

SEYLAN BANK PLC

FINANCIAL STATEMENTS

Six months ended 30th June, 2020



INCOME STATEMENT

(In terms of Rule 7.4 of the Colombo Stock Exchange)	(Amounts in Rupees Thousands)											
	Bank			Bank			Group			Group		
	For the Six months Ended 30th June			For the Quarter Ended 30th June			For the Six months Ended 30th June			For the Quarter Ended 30th June		
	2020	2019	Growth %	2020	2019	Growth %	2020	2019	Growth %	2020	2019	Growth %
Interest Income	26,973,888	27,377,520	(1.47)	13,257,919	13,749,690	(3.58)	26,977,613	27,381,133	(1.47)	13,259,828	13,751,351	(3.57)
Less: Interest Expenses	17,631,915	18,635,187	(5.38)	8,617,364	9,389,686	(8.23)	17,478,288	18,483,382	(5.44)	8,540,365	9,314,546	(8.31)
Net Interest Income	9,341,973	8,742,333	6.86	4,640,555	4,359,994	6.43	9,499,325	8,897,751	6.76	4,719,463	4,436,805	6.37
Fee and Commission Income	1,726,807	2,057,685	(16.08)	680,319	1,037,396	(34.42)	1,726,780	2,057,503	(16.07)	680,315	1,037,217	(34.41)
Less: Fee and Commission Expenses	100,704	104,268	(3.42)	39,908	50,346	(20.73)	101,080	104,268	(3.06)	40,284	50,346	(19.99)
Net Fee and Commission Income	1,626,103	1,953,417	(16.76)	640,411	987,050	(35.12)	1,625,700	1,953,235	(16.77)	640,031	986,871	(35.15)
Net Gains/(Losses) from Trading	213,880	(632,257)	133.83	204,073	(1,051,515)	204.78	212,770	(632,738)	133.63	206,198	(1,041,200)	200.77
Net Gains from Derecognition of Financial Assets	370,638	150,498	146.27	301,086	94,449	218.78	370,638	150,498	146.27	301,086	94,449	218.78
Net Other Operating Income	648,419	1,244,185	(47.88)	312,531	310,252	0.73	564,749	1,188,524	(52.48)	213,540	327,550	(34.81)
Total Operating Income	12,201,013	11,458,176	6.48	6,098,656	5,741,230	6.23	12,733,182	11,557,270	6.19	6,080,318	5,835,265	4.20
Impairment Charges	2,660,337	1,728,135	53.94	1,544,271	1,138,899	35.59	2,660,337	1,728,119	53.94	1,544,271	1,138,899	35.59
Net Operating Income	9,540,676	9,730,041	(1.95)	4,554,385	4,602,331	(1.04)	9,612,845	9,829,151	(2.20)	4,536,047	4,696,366	(3.41)
Less: Operating Expenses												
Personnel Expenses	3,481,769	3,178,306	9.55	1,721,370	1,608,111	7.04	3,500,572	3,196,497	9.51	1,730,665	1,617,066	7.03
Depreciation and Amortization Expenses	722,076	633,181	14.04	357,589	320,800	11.47	740,428	643,480	15.07	367,278	326,000	12.66
Other Expenses	2,167,151	2,456,111	(11.76)	1,030,661	1,240,673	(16.93)	2,192,640	2,479,356	(11.56)	1,041,703	1,251,673	(16.78)
Total Operating Expenses	6,370,996	6,267,598	1.65	3,109,620	3,169,584	(1.89)	6,433,640	6,319,333	1.81	3,139,646	3,194,739	(1.72)
Operating Profit before Taxes	3,169,680	3,462,443	(8.46)	1,444,765	1,432,747	0.84	3,179,205	3,509,818	(9.42)	1,396,401	1,501,627	(7.01)
Less: Value Added Tax on Financial Services	837,310	784,807	6.69	382,702	358,207	6.84	837,310	784,807	6.69	382,702	358,207	6.84
Less: Nation Building Tax on Financial Services	-	104,641	(100.00)	-	47,645	(100.00)	-	104,641	(100.00)	-	47,645	(100.00)
Less: Debt Repayment Levy	-	459,876	(100.00)	-	209,775	(100.00)	-	459,876	(100.00)	-	209,775	(100.00)
Profit before Income Tax	2,332,370	2,113,119	10.38	1,062,063	817,120	29.98	2,341,895	2,160,494	8.40	1,013,699	886,000	14.41
Less: Income Tax Expense	681,055	590,278	15.38	312,666	189,881	64.66	731,394	640,178	14.25	329,143	208,855	57.59
Profit for the Period	1,651,315	1,522,841	8.44	749,397	627,239	19.48	1,610,501	1,520,316	5.93	684,556	677,145	1.09
Profit Attributable to:												
Equity Holders of the Bank	1,651,315	1,522,841	8.44	749,397	627,239	19.48	1,588,693	1,490,293	6.60	669,834	662,428	1.12
Non-Controlling Interest	-	-	-	-	-	-	21,808	30,023	(27.36)	47,722	14,717	0.03
Profit for the period	1,651,315	1,522,841	8.44	749,397	627,239	19.48	1,610,501	1,520,316	5.93	684,556	677,145	1.09
Basic/Diluted Earnings per Ordinary Share (in Rupees)	3.19	3.68	(13.32)	1.45	1.52	(4.61)	3.07	3.60	(14.72)	1.30	1.60	(18.75)

CASH FLOW STATEMENT

(In terms of Rule 7.4 of the Colombo Stock Exchange)	(Amounts in Rupees Thousands)								
	BANK				GROUP				
	For the Six months ended 30th June				For the Six months ended 30th June				
	2020	2019	Growth %	2020	2019	Growth %	2020	2019	Growth %
Cash Flows from Operating Activities	22,511,414	26,298,237	(15.52)	11,257,919	13,749,690	(18.11)	22,511,414	26,298,237	(15.52)
Interest receipts	(17,039,524)	(16,544,059)	(2.99)	(8,617,364)	(9,389,686)	(8.23)	(17,039,524)	(16,544,059)	(2.99)
Interest payments	1,626,103	1,953,417	(17.25)	640,411	987,050	(35.12)	1,626,103	1,953,417	(17.25)
Net commission receipts	124,462	27,334	353.06	64,041	98,705	(35.12)	124,462	27,334	353.06
Trading income	(3,293,165)	(3,093,418)	(6.46)	(1,625,700)	(1,953,235)	(16.77)	(3,293,165)	(3,093,418)	(6.46)
Payments to employees	(674,804)	(1,260,698)	(46.46)	(312,531)	(310,252)	(0.73)	(674,804)	(1,260,698)	(46.46)
VAT and NBT on financial services and DRL	683,167	1,693,003	(59.49)	312,531	310,252	(0.73)	683,167	1,693,003	(59.49)
Payments on other operating activities	(1,585,407)	(2,249,338)	(30.34)	(784,807)	(1,037,396)	(24.72)	(1,585,407)	(2,249,338)	(30.34)
Operating profit before changes in operating assets and liabilities	2,352,246	6,825,660	(65.82)	1,062,063	817,120	29.98	2,352,246	6,825,660	(65.82)
(Increase)/decrease in operating assets:									
Balance with Central Bank of Sri Lanka	7,446,620	2,703,553	172.16	7,446,620	2,703,553	172.16	7,446,620	2,703,553	172.16
Financial assets at amortized cost - Loans and advances	2,114,780	(17,962,503)	(942.32)	2,114,780	(17,962,503)	(942.32)	2,114,780	(17,962,503)	(942.32)
Other assets	1,156,306	(1,943,484)	(68.24)	1,156,306	(1,943,484)	(68.24)	1,156,306	(1,943,484)	(68.24)
Increase/(decrease) in operating liabilities:									
Financial liabilities at amortized cost - Due to depositors	11,059,150	16,228,213	(31.91)	11,059,150	16,228,213	(31.91)	11,059,150	16,228,213	(31.91)
Financial liabilities at amortized cost - Due to debt securities holders	(1,271,210)	(1,450,062)	(13.28)	(1,271,210)	(1,450,062)	(13.28)	(1,271,210)	(1,450,062)	(13.28)
Financial liabilities at amortized cost - Due to other borrowers	(5,116)	(5,116)	-	(5,116)	(5,116)	-	(5,116)	(5,116)	-
Other liabilities	(1,002,247)	863,809	(1,161.13)	(1,002,247)	863,809	(1,161.13)	(1,002,247)	863,809	(1,161.13)
Due to banks	(2,906,957)	2,230,939	(29.94)	(2,906,957)	2,230,939	(29.94)	(2,906,957)	2,230,939	(29.94)
Cash generated from operating activities before income tax	18,943,572	(2,509,029)	(182.58)	9,612,845	9,829,151	(2.20)	18,943,572	(2,509,029)	(182.58)
Income tax paid	(570,251)	(1,101,196)	(51.11)	(570,251)	(1,101,196)	(51.11)	(570,251)	(1,101,196)	(51.11)
Net cash (used in) / generated from operating activities	18,373,321	(3,610,225)	(196.69)	9,042,594	8,727,955	3.71	18,373,321	(3,610,225)	(196.69)
Cash flows from investing activities									
Purchase of property, plant & equipment	(225,267)	(269,220)	(8.38)	(225,267)	(269,220)	(8.38)	(225,267)	(269,220)	(8.38)
Improvements in investment property	6,695	901	(26.29)	6,695	901	(26.29)	6,695	901	(26.29)
Proceeds from sale of property, plant & equipment	5,907,958	8,455,144	(29.74)	5,907,958	8,455,144	(29.74)	5,907,958	8,455,144	(29.74)
Net proceeds from sale, maturity and purchase of financial investments of shares and debentures	(194,710)	367,191	(107.44)	(194,710)	367,191	(107.44)	(194,710)	367,191	(107.44)
Reverse repurchase agreements maturing after three months	21,645	4,032	(81.46)	21,645	4,032	(81.46)	21,645	4,032	(81.46)
Net purchase of intangible assets	(28,109)	(32,469)	(13.28)	(28,109)	(32,469)	(13.28)	(28,109)	(32,469)	(13.28)
Net cash flow from acquisition of investment in subsidiaries	-	-	-	-	-	-	-	-	-
Net cash flow from disposal of subsidiaries	-	-	-	-	-	-	-	-	-
Dividend received from investment in subsidiaries	5,026	89,725	(94.58)	5,026	89,725	(94.58)	5,026	89,725	(94.58)
Dividend received from other investments	-	-	-	-	-	-	-	-	-
Proceed from Sale of Assets Held-for-Sale	-	-	-	-	-	-	-	-	-
Net cash (used in) / generated from investing activities	(5,922,878)	8,623,444	(150.82)	(5,922,878)	8,623,444	(150.82)	(5,922,878)	8,623,444	(150.82)
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	-	5,000,000	-	-	-	-	-	-	4,971,000
Repayment of subordinated debt	(1,399,484)	(743,480)	(87.24)	(1,399,484)	(743,480)	(87.24)	(1,399,484)	(743,480)	(87.24)
Interest paid on subordinated debt	(107,737)	(107,737)	-	(107,737)	(107,737)	-	(107,737)	(107,737)	-
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-
Dividend paid to shareholders of the bank	(60)	(287,067)	(478.45)	(60)	(287,067)	(478.45)	(60)	(287,067)	(478.45)
Payment of lease liabilities	(343,921)	(316,238)	(10.84)	(343,921)	(316,238)	(10.84)	(343,921)	(316,238)	(10.84)
Net cash (used in) / generated from financing activities	(1,851,202)	3,545,772	(192.14)	(1,851,202)	3,545,772	(192.14)	(1,851,202)	3,545,772	(192.14)
Net increase / (decrease) in cash and cash equivalents	10,599,441	8,558,991	23.13	10,599,441	8,558,991	23.13	10,599,441	8,558,991	23.13
Cash and cash equivalents at beginning of the period	24,716,667	25,401,713	(3.12)	24,716,667	25,401,713	(3.12)	24,716,667	25,401,713	(3.12)
Cash and cash equivalents at end of the period	35,316,108	33,960,664	3.96	35,316,108	33,960,664	3.96	35,316,108	33,960,664	3.96
Reconciliation of cash and cash equivalents									
Cash and cash equivalents	12,068,497	7,877,687	53.13	12,068,497	7,877,687	53.13	12,068,497	7,877,687	53.13

