

## FINANCIAL HIGHLIGHTS

Total assets improved from Rs28.4bn as at September 2017 to Rs32.9bn as at September 2018 (a growth of 16%).

Gross loans and advances grew by 32% from Rs17.9bn as at September 2017 to close at Rs23.7bn as at 30 September 2018, contributed by both Segment A and Segment B.

Total deposits increased by 9.6% to close at Rs27.5bn as at September 2018 compared to Rs25.1bn for the same period last year, contributed by both Segment A and B.

After net impairment provision on financial assets of Rs106.9m, the bank closed Q3 with profit after tax of Rs430.2m compared to Rs224m for the same period last year.

The Bank Capital Adequacy Ratio closed at 13.14% as at September 2018 compared to 13.37% as at September 2017.

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018

	Unaudited 30 September 2018	Audited 31 December 2017
	Rs 000	Rs 000
<b>ASSETS</b>		
Cash and cash equivalents	3,444,646	4,221,988
Derivative assets held for risk management	2,670	4,824
Loans and advances to banks	3,967,376	3,707,245
Loans and advances to customers	18,835,078	17,746,327
Investment securities - Available-for-sale	-	2,249,806
Investment securities - Held-to-maturity	-	1,968,379
Investment securities at Fair value through other comprehensive income	2,090,909	-
Investment securities at amortised cost	2,880,614	-
Property and equipment	388,027	403,161
Intangible assets	97,763	41,580
Deferred tax assets	45,110	71,766
Other assets	1,237,027	1,296,936
<b>Total Assets</b>	<b>32,989,220</b>	<b>31,712,012</b>
<b>LIABILITIES</b>		
Deposits from customers	27,528,816	28,299,442
Derivative liabilities held for risk management	11,354	822
Other borrowed funds	1,789,857	123,441
Subordinated liabilities	499,371	512,205
Current tax liabilities	15,296	11,609
Other liabilities	404,276	304,228
<b>Total Liabilities</b>	<b>30,248,970</b>	<b>29,251,747</b>
<b>EQUITY</b>		
Stated capital	856,456	856,456
Retained earnings	1,588,097	1,239,958
Other reserves	295,697	363,851
<b>Total Equity</b>	<b>2,740,250</b>	<b>2,460,265</b>
<b>Total Equity and Liabilities</b>	<b>32,989,220</b>	<b>31,712,012</b>

## CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018

	Unaudited Nine months ended 30 September 2018	Unaudited Nine months ended 30 September 2017
	Rs 000	Rs 000
Cash and cash equivalents at beginning of period	4,691,359	5,519,687
Net cash (used in)/ from operating activities	(1,535,276)	1,371,788
Net cash used in investing activities	(635,107)	(990,777)
Net cash used in financing activities	(121,797)	(117,273)
Net (decrease)/increase in cash and cash equivalents	(2,292,180)	263,738
Effect of impairment charge on cash and cash equivalents	3,964	-
Cash and cash equivalents at end of period	2,403,143	5,783,425

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018

	Unaudited Three months ended 30 September 2018	Unaudited Nine months ended 30 September 2018	Unaudited Three months ended 30 September 2017	Unaudited Nine months ended 30 September 2017
	Rs 000	Rs 000	Rs 000	Rs 000
Interest income	350,979	997,516	267,475	786,910
Interest expense	(116,881)	(310,046)	(91,470)	(275,299)
<b>Net interest income</b>	<b>234,098</b>	<b>687,470</b>	<b>176,005</b>	<b>511,611</b>
Fee and commission income	132,979	332,500	65,490	198,224
Fee and commission expense	(74,503)	(184,201)	(29,251)	(91,362)
<b>Net fee and commission income</b>	<b>58,476</b>	<b>148,299</b>	<b>36,239</b>	<b>106,862</b>
Net gain on dealing in foreign currencies and derivatives	27,802	79,329	17,929	61,424
Other operating income	1,014	140,815	6,038	7,289
	28,816	220,144	23,967	68,713
<b>Operating income</b>	<b>321,390</b>	<b>1,055,913</b>	<b>236,211</b>	<b>687,186</b>
Personnel expenses	(99,692)	(295,588)	(89,676)	(273,622)
Depreciation and amortisation	(12,279)	(36,320)	(11,639)	(31,724)
Other expenses	(43,850)	(130,508)	(33,641)	(104,330)
Non-interest expense	(155,821)	(462,416)	(134,956)	(409,676)
<b>Profit before impairment</b>	<b>165,569</b>	<b>593,497</b>	<b>101,255</b>	<b>277,510</b>
Net impairment loss on financial assets	(24,548)	(106,938)	(44,318)	(40,932)
<b>Profit before income tax</b>	<b>141,021</b>	<b>486,559</b>	<b>56,937</b>	<b>236,578</b>
Income tax expense	(43,772)	(56,369)	(4,520)	(12,545)
<b>Profit for the period</b>	<b>97,249</b>	<b>430,190</b>	<b>52,417</b>	<b>224,033</b>
<b>Other Comprehensive income :</b>				
<i>Items that may be classified subsequently to profit or loss:</i>				
Remeasurement of defined benefit obligation net of tax	(4,609)	(4,609)	-	-
Revaluation of building net of tax	876	876	-	-
Net fair value loss on available for sale investment securities net of tax	437	(24,285)	3,324	(550)
<b>Other Comprehensive Income for the period</b>	<b>(3,296)</b>	<b>(28,018)</b>	<b>3,324</b>	<b>(550)</b>
<b>Total Comprehensive Income for the period</b>	<b>93,953</b>	<b>402,172</b>	<b>55,741</b>	<b>223,483</b>

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018

	Stated capital	Revaluation surplus	Statutory reserve	General Banking reserve	Fair value reserve	Retirement Benefit Plan Reserve	Retained earnings	Total equity
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
<b>Balance as at 1 January 2017</b>	856,456	77,334	191,821	54,328	14,205	(32,816)	967,011	2,128,339
Profit for the period	-	-	-	-	-	-	224,033	224,033
Other comprehensive income	-	-	-	-	(550)	-	-	(550)
<b>Total comprehensive income</b>	-	-	-	-	(550)	-	224,033	223,483
Transfer to general banking reserve	-	-	-	4,984	-	-	(4,984)	-
<b>Transaction with owners:</b>								
Dividend paid	-	-	-	-	-	-	(26,000)	(26,000)
<b>Balance as at 30 September 2017</b>	<b>856,456</b>	<b>77,334</b>	<b>191,821</b>	<b>59,312</b>	<b>13,655</b>	<b>(32,816)</b>	<b>1,160,060</b>	<b>2,325,822</b>
<b>Balance as at 1 January 2018</b>	856,456	92,268	247,950	73,451	8,537	(58,355)	1,239,958	2,460,265
Impact of adopting IFRS 9	-	-	-	(41,435)	-	-	(1,652)	(43,087)
Restated balance as at 01 January 2018	856,456	92,268	247,950	32,016	8,537	(58,355)	1,238,306	2,417,178
Profit for the period	-	-	-	-	-	-	430,190	430,190
Other comprehensive income	-	876	-	-	(24,285)	(4,609)	-	(28,018)
<b>Total comprehensive income</b>	-	876	-	-	(24,285)	(4,609)	430,190	402,172
Transfer to general banking reserve	-	-	-	1,299	-	-	(1,299)	-
<b>Transaction with owners:</b>								
Dividend paid	-	-	-	-	-	-	(79,100)	(79,100)
<b>Balance as at 30 September 2018</b>	<b>856,456</b>	<b>93,144</b>	<b>247,950</b>	<b>33,315</b>	<b>(15,748)</b>	<b>(62,964)</b>	<b>1,588,097</b>	<b>2,740,250</b>