



Seylan Bank PLC

Interim Financial Statements
For the 03 Months Ended 31st March 2019

Seylan Bank reports 11% year on year Growth in 1Q 2019; records Profit after Tax of Rs.903 Million

Seylan Bank made a steady start in 2019 by posting a Profit after tax of Rs. 903 Million in Q1 despite less than ideal market conditions.

Net interest income increased by 5.17% during the 1Q 2019 while net fee and commission income from core banking activities witnessed a decrease of 2.92% to reach Rs. 966 Million in 1Q 2019 as compared to Rs. 995 Million for the comparative period.

Other income captions comprising of net gains from trading activities, fair value changes of financial instruments, gains on foreign exchange transactions and other operating income was reported as a net gain of Rs. 368 Million compared to net gain of Rs.358 Million in 1Q 2018.

Impairment charges for the period reached Rs. 589 Million which is 40% decrease as compared to a charge of Rs. 982 Million in Q1 2018 which reflects the improvement in portfolio quality as at end Q1 2019 compared to the corresponding period of the previous year.

Total Expenses recorded an increase of 6.76% from 2,988 million in the 1Q of the previous year to Rs.3,191 Million during the period under review. Expenses growth was witnessed by investments made in IT and infrastructure, upgrading and refurbishment of branches and staff benefits.

Loans and advances portfolio of the Bank recorded a marginal growth of 3.26% to Rs. 337,533 Million during the 1Q 2019 amidst rising interest rates. The growth in credit was driven primarily by Term loans, refinance loans and revolving import loans.

The overall deposit base recorded a marginal growth of 2.65% to Rs. 367,053 Million by 1Q 2019 while Bank's CASA ratio (Current and Savings) stood 28.81%. Further the total Time Deposits increased slightly from 71.16% by end of year 2018 to 71.19% as at 31st March 2019 of the total deposits base.

During first quarter, Bank's Earning per share (EPS) grew by 11.10% to Rs.2.39. Further the Bank recorded a Return on Average Assets (ROAA) of 1.11% and Return on Equity (ROE) of 10.24%. The Bank's Net Asset Value per share as at 31st March 2019 was Rs.95.10. Seylan Bank remained soundly capitalized, with the key capital adequacy ratios well above the regulatory minimum requirements.

Under Seylan Pahasara' project which is one of the main CSR activities Bank has opened 6 more libraries during the first quarter which add up to total of 189 libraries in rural areas, especially in under privileged schools with the aim to nurture young minds.

Bank opened two branches in Padukka and Godakawela which add up to 172 Banking Centers and 210 ATMs as end of 1Q 2019 in order to provide its customers with the best possible service at all times.

Seylan Bank PLC
Income Statement

(In terms of Rule 7.4 of the Colombo Stock Exchange)

(Amounts in Rupees Thousands)

	Bank			Group		
	For the Three Months Ended 31st March			For the Three Months Ended 31st March		
	2019	2018 (Restated)	Growth %	2019	2018 (Restated)	Growth %
Interest Income	13,627,840	11,472,368	18.79	13,629,782	11,472,482	18.80
Less: Interest Expenses	9,140,627	7,205,873	26.85	9,134,541	7,180,127	27.22
Net Interest Income	4,487,213	4,266,495	5.17	4,495,241	4,292,355	4.73
Fee and Commission Income	1,020,289	1,043,918	(2.26)	1,020,286	1,043,703	(2.24)
Less: Fee and Commission Expenses	53,922	48,464	11.26	54,893	49,512	10.87
Net Fee and Commission Income	966,367	995,454	(2.92)	965,393	994,191	(2.90)
Net Gains/(Losses) from Trading / Net Fair Value Gains/(Losses) from Financial Instruments at Fair Value through Profit or Loss	(621,742)	105,130	(691.40)	(622,328)	105,054	(692.39)
Net Gains/(Losses) from Derecognition of Financial Assets at Fair Value through Other Comprehensive Income	56,049	33,368	67.97	56,049	33,368	67.97
Net Other Operating Income	933,933	219,880	324.75	860,974	159,388	440.17
	368,240	358,378	2.75	294,695	297,810	(1.05)
Total Operating Income	5,821,820	5,620,327	3.59	5,755,329	5,584,356	3.06
Impairment Charges	589,236	982,226	(40.01)	589,220	982,226	(40.01)
Net Operating Income	5,232,584	4,638,101	12.82	5,166,109	4,602,130	12.25
Personnel Expenses	1,570,195	1,503,734	4.42	1,579,431	1,513,195	4.38
Depreciation and Amortisation Expenses	203,379	180,500	12.68	218,760	196,301	11.44
Other Expenses	1,416,987	1,304,249	8.64	1,371,354	1,274,431	7.61
	3,190,561	2,988,483	6.76	3,169,545	2,983,927	6.22
Operating Profit before Taxes	2,042,023	1,649,618	23.79	1,996,564	1,618,203	23.38
Value Added Tax on Financial Services	428,180	391,888	9.26	428,180	391,888	9.26
Nation Building Tax on Financial Services	57,207	52,252	9.48	57,207	52,252	9.48
Debt Repayment Levy	250,964	-	100.00	250,964	-	100.00
Profit before Income Tax	1,305,672	1,205,478	8.31	1,260,213	1,174,063	7.34
Income Tax Expense	403,105	393,168	2.53	434,728	411,514	5.64
Profit for the Period	902,567	812,310	11.10	825,485	762,549	8.25
Profit Attributable to :						
Equity Holders of the Bank	902,567	812,310	11.10	817,449	755,922	8.14
Non-Controlling Interest	-	-	-	8,036	6,627	21.26
Profit for the period	902,567	812,310	11.10	825,485	762,549	8.25
Basic/Diluted Earnings per Ordinary Share (in Rupees)	2.39	2.15	11.10	2.16	2.00	8.14

Seylan Bank PLC

Statement of Profit or Loss and Other Comprehensive Income

(In terms of Rule 7.4 of the Colombo Stock Exchange)

	(Amounts in Rupees Thousands)					
	Bank			Group		
	For the Three Months Ended 31st March			For the Three Months Ended 31st March		
	2019	2018 (Restated)	Growth %	2019	2018 (Restated)	Growth %
Profit for the Period	902,567	812,310	11.10	825,485	762,549	8.25
Items that will be reclassified to income statement						
Net Movement of Cash Flow Hedge Reserve	(29,958)	(7,747)	(286.70)	(29,958)	(7,747)	(286.70)
Net Gains/ (Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	651,418	(101,519)	741.67	652,719	(101,519)	742.95
Items that will not be reclassified to income statement						
Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	72,393	75,502	(4.12)	72,393	75,502	(4.12)
Other Comprehensive Income/(Loss) for the Period, Net of Taxes	693,853	(33,764)	2,155.01	695,154	(33,764)	2,158.86
Total Comprehensive Income for the Period	1,596,420	778,546	105.05	1,520,639	728,785	108.65
Total Comprehensive Attributable to :						
Equity Holders of the Bank	1,596,420	778,546	105.05	1,512,219	722,158	109.40
Non-Controlling Interest	-	-	-	8,420	6,627	27.06
Total Comprehensive Income for the Period	1,596,420	778,546	105.05	1,520,639	728,785	108.65

Seylan Bank PLC

Statement of Financial Position

(In terms of Rule 7.4 of the Colombo Stock Exchange)

(Amounts in Rupees Thousands)

	Bank			Group		
	As at 31.03.2019	As at 31.12.2018	Growth %	As at 31.03.2019	As at 31.12.2018	Growth %
Assets						
Cash and Cash Equivalents	8,908,270	12,573,611	(29.15)	8,908,310	12,573,651	(29.15)
Balances with Central Bank of Sri Lanka	15,186,602	18,472,275	(17.79)	15,186,602	18,472,275	(17.79)
Placements with Banks and Finance Companies	3,250,677	-	100.00	3,250,677	-	100.00
Derivative Financial Instruments	391,370	1,676,958	(76.66)	391,370	1,676,958	(76.66)
Financial Assets recognized through Profit or Loss						
- Measured at fair value	6,705,338	4,918,336	36.33	6,710,489	4,923,487	36.30
- Designated at fair value	-	-	-	-	-	-
Financial Assets at Amortized Cost						
- Loans and Advances	337,532,656	326,882,538	3.26	337,532,656	326,882,538	3.26
- Debt and Other Instruments	30,552,780	29,593,496	3.24	30,552,780	29,593,496	3.24
Financial Assets measured at Fair Value through Other Comprehensive Income	57,665,544	58,770,720	(1.88)	57,713,830	58,819,604	(1.88)
Investment in Subsidiary	1,153,602	1,153,602	-	-	-	-
Group Balances Receivable	130,326	40,600	221.00	-	-	-
Property, Plant & Equipment	3,675,770	3,739,526	(1.70)	6,282,575	6,357,092	(1.17)
Leasehold Rights	38,162	38,479	(0.82)	569,821	571,990	(0.38)
Investment Properties	-	-	-	842,370	845,138	(0.33)
Intangible Assets	554,177	576,091	(3.80)	554,177	576,091	(3.80)
Deferred Tax Assets	-	270,275	(100.00)	-	99,648	(100.00)
Other Assets	9,741,211	8,226,511	18.41	9,812,746	8,269,528	18.66
Total Assets	475,486,485	466,933,018	1.83	478,308,403	469,661,496	1.84
Liabilities						
Due to Banks	22,588,427	26,378,781	(14.37)	22,588,427	26,378,781	(14.37)
Derivative Financial Instruments	199,693	145,339	37.40	199,693	145,339	37.40
Financial Liabilities at Amortized Cost						
- Due to Depositors	367,052,617	357,560,187	2.65	367,052,617	357,560,187	2.65
- Due to Debt Securities Holders	21,212,403	21,094,525	0.56	21,212,403	21,094,525	0.56
- Due to Other Borrowers	29,383	32,018	(8.23)	29,383	32,018	(8.23)
Group Balances Payable	236,908	211,686	11.91	-	-	-
Debt Securities Issued	16,059,742	16,329,400	(1.65)	16,059,742	16,329,400	(1.65)
Current Tax Liabilities	951,126	1,209,464	(21.36)	920,514	1,185,533	(22.35)
Deferred Tax Liabilities	177,416	-	100.00	365,062	-	100.00
Other liabilities	11,058,109	9,361,819	18.12	11,225,753	9,472,350	18.51
Total Liabilities	439,565,824	432,323,219	1.68	439,653,594	432,198,133	1.73
Equity						
Stated Capital	12,655,485	12,025,795	5.24	12,655,485	12,025,795	5.24
Statutory Reserve Fund	1,768,944	1,768,944	-	1,768,944	1,768,944	-
Fair Value through Other Comprehensive Income Reserve	(1,408,552)	(1,879,301)	25.05	(1,442,660)	(1,914,326)	24.64
Retained Earnings	20,041,210	19,798,647	1.23	20,576,674	20,419,229	0.77
Other Reserves	2,863,574	2,895,714	(1.11)	3,915,124	3,947,264	(0.81)
Total Shareholders' Equity	35,920,661	34,609,799	3.79	37,473,567	36,246,906	3.38
Non - Controlling Interest	-	-	-	1,181,242	1,216,457	(2.89)
Total Equity	35,920,661	34,609,799	3.79	38,654,809	37,463,363	3.18
Total Equity & Liabilities	475,486,485	466,933,018	1.83	478,308,403	469,661,496	1.84
Contingent Liabilities and Commitments	116,823,473	129,692,642	(9.92)	116,835,195	129,721,740	(9.93)
Memorandum Information						
Number of Employees	3,388	3,344	1.32	3,410	3,366	1.31
Number of Banking Centres	172	170	1.18	172	170	1.18
Net Assets Value per Ordinary Share (Rs.)	95.10	94.54	0.59	99.21	99.01	0.20

Certification;

We the undersigned, being the Chairman, Director/ Chief Executive Officer and Chief Financial Officer of Seylan Bank PLC certify that,

a) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka and where ever required provides additional disclosures to comply with Sri Lanka Accounting Standard - LKAS 34 - Interim Financial Reporting.

b) The information contained in these statements have been extracted from the un-audited financial statements of the Bank & Group, which have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.

(Sgd.)

Champika Dodanwela (Ms.)

Chief Financial Officer

(Sgd.)

W.M.R.S.Dias

Chairman

April 30,2019

Colombo

(Sgd.)

Kapila Ariyaratne

Director/Chief Executive Officer

Seylan Bank PLC
Statement of Changes in Equity
For the Three Months ended 31st March - Bank

(Amounts in Rupees Thousands)

	Stated Capital		Statutory Reserve Fund *	Retained Earnings	Other Reserves			Total
	Ordinary Shares - Voting	Ordinary Shares - Non Voting			Revaluation Reserve	FVOCI Reserve	Other Reserves	
1 Balance as at 01st January 2018	7,319,076	3,909,193	1,609,484	17,178,024	1,242,493	945,408	2,002,245	34,205,923
Adjustment on Initial Application of SLFRS 9, net of tax	-	-	-	(155,362)	-	(1,570,187)	-	(1,725,549)
2 Restated Balance as at 01st January 2018	7,319,076	3,909,193	1,609,484	17,022,662	1,242,493	(624,779)	2,002,245	32,480,374
Total Comprehensive Income for the Period								
Profit for the Period	-	-	-	812,310	-	-	-	812,310
Other Comprehensive Income (net of tax)								
- Net Gains / (Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	(101,519)	-	(101,519)
- Net Gains / (Losses) on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	75,502	-	75,502
- Net Movement of Cash Flow hedge Reserve	-	-	-	-	-	-	(7,747)	(7,747)
3 Total Comprehensive Income for the Period	-	-	-	812,310	-	(26,017)	(7,747)	778,546
Transactions with Equity Holders , Recognized Directly In Equity								
Cash/Scrip Dividends to Equity Holders	404,131	393,395	-	(1,240,596)	-	-	-	(443,070)
Reversal of Revaluation Reserve on Disposed Property, Plant and Equipment	-	-	-	376,202	(376,202)	-	-	-
Transferred from Investment Fund Reserve	-	-	-	2,182	-	-	(2,182)	-
Net Gain on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income	-	-	-	238,585	-	(238,585)	-	-
4 Total Transactions with Equity Holders	404,131	393,395	-	(623,627)	(376,202)	(238,585)	(2,182)	(443,070)
Balance as at 31st March 2018 (2 + 3 + 4)	7,723,207	4,302,588	1,609,484	17,211,345	866,291	(889,381)	1,992,316	32,815,850
1 Balance as at 01st January 2019	7,723,207	4,302,588	1,768,944	19,798,647	866,290	(1,879,301)	2,029,424	34,609,799
Total Comprehensive Income for the Period								
Profit for the Period	-	-	-	902,567	-	-	-	902,567
Other Comprehensive Income (net of tax)								
- Net Gains / (Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	651,418	-	651,418
- Net Gains / (Losses) on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	72,393	-	72,393
- Net Movement of Cash Flow Hedge Reserve	-	-	-	-	-	-	(29,958)	(29,958)
2 Total Comprehensive Income for the Period	-	-	-	902,567	-	723,811	(29,958)	1,596,420
Transactions with Equity Holders , Recognized Directly In Equity								
Cash/Scrip Dividends to Equity Holders	316,659	313,031	-	(915,248)	-	-	-	(285,558)
Transferred from Investment Fund Reserve	-	-	-	2,182	-	-	(2,182)	-
Net Gain on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income	-	-	-	253,062	-	(253,062)	-	-
3 Total Transactions with Equity Holders	316,659	313,031	-	(660,004)	-	(253,062)	(2,182)	(285,558)
Balance as at 31st March 2019 (1 + 2 + 3)	8,039,866	4,615,619	1,768,944	20,041,210	866,290	(1,408,552)	1,997,284	35,920,661

* Statutory Reserve Fund represents the statutory requirement in terms of the Section 20(1) and (2) of the Banking Act No. 30 of 1988 (5% of net profit after tax).

FVOCI Reserve - Fair Value through Other Comprehensive Income Reserve

Seylan Bank PLC
Statement of Changes in Equity
For the Three Months ended 31st March - Group

(Amounts in Rupees Thousands)

	Stated Capital		Statutory Reserve Fund *	Retained Earnings	Other Reserves			Total	Non-Controlling Interest	Total Equity
	Ordinary Shares - Voting	Ordinary Shares - Non Voting			Revaluation Reserve	FVOCI Reserve	Other Reserves			
1 Balance as at 01st January 2018	7,319,076	3,909,193	1,609,484	17,818,539	1,967,727	945,496	2,257,458	35,826,973	1,213,666	37,040,639
Adjustment on Initial Application of SLFRS 9, net of tax	-	-	-	(121,806)	-	(1,603,743)	-	(1,725,549)	-	(1,725,549)
2 Restated Balance as at 01st January 2018	7,319,076	3,909,193	1,609,484	17,696,733	1,967,727	(658,247)	2,257,458	34,101,424	1,213,666	35,315,090
Total Comprehensive Income for the Period										
Profit for the Period	-	-	-	755,922	-	-	-	755,922	6,627	762,549
Other Comprehensive Income (net of tax)										
- Net Gains / (Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	(101,519)	-	(101,519)	-	(101,519)
- Net Gains / (Losses) on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	75,502	-	75,502	-	75,502
- Net Movement of Cash Flow hedge Reserve	-	-	-	-	-	-	(7,747)	(7,747)	-	(7,747)
3 Total Comprehensive Income for the Period	-	-	-	755,922	-	(26,017)	(7,747)	722,158	6,627	728,785
Transactions with Equity Holders , Recognized Directly In Equity										
Cash/Scrip Dividends to Equity Holders	404,131	393,395	-	(1,240,596)	-	-	-	(443,070)	(39,271)	(482,341)
Reversal of Revaluation Reserve on Disposed Property, Plant and Equipment Transferred from Investment Fund Reserve	-	-	-	376,202	(376,202)	-	-	-	-	-
Net Gain on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income	-	-	-	2,182	-	-	(2,182)	-	-	-
				238,585		(238,585)		-		-
4 Total Transactions with Equity Holders	404,131	393,395	-	(623,627)	(376,202)	(238,585)	(2,182)	(443,070)	(39,271)	(482,341)
Balance as at 31st March 2018 (2 + 3 + 4)	7,723,207	4,302,588	1,609,484	17,829,028	1,591,525	(922,849)	2,247,529	34,380,512	1,181,022	35,561,534
1 Balance as at 01st January 2019	7,723,207	4,302,588	1,768,944	20,419,229	1,662,627	(1,914,326)	2,284,637	36,246,906	1,216,457	37,463,363
Total Comprehensive Income for the Period										
Profit for the Period	-	-	-	817,449	-	-	-	817,449	8,036	825,485
Other Comprehensive Income (net of tax)										
- Net Gains / (Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	652,335	-	652,335	384	652,719
- Net Gains / (Losses) on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	72,393	-	72,393	-	72,393
- Net Movement of Cash Flow hedge Reserve	-	-	-	-	-	-	(29,958)	(29,958)	-	(29,958)
2 Total Comprehensive Income for the Period	-	-	-	817,449	-	724,728	(29,958)	1,512,219	8,420	1,520,639
Transactions with Equity Holders , Recognized Directly In Equity										
Cash/Scrip Dividends to Equity Holders	316,659	313,031	-	(915,248)	-	-	-	(285,558)	(43,635)	(329,193)
Transferred from Investment Fund Reserve	-	-	-	2,182	-	-	(2,182)	-	-	-
Net Gain on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income	-	-	-	253,062	-	(253,062)	-	-	-	-
3 Total Transactions with Equity Holders	316,659	313,031	-	(660,004)	-	(253,062)	(2,182)	(285,558)	(43,635)	(329,193)
Balance as at 31st March 2019 (1+2 + 3)	8,039,866	4,615,619	1,768,944	20,576,674	1,662,627	(1,442,660)	2,252,497	37,473,567	1,181,242	38,654,809

* Statutory Reserve Fund represents the statutory requirement in terms of the Section 20(1) and (2) of the Banking Act No. 30 of 1988 (5% of net profit after tax).

FVOCI Reserve - Fair Value through Other Comprehensive Income Reserve

SEYLAN BANK PLC

CASH FLOW STATEMENT

	Bank		Group	
	2019	2018	2019	2018
<i>For the Three Months ended 31st March</i>	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Cash Flows from Operating Activities				
Interest receipts	13,598,498	11,612,729	13,600,440	11,612,843
Interest payments	(7,746,321)	(7,082,202)	(7,743,403)	(7,056,456)
Net commission receipts	966,367	1,043,202	965,393	1,043,703
Trading income	12,498	53,599	11,912	53,599
Payments to employees	(1,487,734)	(820,129)	(1,489,013)	(1,140,760)
VAT & NBT on financial services & DRL	(618,206)	(444,140)	(618,206)	(431,861)
Receipts from other operating activities	1,126,538	526,096	1,143,320	465,604
Payments on other operating activities	(1,115,017)	(1,806,453)	(1,069,384)	(1,470,732)
Operating profit before changes in operating assets and liabilities	4,736,623	3,082,702	4,801,059	3,075,940
(Increase)/decrease in operating assets :				
Balances with Central Bank of Sri Lanka	3,285,673	1,196,918	3,285,673	1,196,918
Financial assets at amortised cost - loans & advances	(10,586,744)	(8,710,002)	(10,586,744)	(8,710,002)
Other assets	149,474	44,004	310,330	135,894
Increase/(decrease) in operating liabilities :				
Financial liabilities at amortised cost - due to depositors	8,718,865	3,734,009	8,718,865	3,734,009
Financial liabilities at amortised cost - due to debt securities holders	107,010	(3,788,486)	107,010	(3,788,486)
Financial liabilities at amortised cost - due to other borrowers	(2,635)	(848)	(2,635)	(848)
Other liabilities	1,728,785	(1,138,958)	1,553,550	(109,612)
Due to banks	(3,790,354)	(740,687)	(3,790,354)	(740,687)
Cash (used in)/generated from operating activities before income tax	4,346,697	(6,321,348)	4,396,754	(5,206,874)
Income tax paid	(467,082)	(377,993)	(467,449)	(378,264)
Net cash (used in)/generated from operating activities	3,879,615	(6,699,341)	3,929,305	(5,585,138)
Cash flows from investing activities				
Purchase of property , plant & equipment	(101,847)	(92,342)	(101,847)	(101,689)
Improvements to investment properties	-	-	-	(243)
Proceeds from sale of property , plant & equipment	415	4,900	415	4,900
Net proceeds from Sale, maturity and purchase of financial investments of government of Sri Lanka Treasury Bills/Bonds and Development Bonds maturing after 03 months	(1,248,805)	5,403,529	(1,194,771)	5,403,529
Net proceeds from sale, maturity and purchase of financial investments of shares and debentures	4,875	133,824	4,875	133,824
Reverse repurchase agreements maturing after three months	4,961	7,209	4,961	7,209
Net purchase of intangible assets	(15,545)	(3,294)	(15,545)	-
Net cash flow from acquisition of investment in subsidiaries	-	-	-	-
Net cash flow from disposal of subsidiaries	-	-	-	-
Dividend received from investment in subsidiaries	89,725	84,509	-	-
Dividend received from other investments	3,743	21,618	3,743	21,618
Proceed from Sale of Assets Held-for-Sale	-	934,000	-	-
Net cash (used in) / generated from investing activities	(1,262,478)	6,493,953	(1,298,169)	5,469,148
Cash flows from financing activities				
Net proceeds from the issue of ordinary share capital	-	-	-	-
Net proceeds from the issue of other equity instruments	-	-	-	-
Net proceeds from the issue of subordinated debt	-	6,234,000	-	6,134,000
Repayment of subordinated debt	-	(2,000,000)	-	(1,950,000)
Interest paid on subordinated debt	(743,482)	(321,704)	(743,482)	(321,704)
Interest paid on un-subordinated debt	-	-	-	-
Dividend paid to non-controlling interest	-	-	-	(20,696)
Dividend paid to shareholders of the bank	(48)	(110,127)	(14,047)	(128,789)
Dividend paid to holders of other equity instruments	-	-	-	-
Net cash (used in) / generated from financing activities	(743,530)	3,802,169	(757,529)	3,712,811
Net increase / (decrease) in cash and cash equivalents	1,873,607	3,596,781	1,873,607	3,596,821
Cash and cash equivalents at beginning of the year	25,401,673	16,073,851	25,401,713	16,073,851
Cash and cash equivalents at end of the Period	27,275,280	19,670,632	27,275,320	19,670,672
Reconciliation of cash and cash equivalents				
Cash and cash equivalents	8,908,270	8,100,574	8,908,310	8,100,614
Placements with banks and finance companies	3,250,677	-	3,250,677	-
Government of Sri Lanka Treasury Bills/Bonds and Development Bonds maturing within 03 months	6,366,996	9,792,242	6,366,996	9,792,242
Securities purchased under resale agreements maturing within three months	8,749,337	1,777,816	8,749,337	1,777,816
	27,275,280	19,670,632	27,275,320	19,670,672

EXPLANATORY NOTES

1. General

The Financial Statements of the Bank and Group have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRSs/LKASs) issued by The Institute of Chartered Accountants of Sri Lanka.

There are no changes to the accounting policies and methods of computation since the publication of the last Annual Report except the initial adoption of SLFRS 16 Leases on 1 January 2019.

SLFRS 16 requires recognizing lease liabilities and right-of-use assets for some leases classified as operating leases under LKAS 17 Leases.

Interim Financial Statements for the quarter ended 31/03/2018 has been restated by incorporating the impact on adopting SLFRS 9 on 1 January 2018. The Bank has previously prepared Interim Financial for the quarter ended 31/03/2018 based on “LKAS 39 – Financial Instruments: Recognition and Measurement” as permitted by the Statement of Alternative Treatment (SoAT), on the figures in the “Interim Financial Statements” issued by CA Sri Lanka.

The Interim Financial Statements of the Bank and the Group have been prepared & presented in accordance with the Sri Lanka Accounting Standards (LKAS/SLFRS) and provided necessary disclosure to comply with LKAS 34, Interim Financial Reporting.

The group financial statements comprise a consolidation of the Financial Statements of the Company and its subsidiary Seylan Developments PLC (70.51%).

2. Information on Ordinary Shares

Market Price (Rs.)	31/03/2019		31/03/2018	
	Voting	Non Voting	Voting	Non Voting
Market Price Per Share	62.80	35.90	86.80	55.10
Highest price per share during the quarter ended	79.90	45.90	94.80	57.40
Lowest price per share during the quarter ended	56.00	35.10	85.00	54.50

3. Shareholders Information

3.1 Twenty Largest Ordinary Voting Shareholders as at March 31, 2019

	No. of Shares	%
1 Sri Lanka Insurance Corporation Ltd [includes Sri Lanka Insurance Corporation Ltd (General Fund) and Sri Lanka Insurance Corporation Ltd (Life Fund)]	28,291,256	15.00
2 Brown & Company PLC A/C No. 1	26,169,291	13.87
3 Employees Provident Fund	18,592,097	9.86
4 LOLC Investments Ltd	18,014,952	9.55
5 National Development Bank PLC A/C No.02	16,455,821	8.72
6 Bank of Ceylon No.1 Account	14,145,629	7.50
7 Mr. R S Captain	11,581,873	6.14
8 Employees Trust Fund Board	4,010,640	2.13
9 Mr. S E Captain	3,813,079	2.02
10 Seyfest (Private) Limited	3,234,555	1.71
11 Ms. L A Captain	2,653,793	1.41
12 Sesot (Private) Limited	2,442,622	1.30
13 Seyshop (Private) Limited	2,320,860	1.23
14 Seybest (Private) Limited	2,320,860	1.23
15 Esots (Private) Limited	2,302,315	1.22
16 Ambeon Holdings PLC	2,228,394	1.18
17 Capital Development and Investment Company PLC A/C No. 02	1,910,362	1.01
18 AIA Insurance Lanka PLC A/C No. 07	1,734,891	0.92
19 N P Capital Ltd	1,309,607	0.69
20 Mr. K R B Fernando	1,088,123	0.58

3.2 Twenty Largest Ordinary Non-Voting Shareholders as at March 31, 2019

		No. of Shares	%
1	LOLC Holdings PLC	83,080,731	43.93
2	Employees Provident Fund	10,087,023	5.33
3	Akbar Brothers Pvt Ltd A/C No 1	3,946,516	2.09
4	J.B. Cocoshell (Pvt) Ltd	3,620,368	1.91
5	Deutsche Bank AG As Trustee For JB Vantage Value Equity	3,492,766	1.85
6	Fund Pershing LLC S/A Averbach Grauson & Co.	3,205,414	1.70
7	Employees Trust Fund Board	3,008,630	1.59
8	Commercial Bank of Ceylon PLC/Dunamis Capital P L C	2,889,847	1.53
9	Mr. E Thavagnanasooriyam & Mr. E Thawagnasundaram	2,499,077	1.32
10	Merrill J Fernando & Sons (Pvt) Limited	2,100,619	1.11
11	Assetline Leasing Co Ltd/Don & Don Holdings Pvt Ltd	2,049,677	1.08
12	Mr. N. Balasingam	1,972,634	1.04
13	Mr. R R Leon	1,667,337	0.88
14	LOLC Technology Services Limited	1,646,856	0.87
15	Dr. S Yaddehige	1,185,982	0.63
16	Mr. R.Gautam	1,098,285	0.58
17	SSBT- Deutsche Bank AG Singapore A/C No 01	960,840	0.51
18	Mr. A P Somasiri	959,992	0.51
19	Mr. M J. Fernando	951,236	0.50
20	Deutsche Bank Ag As Trustee For Namal Acuity Value Fund	923,285	0.49

3.3 Public Holdings as at March 31, 2019

	<u>Number of Share Holders</u>	<u>Percentage Holdings</u>
• Ordinary Voting Shares	9,068	54.30%
• Ordinary Non-Voting Shares	6,699	55.94%

4. Directors' and Chief Executive Officer's Shareholdings as at March 31, 2019

<u>Name of Director</u>	<u>No of Shares</u> (Ordinary Voting)	<u>No of Shares</u> (Ordinary Non- Voting)
Mr. W M R S Dias, Non-Executive Director / Chairman	Nil	Nil
Mr. W D K Jayawardena, Non-Executive Director/Deputy Chairman	Nil	Nil
Ms. M C Pietersz, Independent Director /Senior Director	Nil	Nil
Mr. K P Ariyaratne, Director/Chief Executive Officer	39,140	151,078
Mr. P L S K Perera, Independent Director	Nil	Nil
Mr. S V Corea, Non-Executive Director	97	Nil
Mr. A S Wijesinha, Independent Director	Nil	Nil
Mrs. S K Salgado, Independent Director	Nil	Nil
Mr. D M D K Thilakarathne, Non-Executive Director	Nil	Nil
Mr. D R Abeyesuriya, Independent Director	Nil	Nil
Mr. R D Tissera, Non-Executive/Alternate Director to Non-Executive Director Mr W D K Jayawardena	Nil	Nil

5. Stated Capital as at March 31, 2019	Rs'000
33,560,000 Voting Ordinary Shares @ Rs. 10/- each	335,600
4,000,000 Voting Ordinary Shares @ Rs. 25/- each	100,000
92,440,000 Voting Ordinary Shares @ Rs. 35/- each	3,235,400
2,644,068 Voting Ordinary Shares @ Rs. 59/- each	156,000
43,333,333 Voting Ordinary Shares @ Rs. 75/- each	3,250,000
3,636,268 Voting Ordinary Shares @ Rs. 98/- each	356,354
4,490,341 Voting Ordinary Shares @ Rs. 90/- each	404,131
4,504,394 Voting Ordinary Shares @ Rs. 70/30 each	316,659
83,560,000 Non-Voting Ordinary Shares @ Rs. 12/50 each	1,044,500
40,000,000 Non-Voting Ordinary Shares @ Rs. 25/- each	1,000,000
45,423,009 Non-Voting Ordinary Shares @ Rs. 35/- each	1,589,805
5,859,428 Non-Voting Ordinary Shares @ Rs. 58/40 each	342,191
7,152,645 Non-Voting Ordinary Shares @ Rs. 55/- each	393,395
7,114,354 Non-Voting Ordinary Shares @ Rs. 44/- each	313,031
Less: Issue Expenses	(181,581)
	<u>12,655,485</u>

6. Basic/ Diluted Earnings per Share

Basic Earnings per share has been calculated by dividing profit after tax attributable to the equity holders of the Bank by the weighted average number of shares in issue (both Voting & Non- voting) during the quarter ended March 31, 2019. Diluted Earnings per Share and the Basic Earnings per Share is the same due to non- availability of potentially dilutive ordinary shares. Weighted average number of ordinary shares as at 31st March 2018 has been restated based on the number of shares issued for scrip dividend 2018.

7. Events after the Reporting Date

Debenture Issue (BASEL III Compliant)

The Bank proceeded with a Debenture Issue of Thirty Million (30,000,000) fully paid, BASEL III compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Debentures with a non-convertibility conversion of the par value of Rupees Hundred each (Rs.100/-) aggregating up to a value of Rupees Three Billion (Rs.3,000,000,000/-) with an option to issue further Twenty Million (20,000,000) of such Debentures in the event of an oversubscription with the total value of the debentures in such event aggregating to Rupees Five Billion (Rs.5,000,000,000/-) .The issue was completed and 50,000,000 Debentures amounting to Rs.5,000,000,000/- was allotted to the investors on 18th April 2019.

8. Other Matters

- i. The bank designated some of forward foreign currency SWAPs as hedging instruments to hedge foreign currency risk of liabilities denominated in foreign currencies. The fair value changes associated with these derivatives were initially recognized in Other Reserves through Other Comprehensive Income (OCI). The amount recognized in OCI is reclassified to profit or loss, and in the same line item in the Income Statement.

- ii. The Bank has not recognized an additional gratuity liability in the financial statements for ex-employees who have not entered into the “Memorandum of settlement (MOS)” with the Bank, giving the right to settle the said liability by utilizing proceeds expected from disposal of shares held by share trust companies, as the establishment of the liability is contingent upon the date of signing the “Memorandum of Settlement” and the prevailing Share Prices as at that date of signing, If the above uncertainties are resolved, the Bank estimates an additional cash outflow of Rs.196 Mn. (net of tax) as at 31.03.2018
- iii. The dividend of Rs.2.50 per share was declared and approved by the shareholders at the Annual General Meeting of the Bank held on 28th March 2019 and issued to the Ordinary Voting and Non-voting Shareholders of the Bank entitled as at end of trading on 28th March 2019. This dividend consisted of Rs. 0.50 per share in the form of cash dividend and Rs. 2.00 per share in the form of scrip dividend. Shares issued by way of scrip dividend were allotted on 28th March 2019. Cash dividend payments were made by 8th April 2019.

9. Comparative Figures

Comparative figures have been re-stated/re-classified where necessary, to conform to the current period presentation.

The following line item of the Interim Financial Statements for the quarter ended 31.03.2018 were restated due to the adoption of SLFRS 9 and the circular No. 02 of 2019 issued by the Bank Supervision Department of the Central Bank of Sri Lanka.

For the Three Months Ended 31.03.2018 - Bank	As Reported	
	Restated Rs. '000	Previously Rs. '000
Interest Income	11,472,368	11,444,055
Net gains/(losses) from trading / Net fair value gains/(losses) from financial instruments at fair value through profit or loss	105,130	89,908
Net Exchange Income	-	78,773
Net Other Operating Income	219,880	163,714
Impairment Charges	982,226	542,442
Value Added Tax on Financial Services	391,888	445,588
Nation Building Tax on Financial Services	52,252	59,412
Profit before Tax	1,205,478	1,563,474
Tax Expenses	393,168	510,448
Profit for the period	812,310	1,053,026
Other Comprehensive Income for the Period, Net of Taxes	(33,764)	(279,734)
Total Comprehensive Income for the Period	778,546	773,292

* Group Financial Statements also have been restated accordingly.

During the quarter there were no material changes in Contingent Liabilities, composition of Assets and Liabilities and use of funds raised by the Bank.

All known expenditure items have been provided for in these Interim Accounts.

10 Seylan Bank PLC
Segment Reporting (Group)

(Amounts in Rupees Thousands)

	Banking		Treasury		Property/ Investments		Unallocated/ Eliminations		Total	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018 (Restated)
Interest Income	11,200,530	9,506,971	1,738,445	1,409,125	8,028	25,860	682,779	530,526	13,629,782	11,472,482
Interest Expense	8,079,804	6,395,777	1,056,763	809,440	-	-	(2,026)	(25,090)	9,134,541	7,180,127
Net Interest Income	3,120,726	3,111,194	681,682	599,685	8,028	25,860	684,805	555,616	4,495,241	4,292,355
Fee and Commission Income	1,019,750	1,043,619	-	133	-	-	536	(49)	1,020,286	1,043,703
Fee and Commission Expense	49,050	40,514	4,872	7,950	971	1,048	-	-	54,893	49,512
Net Fee And Commission Income	970,700	1,003,105	(4,872)	(7,817)	(971)	(1,048)	536	(49)	965,393	994,191
Net Gains/(Losses) from Trading / Net Fair Value Gains/(Losses) from Financial Instruments at Fair Value through Profit or Loss	-	-	(621,742)	105,130	(586)	(76)	-	-	(622,328)	105,054
Net Gains/(Losses) from Derecognition of Financial Assets at Fair Value through Other Comprehensive Income	-	-	56,049	33,368	-	-	-	-	56,049	33,368
Net Other Operating Income	46,924	(108,237)	907,512	143,105	73,767	61,992	(167,229)	62,528	860,974	159,388
Inter Segment Revenue	(38,697)	(58,848)	18,814	41,690	-	-	19,883	17,158	-	-
Total Operating Income	4,099,653	3,947,214	1,037,443	915,161	80,238	86,728	537,995	635,253	5,755,329	5,584,356
Depreciation and Amortisation Charge	119,964	107,546	963	509	226	221	97,607	88,025	218,760	196,301
Impairment Charge for the Period	582,017	982,226	7,219	-	(16)	-	-	-	589,220	982,226
Operating Expenses , VAT, NBT & DRL	2,784,153	1,977,242	236,372	404,438	20,606	17,833	646,005	832,253	3,687,136	3,231,766
Reportable Segment Profit before Income Tax	613,519	880,200	792,889	510,214	59,422	68,674	(205,617)	(285,025)	1,260,213	1,174,063
Income Tax Expense									434,728	411,514
Profit for the Period									825,485	762,549
Profit Attributable to:										
Equity Holders of the Bank									817,449	755,922
Non-Controlling Interests									8,036	6,627
Profit for the Period									825,485	762,549
Other Comprehensive Income, Net of Income Tax									695,154	(33,764)
Other Information										
Total Assets	330,545,204	335,658,561	119,668,960	104,706,373	5,700,045	5,533,476	22,394,194	(30,745,537)	478,308,403	415,152,873
Total Liabilities & Equity	378,583,099	327,537,661	64,683,316	52,696,089	5,700,045	5,533,476	29,341,943	29,385,647	478,308,403	415,152,873
Cash Flows From Operating Activities	3,096,828	(7,097,573)	793,852	510,723	43,074	58,939	(4,449)	942,773	3,929,305	(5,585,138)
Cash Flows From Investing Activities	(62,041)	3,613	(1,322,649)	5,461,666	(14,215)	(959,828)	100,736	963,697	(1,298,169)	5,469,148
Cash Flows From Financing Activities	-	-	(743,482)	3,912,296	-	(113,168)	(14,047)	(86,317)	(757,529)	3,712,811
Capital Expenditure	(65,057)	(85,288)	(4,303)	(1,089)	-	(6,726)	(32,487)	(8,586)	(101,847)	(101,689)

Seylan Bank PLC

11 Analysis of Financial Instruments by Measurement Basis - Bank

31.03.2019				
	Financial Assets Measured at Fair Value through Profit or Loss (FVTPL) Rs.000	Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI) Rs.000	Financial Assets Measured at Amortised Cost Rs.000	Total Rs.000
Assets				
Cash and Cash Equivalents	-	-	8,908,270	8,908,270
Balances with Central Bank of Sri Lanka	-	-	15,186,602	15,186,602
Placements with Banks and Finance Companies	-	-	3,250,677	3,250,677
Derivative Financial Instruments	391,370	-	-	391,370
Securities Purchased under Resale Agreements	-	-	8,749,337	8,749,337
Customer Loans and Advances	-	-	337,532,656	337,532,656
Debt Instruments	-	123,308	753,538	876,846
Equity Instruments	-	1,443,393	-	1,443,393
Government Securities	6,705,338	56,098,843	21,049,905	83,854,086
Group Balances Receivable	-	-	130,326	130,326
Other Financial Assets	-	-	5,172,577	5,172,577
Total Financial Assets	7,096,708	57,665,544	400,733,888	465,496,140
		Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL) Rs.000	Financial Liabilities Measured at Amortised Cost Rs.000	Total Rs.000
Liabilities				
Due to Banks	-	-	22,588,427	22,588,427
Derivative Financial Instruments	-	199,693	-	199,693
Due to Depositors	-	-	367,052,617	367,052,617
Securities Sold under Repurchase Agreements	-	-	21,212,403	21,212,403
Due to Other Borrowers	-	-	29,383	29,383
Group Balances Payable	-	-	236,908	236,908
Debt Securities Issued	-	-	16,059,742	16,059,742
Other Financial Liabilities	-	-	7,634,081	7,634,081
Total Financial Liabilities		199,693	434,813,561	435,013,254

31.12.2018				
	Financial Assets Measured at Fair Value through Profit or Loss (FVTPL) Rs.000	Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI) Rs.000	Financial Assets Measured at Amortised Cost Rs.000	Total Rs.000
Assets				
Cash and Cash Equivalents	-	-	12,573,611	12,573,611
Balances with Central Bank of Sri Lanka	-	-	18,472,275	18,472,275
Placements with Banks and Finance Companies	-	-	-	-
Derivative Financial Instruments	1,676,958	-	-	1,676,958
Securities Purchased under Resale Agreements	-	-	5,462,167	5,462,167
Customer Loans and Advances	-	-	326,882,538	326,882,538
Debt Instruments	-	118,012	752,003	870,015
Equity Instruments	-	1,660,158	-	1,660,158
Government Securities	4,918,336	56,992,550	23,379,326	85,290,212
Group Balances Receivable	-	-	40,600	40,600
Other Financial Assets	-	-	6,106,130	6,106,130
Total Financial Assets	6,595,294	58,770,720	393,668,650	459,034,664
		Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL) Rs.000	Financial Liabilities Measured at Amortised Cost Rs.000	Total Rs.000
Liabilities				
Due to Banks	-	-	26,378,781	26,378,781
Derivative Financial Instruments	-	145,339	-	145,339
Due to Depositors	-	-	357,560,187	357,560,187
Securities Sold under Repurchase Agreements	-	-	21,094,525	21,094,525
Due to Other Borrowers	-	-	32,018	32,018
Group Balances Payable	-	-	211,686	211,686
Debt Securities Issued	-	-	16,329,400	16,329,400
Other Financial Liabilities	-	-	7,796,332	7,796,332
Total Financial Liabilities		145,339	429,402,929	429,548,268

Seylan Bank PLC

11 Analysis of Financial Instruments by Measurement Basis - Group

31.03.2019				
	Financial Assets Measured at Fair Value through Profit or Loss (FVTPL)	Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	Financial Assets Measured at Amortised Cost	Total
	Rs.000	Rs.000	Rs.000	Rs.000
Assets				
Cash and Cash Equivalents	-	-	8,908,310	8,908,310
Balances with Central Bank of Sri Lanka	-	-	15,186,602	15,186,602
Placements with Banks and Finance Companies	-	-	3,250,677	3,250,677
Derivative Financial Instruments	391,370	-	-	391,370
Securities Purchased under Resale Agreements	-	-	8,749,337	8,749,337
Customer Loans and Advances	-	-	337,532,656	337,532,656
Debt Instruments	-	171,594	753,538	925,132
Equity Instruments	5,151	1,443,393	-	1,448,544
Government Securities	6,705,338	56,098,843	21,049,905	83,854,086
Other Financial Assets	-	-	5,203,352	5,203,352
Total Financial Assets	7,101,859	57,713,830	400,634,377	465,450,066
		Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL)	Financial Liabilities Measured at Amortised Cost	Total
		Rs.000	Rs.000	Rs.000
Liabilities				
Due to Banks	-	-	22,588,427	22,588,427
Derivative Financial Instruments	-	199,693	-	199,693
Due to Depositors	-	-	367,052,617	367,052,617
Securities Sold under Repurchase Agreements	-	-	21,212,403	21,212,403
Due to Other Borrowers	-	-	29,383	29,383
Debt Securities Issued	-	-	16,059,742	16,059,742
Other Financial Liabilities	-	-	7,699,593	7,699,593
Total Financial Liabilities		199,693	434,642,165	434,841,858
31.12.2018				
	Financial Assets Measured at Fair Value through Profit or Loss (FVTPL)	Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	Financial Assets Measured at Amortised Cost	Total
	Rs.000	Rs.000	Rs.000	Rs.000
Assets				
Cash and Cash Equivalents	-	-	12,573,651	12,573,651
Balances with Central Bank of Sri Lanka	-	-	18,472,275	18,472,275
Placements with Banks and Finance Companies	-	-	-	-
Derivative Financial Instruments	1,676,958	-	-	1,676,958
Securities Purchased under Resale Agreements	-	-	5,462,167	5,462,167
Customer Loans and Advances	-	-	326,882,538	326,882,538
Debt Instruments	-	166,896	752,003	918,899
Equity Instruments	5,151	1,660,158	-	1,665,309
Government Securities	4,918,336	56,992,550	23,379,326	85,290,212
Other Financial Assets	-	-	6,136,198	6,136,198
Total Financial Assets	6,600,445	58,819,604	393,658,158	459,078,207
		Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL)	Financial Liabilities Measured at Amortised Cost	Total
		Rs.000	Rs.000	Rs.000
Liabilities				
Due to Banks	-	-	26,378,781	26,378,781
Derivative Financial Instruments	-	145,339	-	145,339
Due to Depositors	-	-	357,560,187	357,560,187
Securities Sold under Repurchase Agreements	-	-	21,094,525	21,094,525
Due to Other Borrowers	-	-	32,018	32,018
Debt Securities Issued	-	-	16,329,400	16,329,400
Other Financial Liabilities	-	-	7,827,090	7,827,090
Total Financial Liabilities		145,339	429,222,001	429,367,340

Seylan Bank PLC

12 Analysis of Loans & Advances , Commitments, Contingencies and Impairment

(Amounts in Rupees Thousands)

	Bank		Group	
	As at 31.03.2019	As at 31.12.2018	As at 31.03.2019	As at 31.12.2018
12.1 Product-wise Gross Loans & Advances				
By product - Domestic Currency				
Export Bills	46,577	-	46,577	-
Import Bills	716,426	636,183	716,426	636,183
Local Bills	68,523	77,844	68,523	77,844
Lease Rentals Receivable	19,041,190	18,904,050	19,041,190	18,904,050
Overdrafts	61,485,564	61,716,516	61,485,564	61,716,516
Revolving Import Loans	14,030,271	13,341,077	14,030,271	13,341,077
Packing Credit Loans	2,274,752	2,805,240	2,274,752	2,805,240
Trust Receipt Loans	2,569,048	2,702,264	2,569,048	2,702,264
Staff Loans	6,720,173	6,497,835	6,720,173	6,497,835
Housing Loans	15,864,338	15,518,085	15,864,338	15,518,085
Pawning Receivables	11,799,697	11,661,946	11,799,697	11,661,946
Refinance Loans	3,873,564	3,321,294	3,873,564	3,321,294
Credit Cards	6,366,890	6,180,328	6,366,890	6,180,328
Margin Trading	2,270,421	2,453,096	2,270,421	2,453,096
Factoring	2,351,224	2,161,148	2,351,224	2,161,148
Term Loans	161,246,759	151,140,641	161,246,759	151,140,641
Total	310,725,417	299,117,547	310,725,417	299,117,547
By product - Foreign Currency				
Export Bills	3,021,715	3,538,191	3,021,715	3,538,191
Import Bills	403,382	407,074	403,382	407,074
Local Bills	85,255	42,947	85,255	42,947
Overdrafts	782,702	972,118	782,702	972,118
Revolving Import Loans	451,335	394,283	451,335	394,283
Packing Credit Loans	8,739,843	8,570,902	8,739,843	8,570,902
Housing Loans	162,242	171,441	162,242	171,441
Term Loans	22,520,844	23,560,567	22,520,844	23,560,567
Total	36,167,318	37,657,523	36,167,318	37,657,523
Gross Loans and Advances	346,892,735	336,775,070	346,892,735	336,775,070
12.2 Product-wise Commitments and Contingencies				
By product - Domestic Currency				
Commitments				
Undrawn Credit Lines	56,002,515	62,476,628	56,002,515	62,476,628
Capital Commitments	271,720	364,181	283,442	395,045
Contingencies				
Acceptances	199,051	233,853	199,051	233,853
Standby Letters of Credit	12,000	12,000	12,000	12,000
Guarantees	27,313,133	29,664,071	27,313,133	29,662,305
Documentary Credit	520,688	295,460	520,688	295,460
Bills for Collection	203,449	241,218	203,449	241,218
Indemnities	-	-	-	-
Forward Exchange Contracts (Net)	(12,737,404)	(11,702,034)	(12,737,404)	(11,702,034)
Total	71,785,152	81,585,377	71,796,874	81,614,475
By product - Foreign Currency				
Commitments				
Undrawn Credit Lines	9,826,122	10,117,964	9,826,122	10,117,964
Capital Commitments	243,682	586,239	243,682	586,239
Contingencies				
Acceptances	8,037,416	10,982,506	8,037,416	10,982,506
Standby Letters of Credit	492,748	512,454	492,748	512,454
Guarantees	910,136	1,013,344	910,136	1,013,344
Documentary Credit	10,254,735	9,515,862	10,254,735	9,515,862
Bills for Collection	2,735,672	2,411,544	2,735,672	2,411,544
Indemnities	-	-	-	-
Forward Exchange Contracts (Net)	12,537,810	12,967,352	12,537,810	12,967,352
Total	45,038,321	48,107,265	45,038,321	48,107,265
Total Commitments and Contingencies	116,823,473	129,692,642	116,835,195	129,721,740

Seylan Bank PLC

Analysis of Loans & Advances , Commitments, Contingencies and Impairment

(Amounts in Rupees Thousands)

	Bank		Group	
	As at 31.03.2019	As at 31.12.2018	As at 31.03.2019	As at 31.12.2018
12.3 Stage-wise Impairment on Loans & Advances, Commitments and Contingencies				
Gross Loans and Advances, Commitments and Contingencies	463,716,208	466,467,712	463,727,930	466,496,810
Less : Accumulated Impairment under Stage 1	943,603	862,303	943,603	862,303
Accumulated Impairment under Stage 2	1,143,861	820,746	1,143,861	820,746
Accumulated Impairment under Stage 3	7,581,467	8,473,518	7,581,467	8,473,518
Net Loans & Advances, Commitments and Contingencies	454,047,277	456,311,145	454,058,999	456,340,243
Movement of Impairment during the Period	Fom 01.01.2019 to 31.03.2019	From 01.01.2018 to 31.12.2018	Fom 01.01.2019 to 31.03.2019	From 01.01.2018 to 31.12.2018
Stage 1				
Opening Balance as at 01st January	862,303	929,724	862,303	929,724
Charge/(Write back) to income statement	81,300	(67,421)	81,300	(67,421)
Closing Balance	943,603	862,303	943,603	862,303
Stage 2				
Opening Balance as at 01st January	820,746	307,129	820,746	307,129
Charge/(Write back) to income statement	323,115	513,617	323,115	513,617
Closing Balance	1,143,861	820,746	1,143,861	820,746
Stage 3				
Opening Balance as at 01st January	8,473,518	6,719,868	8,473,518	6,719,868
Charge/(Write back) to income statement	164,396	3,069,660	164,396	3,069,660
Reversal for Write-off during the period	(839,948)	(779,928)	(839,948)	(779,928)
Interest Accrued on Impaired Loans and Advances	(216,499)	(536,082)	(216,499)	(536,082)
Other Movement	-	-	-	-
Closing Balance	7,581,467	8,473,518	7,581,467	8,473,518
Total Impairment	9,668,931	10,156,567	9,668,931	10,156,567

13 Analysis of Deposits

(Amounts in Rupees Thousands)

Deposits - By product	Bank		Group	
	As at 31.03.2019	As at 31.12.2018	As at 31.03.2019	As at 31.12.2018
By product - Domestic Currency				
Demand Deposits	16,722,920	16,885,181	16,722,920	16,885,181
Savings Deposits	72,297,911	70,292,893	72,297,911	70,292,893
Fixed Deposits	236,630,610	228,459,323	236,630,610	228,459,323
Certificate of Deposits	2,569,489	2,655,070	2,569,489	2,655,070
Total	328,220,930	318,292,467	328,220,930	318,292,467
By product - Foreign Currency				
Demand Deposits	4,873,474	5,485,326	4,873,474	5,485,326
Savings Deposits	11,836,695	10,451,956	11,836,695	10,451,956
Fixed Deposits	22,121,518	23,330,438	22,121,518	23,330,438
Total	38,831,687	39,267,720	38,831,687	39,267,720
Total Deposits	367,052,617	357,560,187	367,052,617	357,560,187

SEYLAN BANK PLC

Debenture Information

	CURRENT PERIOD 01-Jan-19 to 31-Mar-19	COMPARATIVE PERIOD 01-Jan-18 to 31-Mar-18
Debt (Debentures) / Equity Ratio (Times)	0.45	0.48
Debt (Debentures plus Long term Debt) / Equity Ratio (Times)	0.79	0.80
Interest Cover (Times)	3.77	5.86
Quick Asset Ratio (Times)	0.75	0.80
2014 Issue		
Market Prices during January to March (Ex Interest)		
4 Year Fixed Semi Annual - 8.00% p.a.(Debenture matured and redeemed on 16/12/2018)	-	*
5 Year Fixed Semi Annual - 8.35% p.a.	*	*
5 Year Fixed Annual - 8.60% p.a.	*	*
6 Year Fixed Semi Annual - 8.60% p.a.	*	*
6 Year Fixed Annual - 8.75% p.a.	*	*
Interest Yield as at Date of Last Trade	*	*
Yield to Maturity of Trade Done on	*	*
Interest Rate of Comparable Government Security		
- 4 Years (Debenture matured and redeemed on 16/12/2018)	-	8.95%
- 5 Years	9.89%	9.68%
- 6 Years	10.46%	9.92%
2016 Issue		
Market Prices during January to March (Ex Interest)		
5 Year Fixed Semi Annual - 13.00% p.a	*	*
5 Year Floating Semi Annual - six months treasury bill rate + 1.5%	*	*
7 Year Fixed Semi Annual - 13.75% p.a		*
- Highest Price	105.00	
- Lowest Price	105.00	
- Last Traded Price (02/01/2019)/*	105.00	
Interest Yield as at Date of Last Trade		
5 Year Fixed Semi Annual - 13.00% p.a	*	*
5 Year Floating Semi Annual - six months treasury bill rate + 1.5%	*	*
7 Year Fixed Semi Annual - 13.75% p.a (02/01/2019)/*	13.55%	*
Yield to Maturity of Trade Done on		
5 Year Fixed Semi Annual - 13.00% p.a	*	*
5 Year Floating Semi Annual - six months treasury bill rate + 1.5%	*	*
7 Year Fixed Semi Annual - 13.75% p.a (02/01/2019)/*	12.27%	*
Interest Rate of Comparable Government Security		
- 5 Years	10.57%	10.06%
- 7 Years	10.88%	10.41%
2018 Issue		
Market Prices during January to March (Ex Interest)		
5 Year Fixed Semi Annual - 12.85% p.a	*	*
7 Year Fixed Semi Annual - 13.20% p.a.	*	*
10 Year Fixed Semi Annual - 13.50% p.a		*
- Highest Price	100.00	*
- Lowest Price	96.00	*
- Last Traded Price (18/02/2019)/*	100.00	*
Interest Yield as at Date of Last Trade		
5 Year Fixed Semi Annual - 12.85% p.a	*	*
7 Year Fixed Semi Annual - 13.20% p.a.	*	*
10 Year Fixed Semi Annual - 13.50% p.a (18/02/2019)/*	13.96%	*
Yield to Maturity of Trade Done on		
5 Year Fixed Semi Annual - 12.85% p.a	*	*
7 Year Fixed Semi Annual - 13.20% p.a.	*	*
10 Year Fixed Semi Annual - 13.50% p.a (18/02/2019)/*	13.49%	*
Interest Rate of Comparable Government Security		
- 5 Years	10.91%	10.41%
- 7 Years	11.16%	10.22%
- 10 Years	11.40%	10.83%

* No trading during the period.

Seylan Bank PLC

Selected Performance Indicators

Item	Bank		Group	
	31.03.2019	31.12.2018	31.03.2019	31.12.2018
Regulatory Capital (LKR Mn.)				
Common Equity Tier I	33,205	33,486	34,043	34,325
Total (Tier I) Capital	33,205	33,486	34,043	34,325
Total Capital Base	42,955	43,682	43,693	44,370
Regulatory Capital Ratios (%)				
Common Equity Tier I Capital Ratio (Minimum Requirement - 7.00% / 2018 - 6.375%)	9.71	10.20	9.88	10.37
Total Tier I Capital Ratio (Minimum Requirement - 8.50% / 2018 - 7.875%)	9.71	10.20	9.88	10.37
Total Capital Ratio (Minimum Requirement - 12.50% / 2018 - 11.875%)	12.57	13.30	12.68	13.40
Regulatory Liquidity				
Statutory Liquid Assets (LKR Mn.)	92,819	86,367		
Domestic Banking Unit (LKR. Mn.)	88,289	80,722		
Offshore Banking Unit (USD '000)	33,293	31,468		
Statutory Liquid Assets Ratio (%) (Minimum Requirement 20 %)				
Domestic Banking Unit	22.30	21.44		
Offshore Banking Unit	23.28	22.08		
Total Stock of High-Quality Liquid Assets (LKR Mn.)	59,560	54,800		
Liquidity Coverage Ratio %				
Rupee - (Minimum Requirement - 100% / 2018 - 90%)	141.36	128.76		
All Currency - (Minimum Requirement - 100% / 2018 - 90%)	112.81	92.15		
Net Stable Funding Ratio (%) (Minimum Requirement - 90%)	110.00	110.00		
Assets Quality (Quality of Loan Portfolio)				
Gross Non-Performing Advances Ratio (%) (Net of Interest in Suspense)	5.96	5.98		
Net Non-Performing Advances Ratio (%) (Net of Interest in Suspense and Provision)	4.57	4.40		
Profitability				
Interest Margin (%)	4.19	4.24		
Return on Assets (before Tax) (%)	1.11	1.07		
Return on Equity (%)	10.24	9.27		