted" above his signature and a designated payment date.

### Accounting Policies

The specific principles, bases, conventions, rules, and practices adopted by an entity in preparing and presenting Financial Statements.

### Accrual Basis

Recognition of the effects of transactions and other events when they occur without waiting for receipt or payment of cash or cash equivalent.

### Actuarial Gain/Loss

Gain or loss arising from the difference between estimates and actual experience in an entity's pension plan.

### Amortisation

The systematic allocation of the depreciable amount of an intangible asset over its useful life.

### Amortised Cost

Amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and minus any reduction for impairment or uncollectability.

### Associate

An entity over which the investor has significant influence.

### Available for Sale (AFS) Financial Investments

All non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, financial investments – Held to maturity and financial investments at fair value through profit or loss.

## B

### Basel III

The Basel Committee on Banking Supervision (BCBS) issued the Basel III rules text, which presents the details of strengthened global regulatory standards on bank capital adequacy and liquidity.

### Basis Point (BP)

One hundredth of a percentage point (0.01 per cent); 100 basis points is 1 percentage point. Used in quoting movements in interest rates or yields on securities.

### Bills Sent for Collection

A bill of exchange drawn by an exporter usually at a term, on an importer overseas and brought by the exporter to his bank with a request to collect the proceeds.

## C

### Capital Adequacy Ratio

The percentage of risk-adjusted assets supported by capital as defined under the framework of risk-based capital standards developed by the Bank for International Settlements (BIS) and as modified by the Central Bank of Sri Lanka to suit local requirements.

### Cash Equivalents

Short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### Cash Generating Unit (CGU)

The smallest group of assets that independently generates cash flow and the cash flow is largely independent of the cash flows generated by other assets.

### Collectively Assessed Loan Impairment Provisions also known as portfolio impairment provisions

Impairment assessment on a collective basis for homogeneous groups of loans that are not considered individually significant and to cover losses that have been incurred but have not yet been identified at the reporting date.

### Commitments

Credit facilities approved but not yet utilised by the clients as at the reporting date.

### Contingencies

A condition or situation, the ultimate outcome of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events.

### Corporate Governance

The process by which corporate entities are governed. It is concerned with the way in which power is exercised over the management and direction of entity, the supervision of executive actions and accountability to owners and others.

### Correspondent Bank

A bank in a foreign country that offers banking facilities to the customers of a bank in another country.

### Cost/Income Ratio

Operating expenses excluding impairment charge for loans and other losses as a percentage of total operating income.

### Credit Rating

An evaluation of a corporate's ability to repay its obligations or the likelihood of not defaulting, carried out by an independent rating agency.

### Credit Risk

Risk of financial loss to the Bank, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the loans and advances to customers and other banks and investment in debt securities.

Equity Investments Lanka Ltd.	Commercial Insurance Brokers (Pvt) Ltd.
Associate	Associate
August 08, 1990 in Sri Lanka	August 17, 1987 in Sri Lanka
22.92%	18.59%
Venture Capital Financing	Insurance Brokering
108 A, 2/1, Maya Avenue, Colombo 06.	347, Dr Colvin R De Silva Mawatha, Colombo 02.
5373745, 2507605-6	2447297, 2447299
M J C Amarasuriya	M P Jayawardena
A H M Riyaz	R A M Seneviratne
Deshamanya S E Captain	D M D K Thilakaratne
J D Peiris	U I S Tillakawardana
J B Abu Baker	S P S Ranatunga
W I Arambage	
L A Rajapakse (Alternate Director)	
H A Pieris	
K C Vignarajah	
Mrs R R Dunuwille	Ms Y A Kularathna

2017 Rs. Mn.	2016 Rs. Mn.	2017 Rs. Mn.	2016 Rs. Mn.
300.376	308.341	303.564	273.856
10.119	8.949	70.557	60.394
290.257	299.392	233.007	213.462
21.050	28.000	251.923	232.302
(6.111)	11.166	44.330	37.703
(6.716)	11.949	28.711	25.614
-	-	15.00	15.00