



NATIONS TRUST BANK PLC AND ITS SUBSIDIARIES

BASEL III - Market Discipline - Minimum Disclosure Requirement Under Pillar 3 as per the Banking Act Direction No. 01 of 2016

September 30, 2021

Table 1
Key Regulatory Ratios - Capital and Liquidity

Item	Bank		Group	
	30-Sep-2021	31-Dec-2020	30-Sep-2021	31-Dec-2020
Regulatory Capital (LKR '000)				
Common Equity Tier 1	30,516,040	31,792,734	31,387,001	32,663,601
Tier 1 Capital	30,516,040	31,792,734	31,387,001	32,663,601
Total Capital	37,577,706	39,694,167	38,448,667	40,565,034
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 6.50%)	12.53%	14.40%	12.90%	14.79%
Tier 1 Capital Ratio (Minimum Requirement - 8.00%)	12.53%	14.40%	12.90%	14.79%
Total Capital Ratio (Minimum Requirement - 12.00%)	15.43%	17.98%	15.80%	18.37%
Leverage Ratio (Minimum Requirement -3%)	7.76%	9.03%	7.98%	9.27%
Regulatory Liquidity				
Statutory Liquid Assets				
Domestic Banking Unit (LKR'000)	98,194,879	109,941,284		
Off-Shore Banking Unit (LKR'000)	8,935,560	5,799,336		
Statutory Liquid Assets Ratio % (Minimum Requirement - 20%)				
Domestic Banking Unit (%)	32.24%	38.79%		
Off-Shore Banking Unit (%)	33.55%	30.75%		
Total Stock of High-Quality Liquid Assets (LKR'000)	78,991,941	86,501,491		
Liquidity Coverage Ratio (%)				
Rupee (Minimum Requirement - 100% - 30-Sep-2021) (Minimum Requirement - 90% - 31-Dec-2020)	415.18%	455.66%		
All Currency (Minimum Requirement - 100% - 30-Sep-2021) (Minimum Requirement - 90% - 31-Dec-2020)	311.76%	341.63%		
Net Stable Funding Ratio (Minimum Requirement - 100% - 30-Sep-2021) (Minimum Requirement - 90% - 31-Dec-2020)	148.68%	151.62%		

Table 2

Basel III Computation of Capital Ratios

Item	Bank		Group	
	LKR '000		LKR '000	
	30-Sep-2021	31-Dec-20	30-Sep-2021	31-Dec-20
Common Equity Tier 1 (CET1) Capital after Adjustments	30,516,040	31,792,734	31,387,001	32,663,601
Common Equity Tier 1 (CET1) Capital	31,612,286	33,014,153	32,484,018	33,885,885
Equity Capital (Stated Capital)/Assigned Capital	9,408,134	9,408,134	9,408,134	9,408,134
Reserve Fund	1,371,854	1,371,854	1,561,788	1,561,788
Published Retained Earnings/(Accumulated Retained Losses)	21,079,755	21,838,944	21,761,553	22,520,742
Published Accumulated Other Comprehensive Income (OCI)	(247,457)	395,221	(247,457)	395,221
General and other Disclosed Reserves	-	-	-	-
Unpublished Current Year's Profit/Loss and Gains reflected in OCI	-	-	-	-
Ordinary Shares issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
Total Adjustments to CET1 Capital	1,096,245	1,221,420	1,097,017	1,222,284
Goodwill (net)	-	-	-	-
Intangible Assets (net)	1,096,245	1,221,420	1,097,017	1,222,284
Shortfall of the Cumulative Impairment to Specific Provisions	-	-	-	-
Additional Tier 1 (AT1) Capital after Adjustments	-	-	-	-
Additional Tier 1 (AT1) Capital	-	-	-	-
Qualifying Additional Tier 1 Capital Instruments	-	-	-	-
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
Total Adjustments to AT1 Capital	-	-	-	-
Investment in Own Shares	-	-	-	-
Others (specify)	-	-	-	-
Tier 2 Capital after Adjustments	7,061,666	7,901,433	7,061,666	7,901,433
Tier 2 Capital	7,061,666	7,901,433	7,061,666	7,901,433
Qualifying Tier 2 Capital Instruments	4,296,667	6,169,524	4,296,667	6,169,524
Revaluation Gains	397,935	337,316	397,935	337,316
Loan Loss Provisions	2,367,064	1,394,594	2,367,064	1,394,594
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
Total Adjustments to Tier 2	-	-	-	-
Investment in Own Shares	-	-	-	-
Others (specify)	-	-	-	-
CET1 Capital	30,516,040	31,792,734	31,387,001	32,663,601
Total Tier 1 Capital	30,516,040	31,792,734	31,387,001	32,663,601
Total Capital	37,577,706	39,694,167	38,448,667	40,565,034

Note :

As per the Directive No. 4 of 2018 issued by Central Bank of Sri Lanka on "Adoption of Sri Lanka Accounting Standard - SLFRS 9: Financial Instruments", for the purpose of calculating capital adequacy ratio, Banks shall stagger additional credit loss provision arising from SLFRS 9 at the transition date, 01 January 2018. The Bank has charged only 93.8% of the first day impact (Rs. 957 Mn) against the retained earnings of the Bank for the purpose of calculating Capital Adequacy Ratio as at 30th September 2021. If 100% of the first day impact is considered, the Bank total Tier 1 Capital ratio and Bank Total Capital ratio would be decreased by 0.03%.

Item	Bank		Group	
	LKR '000		LKR '000	
	30-Sep-2021	31-Dec-2019	30-Sep-2021	31-Dec-2019
Total Risk Weighted Assets (RWA)	243,476,255	220,748,585	243,367,281	220,820,864
RWAs for Credit Risk	211,274,965	184,660,038	210,732,922	184,419,042
RWAs for Market Risk	4,684,607	9,196,617	4,684,607	9,196,617
RWAs for Operational Risk	27,516,683	26,891,930	27,949,752	27,205,205
CET1 Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	12.53%	14.40%	12.90%	14.79%
of which: Capital Conservation Buffer (%)	2.000%	2.000%	2.000%	2.000%
of which: Countercyclical Buffer (%)	-	-	-	-
of which: Capital Surcharge on D-SIBs (%)	-	-	-	-
Total Tier 1 Capital Ratio (%)	12.53%	14.40%	12.90%	14.79%
Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	15.43%	17.98%	15.80%	18.37%
of which: Capital Conservation Buffer (%)	2.000%	2.000%	2.000%	2.000%
of which: Countercyclical Buffer (%)	-	-	-	-
of which: Capital Surcharge on D-SIBs (%)	-	-	-	-

Table 3
Basel III Computation of Leverage Ratio

Item	Bank		Group	
	Amount (LKR '000)		Amount (LKR '000)	
	30-Sep-2021	31-Dec-20	30-Sep-2021	31-Dec-20
Tier 1 Capital	30,516,040	31,792,734	31,387,001	32,663,601
Total Exposures	393,113,047	352,007,308	393,151,449	352,363,453
On-Balance Sheet Items (excluding Derivatives and Securities Financing Transactions, but including Collateral)	371,414,035	331,086,749	371,452,437	331,442,581
Derivative Exposures	341,438	506,355	341,438	506,355
Securities Financing Transaction Exposures	4,000,000	5,086,600	4,000,000	5,086,912
Other Off-Balance Sheet Exposures	17,357,574	15,327,604	17,357,574	15,327,604
Basel III Leverage Ratio (%) (Tier 1/Total Exposure)	7.76%	9.03%	7.98%	9.27%

Table 4

Basel III Computation of Liquidity Coverage Ratio (All Currency)

Item	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
	LKR '000		LKR '000	
	30-Sep-2021		31-Dec-20	
Total Stock of High-Quality Liquid Assets(HQLA)	78,991,941	78,991,941	86,501,491	86,501,491
Total Adjusted Level 1A Assets	79,022,479	79,022,479	86,600,360	86,600,360
Level 1 Assets	78,991,941	78,991,941	86,501,491	86,501,491
Total Adjusted Level 2A Assets	-	-	-	-
Level 2A Assets	-	-	-	-
Total Adjusted Level 2B Assets	-	-	-	-
Level 2B Assets	-	-	-	-
Total Cash Outflows	445,772,657	54,915,686	411,641,306	45,616,812
Deposits	222,946,825	22,294,683	217,571,652	21,757,165
Unsecured Wholesale Funding	39,995,019	16,131,052	24,990,895	10,931,348
Secured Funding Transactions	369,517	-	419,355	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	176,718,623	10,747,278	165,806,560	10,075,454
Additional Requirements	5,742,673	5,742,673	2,852,845	2,852,845
Total Cash Inflows	60,256,660	29,578,572	44,722,393	20,296,842
Maturing Secured Lending Transactions Backed by Collateral	1,175,978	-	5,092,629	-
Committed Facilities	1,000,000	-	1,000,000	-
Other Inflows by Counterparty which are Maturing within 30 Days	53,558,103	27,963,764	37,777,272	20,166,695
Operational Deposits	1,374,212	-	722,345	-
Other Cash Inflows	3,148,367	1,614,809	130,147	130,147
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/ Total Net Cash Outflows over the Next 30 Calendar Days) * 100		312%		342%

Table 5
Net Stable Funding Ratio

Item	Bank	
	Amount (LKR'000)	
	30-Sep-2021	31-Dec-20
Total Available Stable Funding	285,675,792	264,280,333
Required Stable Funding – On Balance Sheet Assets	186,681,992	169,171,219
Required Stable Funding – Off Balance Sheet Items	5,455,287	5,128,616
Total Required Stable Funding	192,137,279	174,299,835
Net Stable Funding Ratio		
(Minimum Requirement - 100% - 30-Sep-2021)	148.68%	151.62%
(Minimum Requirement - 90% - 31-Dec-2020)		

Table 6

Main Features of Regulatory Capital Instruments

Description of the Capital Instrument	Ordinary Shares (Voting)	Ordinary Shares (Non Voting)	Subordinated Debt (Debentures)	Subordinated Debt (Debentures)	Subordinated Debt (Debentures)	Subordinated Debt (Debentures)	Subordinated Debt (Debentures)	Subordinated Debt (Debentures)	Subordinated Debt (Debentures)	Subordinated Debt (Debentures)
Issuer	Nations Trust Bank PLC	Nations Trust Bank PLC	Nations Trust Bank PLC	Nations Trust Bank PLC	Nations Trust Bank PLC	Nations Trust Bank PLC	Nations Trust Bank PLC	Nations Trust Bank PLC	Nations Trust Bank PLC	Nations Trust Bank PLC
Unique Identifier (e.g., ISIN or Bloomberg Identifier for Private Placement)	LK0309N00001	LK0309N00001	NTB-BD-08/11/21-C2365-12.65	NTB-BD-08/11/21-C2364-12.8	NTB-BD-08/11/21-C2363	NTB-BD-20/04/23-C2402-12.65	NTB-BD-20/04/23-C2401-13	NTB-BD-23/12/24 - C2441 - 12.8	NTB-BD-23/12/26 - C2442 - 12.9	
Governing Law(s) of the Instrument	Companies Act, No.7 of 2007	Companies Act, No.7 of 2007	Companies Act, No.7 of 2007 Monetary Law Act No. 58 of 1949	Companies Act, No.7 of 2007 Monetary Law Act No. 58 of 1949	Companies Act, No.7 of 2007 Monetary Law Act No. 58 of 1949	Companies Act, No.7 of 2007 Monetary Law Act No. 58 of 1949	Companies Act, No.7 of 2007 Monetary Law Act No. 58 of 1949	Companies Act, No.7 of 2007 Monetary Law Act No. 58 of 1949	Companies Act, No.7 of 2007 Monetary Law Act No. 58 of 1949	Companies Act, No.7 of 2007 Monetary Law Act No. 58 of 1949
Original Date of Issuance	3-May-99	20-Feb-18	8-Nov-16	8-Nov-16	8-Nov-16	8-Nov-16	20-Apr-18	20-Apr-18	23-Dec-19	23-Dec-19
Par Value of Instrument	22.12	80	100	100	100	100	100	100	100	100
Perpetual or Dated	Perpetual	Perpetual	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated
Original Maturity Date, if Applicable	N/A	N/A	8-Nov-21	8-Nov-21	8-Nov-21	8-Nov-21	20-Apr-23	20-Apr-23	23-Dec-24	23-Dec-26
Amount Recognised in Regulatory Capital (in LKR '000 as at the Reporting Date)	6,309,791	3,098,343	64,763	18,530	40	700,783	407,550	1,755,000	1,350,000	
Accounting Classification (Equity/Liability)	Equity	Equity	Liability	Liability	Liability	Liability	Liability	Liability	Liability	Liability
Issuer Call subject to Prior Supervisory Approval										
Optional Call Date, Contingent Call Dates and Redemption Amount (LKR '000)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Subsequent Call Dates, if Applicable	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Coupons/Dividends										
Fixed or Floating Dividend/Coupon	Discretionary dividend amount	Discretionary dividend amount	Fixed	Fixed	Floating	Fixed	Fixed	Fixed	Fixed	Fixed
Coupon Rate and any Related Index	Distributable profit that has been declared as dividend	Distributable profit that has been declared as dividend	12.65%	12.80%	6.64%	12.65%	13.00%	12.80%	12.90%	
Non-Cumulative or Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative
Convertible or Non-Convertible	Non-Convertible	Non-Convertible	Non-Convertible	Non-Convertible	Non-Convertible	Non-Convertible	Convertible	Convertible	Convertible	Convertible
If Convertible, Conversion Trigger (s)	Non-Convertible	Starting from last market date of quarter ending 30th June and forward	Non-Convertible	Non-Convertible	Non-Convertible	As per Banking Act Direction No. 1 of 2016	As per Banking Act Direction No. 1 of 2016	As per Banking Act Direction No. 1 of 2016	As per Banking Act Direction No. 1 of 2016	
If Convertible, Fully or Partially	Non-Convertible	Fully or Partially	Non-Convertible	Non-Convertible	Non-Convertible	Fully or Partially	Fully or Partially	Fully or Partially	Fully or Partially	
If Convertible, Mandatory or Optional	Non-Convertible	Optional	Non-Convertible	Non-Convertible	Non-Convertible	Mandatory	Mandatory	Mandatory	Mandatory	
If Convertible, Conversion Rate	Non-Convertible	1:1	Non-Convertible	Non-Convertible	Non-Convertible	Simple Average of Volume WA Price of ordinary voting shares published by the CSE, during the 3 months period, immediately preceding the date of the Trigger Event.	Simple Average of Volume WA Price of ordinary voting shares published by the CSE, during the 3 months period, immediately preceding the date of the Trigger Event.	Simple Average of Volume WA Price of ordinary voting shares published by the CSE, during the 3 months period, immediately preceding the date of the Trigger Event.	Simple Average of Volume WA Price of ordinary voting shares published by the CSE, during the 3 months period, immediately preceding the date of the Trigger Event.	

Table 7
Credit Risk under Standardised Approach – Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects

Asset Class	Bank											
	LKR'000 as at -30-Sep-2021						LKR'000 as at -31-Dec-2020					
	Exposures before Credit Conversion Factor (CCF) and CRM		Exposures post CCF and CRM		RWA and RWA Density (%)		Exposures before Credit Conversion Factor (CCF) and CRM		Exposures post CCF and CRM		RWA and RWA Density (%)	
	On-Balance Sheet Amount	Off-Balance Sheet Amount	On-Balance Sheet Amount	Off-Balance Sheet Amount	RWA	RWA Density(ii)	On-Balance Sheet Amount	Off-Balance Sheet Amount	On-Balance Sheet Amount	Off-Balance Sheet Amount	RWA	RWA Density(ii)
Claims on Central Government and CBSL	30,157,881	7,000,000	30,157,881	140,000	1,211,239	4%	28,329,170	3,757,000	28,329,170	75,140	2,521,469	9%
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	0%	-	-	-	-	-	0%
Claims on Public Sector Entities	-	-	-	-	-	0%	-	-	-	-	-	0%
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	0%	-	-	-	-	-	0%
Claims on Banks Exposures	8,455,738	15,248,936	8,455,738	310,563	2,300,905	26%	2,190,281	22,479,558	2,190,281	472,036	1,458,030	55%
Claims on Financial Institutions	7,747,245	30,963,191	7,747,245	1,253,483	6,577,360	73%	6,490,381	1,835,395	6,490,381	1,263,810	5,671,122	73%
Claims on Corporates	94,351,322	71,395,853	94,351,322	13,201,127	104,590,368	97%	66,103,191	93,578,506	66,103,191	11,190,375	75,480,756	98%
Retail Claims	95,342,589	73,498,779	95,342,589	2,815,008	75,230,700	77%	96,752,526	75,771,072	96,752,526	2,867,449	76,418,142	77%
Claims Secured by Residential Property	7,666,320	-	7,666,320	-	5,410,273	71%	7,990,742	-	7,990,742	-	6,333,392	79%
Claims Secured by Commercial Real Estate	1,935,451	-	1,935,451	65,155	2,000,607	100%	543,634	73,046	543,634	24,177	567,812	100%
Non-Performing Assets (NPAs)(i)	7,182,836	-	7,182,836	-	8,335,402	116%	8,894,123	-	8,894,123	-	10,625,408	119%
Higher-risk Categories	25,803	-	25,803	-	64,507	250%	25,803	-	25,803	-	64,507	250%
Cash Items and Other Assets	16,378,740	-	16,378,740	-	5,553,605	34%	15,030,709	-	15,030,709	-	5,519,402	37%
Total	269,243,925	198,106,760	269,243,925	17,785,337	211,274,965	74%	232,350,560	197,494,577	232,350,560	15,892,988	184,660,038	74%

Asset Class	Group											
	LKR'000 as at -30-Sep-2021						LKR'000 as at -31-Dec-2020					
	Exposures before		Exposures post CCF		RWA and RWA Density		Exposures before		Exposures post CCF		RWA and RWA Density	
	On-Balance Sheet Amount	Off-Balance Sheet Amount	On-Balance Sheet Amount	Off-Balance Sheet Amount	RWA	RWA Density(ii)	On-Balance Sheet Amount	Off-Balance Sheet Amount	On-Balance Sheet Amount	Off-Balance Sheet Amount	RWA	RWA Density(ii)
Claims on Central Government and CBSL	30,157,881	7,000,000	30,157,881	140,000	1,211,239	4%	28,329,170	3,757,000	28,329,170	75,140	2,521,469	9%
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	0%	-	-	-	-	-	0%
Claims on Public Sector Entities	-	-	-	-	-	0%	-	-	-	-	-	0%
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	0%	-	-	-	-	-	0%
Claims on Banks Exposures	8,455,796	15,248,936	8,455,796	310,563	2,300,917	26%	2,190,339	22,479,558	2,190,339	472,036	1,458,042	55%
Claims on Financial Institutions	7,747,245	30,963,191	7,747,245	1,253,483	6,577,360	73%	6,490,381	1,835,395	6,490,381	1,263,810	5,671,122	73%
Claims on Corporates	94,342,983	71,395,853	94,342,983	13,201,127	104,582,029	97%	66,103,555	93,579,284	66,103,555	11,190,375	75,481,119	98%
Retail Claims	95,342,589	73,498,779	95,342,589	2,815,008	75,230,700	77%	96,752,526	75,771,072	96,752,526	2,867,449	76,418,142	77%
Claims Secured by Residential Property	7,666,320	-	7,666,320	-	5,410,273	71%	7,990,742	-	7,990,742	-	6,333,392	79%
Claims Secured by Commercial Real Estate	1,935,451	-	1,935,451	65,155	2,000,607	100%	543,634	73,046	543,634	24,177	567,812	100%
Non-Performing Assets (NPAs)(i)	7,182,836	-	7,182,836	-	8,335,402	116%	8,894,123	-	8,894,123	-	10,625,408	119%
Higher-risk Categories	-	-	-	-	-	0%	-	-	-	-	-	0%
Cash Items and Other Assets	15,909,554	-	15,909,554	-	5,084,396	32%	14,853,867	-	14,853,867	-	5,342,537	36%
Total	268,740,655	198,106,760	268,740,655	17,785,337	210,732,922	74%	232,148,337	197,495,355	232,148,337	15,892,988	184,419,042	74%

Note:
(i) NPAs – As per Banking Act Directions on Classification of loans and advances, income recognition and provisioning.
(ii) RWA Density – Total RWA/Exposures post CCF and CRM.

Table 8
Credit Risk under Standardised Approach: Exposures by Asset Classes and Risk Weights

Description	Bank											Bank											
	LKR'000 as at 30-Sep-2021 (Post CCF & CRM)											LKR'000 as at 31-Dec-2020 (Post CCF & CRM)											
Risk Weight Asset Classes	0%	10%	20%	35%	50%	60%	75%	100%	150%	>150%	Total Credit Exposures Amount	0%	10%	20%	35%	50%	60%	75%	100%	150%	>150%	Total Credit Exposures Amount	
Claims on Central Government and Central Bank of Sri Lanka	18,185,490	12,112,391	-	-	-	-	-	-	-	-	30,297,881	15,796,965	-	12,607,345	-	-	-	-	-	-	-	-	28,404,310
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on Public Sector Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on Banks Exposures	-	-	7,004,893	-	1,722,961	-	-	38,446	-	-	8,766,301	-	-	871,429	-	1,014,287	-	-	776,600	-	-	-	2,662,317
Claims on Financial Institutions	-	-	309,050	-	4,352,257	-	-	4,339,421	-	-	9,000,729	-	-	4,166,138	-	-	-	-	3,588,053	-	-	-	7,754,191
Claims on Corporates	-	-	2,472,967	-	1,967,415	-	-	103,112,067	-	-	107,552,449	-	-	976,798	-	2,085,997	-	-	74,207,520	23,252	-	-	77,293,566
Retail Claims	125,521	-	142,391	-	-	2,762,788	86,329,393	8,797,504	-	-	98,157,597	257,760	-	393	-	-	1,791,246	88,909,045	8,661,532	-	-	-	99,619,976
Claims Secured by Residential Property	-	-	-	3,470,841	-	-	-	4,195,478	-	-	7,666,320	-	-	-	-	-	3,314,700	-	4,676,042	-	-	-	7,990,742
Claims Secured by Commercial Real Estate	-	-	-	-	-	-	-	2,000,607	-	-	2,000,607	-	-	-	-	-	-	-	567,812	-	-	-	567,812
Non-Performing Assets (NPAs)	-	-	-	-	153,881	-	-	4,569,942	2,459,013	-	7,182,836	-	-	-	-	270,685	-	-	4,890,184	3,733,254	-	-	8,894,123
Higher-risk Categories	-	-	-	-	-	-	-	-	25,803	-	25,803	-	-	-	-	-	-	-	-	-	25,803	-	25,803
Cash Items and Other Assets	9,774,814	-	1,312,902	-	-	-	-	5,291,024	-	-	16,378,740	8,420,270	-	1,363,797	-	-	-	-	5,246,643	-	-	-	15,030,709
Total	28,085,825	12,112,391	11,242,203	3,470,841	8,196,514	2,762,788	86,329,393	132,344,491	2,459,013	25,803	287,029,261	24,474,994	-	15,819,761	-	10,851,808	1,791,246	88,909,045	102,614,385	3,756,506	25,803	-	248,243,548

Description	Group											Group											
	LKR'000 as at 30-Sep-2021 (Post CCF & CRM)											LKR'000 as at 31-Dec-2020 (Post CCF & CRM)											
Risk Weight Asset Classes	0%	10%	20%	35%	50%	60%	75%	100%	150%	>150%	Total Credit Exposures Amount	0%	10%	20%	35%	50%	60%	75%	100%	150%	>150%	Total Credit Exposures Amount	
Claims on Central Government and Central Bank of Sri Lanka	18,185,490	12,112,391	-	-	-	-	-	-	-	-	30,297,881	15,796,965	-	12,607,345	-	-	-	-	-	-	-	-	28,404,310
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on Public Sector Entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on Banks Exposures	-	-	7,004,952	-	1,722,961	-	-	38,446	-	-	8,766,359	-	-	871,487	-	1,014,287	-	-	776,600	-	-	-	2,662,375
Claims on Financial Institutions	-	-	309,050	-	4,352,257	-	-	4,339,421	-	-	9,000,729	-	-	4,166,138	-	-	-	-	3,588,053	-	-	-	7,754,191
Claims on Corporates	-	-	2,472,967	-	1,967,415	-	-	103,103,729	-	-	107,544,110	-	-	976,798	-	2,085,997	-	-	74,207,883	23,252	-	-	77,293,930
Retail Claims	125,521	-	142,391	-	-	2,762,788	86,329,393	8,797,504	-	-	98,157,597	257,760	-	393	-	-	1,791,246	88,909,045	8,661,532	-	-	-	99,619,976
Claims Secured by Residential Property	-	-	-	3,470,841	-	-	-	4,195,478	-	-	7,666,320	-	-	-	-	-	3,314,700	-	4,676,042	-	-	-	7,990,742
Claims Secured by Commercial Real Estate	-	-	-	-	-	-	-	2,000,607	-	-	2,000,607	-	-	-	-	-	-	-	567,812	-	-	-	567,812
Non-Performing Assets (NPAs)	-	-	-	-	153,881	-	-	4,569,942	2,459,013	-	7,182,836	-	-	-	-	270,685	-	-	4,890,184	3,733,254	-	-	8,894,123
Higher-risk Categories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Items and Other Assets	9,774,837	-	1,312,902	-	-	-	-	4,821,815	-	-	15,909,554	8,420,293	-	1,363,797	-	-	-	-	5,069,778	-	-	-	14,853,867
Total	28,085,848	12,112,391	11,242,261	3,470,841	8,196,514	2,762,788	86,329,393	131,866,943	2,459,013	-	286,525,992	24,475,017	-	15,819,820	-	10,851,808	1,791,246	88,909,045	102,437,884	3,756,506	-	-	248,041,325

Table 9
Market Risk under Standardised Measurement Method

Item	Bank		Group	
	RWA (LKR'000)		RWA (LKR'000)	
	30-Sep-2021	31-Dec-20	30-Sep-2021	31-Dec-20
(a) RWA for Interest Rate Risk	498,121	1,065,625	498,121	1,065,625
General Interest Rate Risk	498,121	1,065,625	498,121	1,065,625
(i) Net Long or Short Position	498,121	1,065,625	498,121	1,065,625
(ii) Horizontal Disallowance	-	-	-	-
(iii) Vertical Disallowance	-	-	-	-
(iv) Options	-	-	-	-
Specific Interest Rate Risk	-	-	-	-
(b) RWA for Equity	-	-	-	-
(i) General Equity Risk	-	-	-	-
(ii) Specific Equity Risk	-	-	-	-
(c) RWA for Foreign Exchange & Gold	64,031	37,969	64,031	37,969
Capital Charge for Market Risk [(a) + (b) + (c)] * CAR	4,684,607	9,196,617	4,684,607	9,196,617

Table 10

Operational Risk under Basic Indicator Approach/ The Standardised Approach/ The Alternative Standardised Approach

Business Lines	Bank									
	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 30-Sep-2021			Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 31-Dec-2020		
			1st Year	2nd Year	3rd Year			1st Year	2nd Year	3rd Year
The Basic Indicator Approach	15%		22,123,267	21,443,983	22,472,790	15%		21,254,398	22,191,304	21,094,930
The Standardised Approach			-	-	-			-	-	-
Corporate Finance	18%		-	-	-	18%		-	-	-
Trading and Sales	18%		-	-	-	18%		-	-	-
Payment and Settlement	18%		-	-	-	18%		-	-	-
Agency Services	15%		-	-	-	15%		-	-	-
Asset Management	12%		-	-	-	12%		-	-	-
Retail Brokerage	12%		-	-	-	12%		-	-	-
Retail Banking	12%		-	-	-	12%		-	-	-
Commercial Banking	15%		-	-	-	15%		-	-	-
The Alternative Standardised Approach			-	-	-			-	-	-
Corporate Finance	18%		-	-	-	18%		-	-	-
Trading and Sales	18%		-	-	-	18%		-	-	-
Payment and Settlement	18%		-	-	-	18%		-	-	-
Agency Services	15%		-	-	-	15%		-	-	-
Asset Management	12%		-	-	-	12%		-	-	-
Retail Brokerage	12%		-	-	-	12%		-	-	-
Retail Banking	12%	0.035	-	-	-	12%	0.035	-	-	-
Commercial Banking	15%	0.035	-	-	-	15%	0.035	-	-	-
Capital Charges for Operational Risk (LKR'000)										
The Basic Indicator Approach	3,302,002					3,227,032				
The Standardised Approach	-					-				
The Alternative Standardised Approach	-					-				
Risk Weighted Amount for Operational Risk (LKR'000)										
The Basic Indicator Approach	27,516,683					26,891,930				
The Standardised Approach	-					-				
The Alternative Standardised Approach	-					-				

Business Lines	Group									
	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 30-Sep-2021			Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 31-Dec-2020		
			1st Year	2nd Year	3rd Year			1st Year	2nd Year	3rd Year
The Basic Indicator Approach	15%		22,484,910	21,799,633	22,794,862	15%		21,309,585	22,552,135	21,430,771
The Standardised Approach			-	-	-			-	-	-
Corporate Finance	18%		-	-	-	18%		-	-	-
Trading and Sales	18%		-	-	-	18%		-	-	-
Payment and Settlement	18%		-	-	-	18%		-	-	-
Agency Services	15%		-	-	-	15%		-	-	-
Asset Management	12%		-	-	-	12%		-	-	-
Retail Brokerage	12%		-	-	-	12%		-	-	-
Retail Banking	12%		-	-	-	12%		-	-	-
Commercial Banking	15%		-	-	-	15%		-	-	-
The Alternative Standardised Approach			-	-	-			-	-	-
Corporate Finance	18%		-	-	-	18%		-	-	-
Trading and Sales	18%		-	-	-	18%		-	-	-
Payment and Settlement	18%		-	-	-	18%		-	-	-
Agency Services	15%		-	-	-	15%		-	-	-
Asset Management	12%		-	-	-	12%		-	-	-
Retail Brokerage	12%		-	-	-	12%		-	-	-
Retail Banking	12%	0.035	-	-	-	12%	0.035	-	-	-
Commercial Banking	15%	0.035	-	-	-	15%	0.035	-	-	-
Capital Charges for Operational Risk (LKR'000)										
The Basic Indicator Approach	3,353,970					3,264,625				
The Standardised Approach	-					-				
The Alternative Standardised Approach	-					-				
Risk Weighted Amount for Operational Risk (LKR'000)										
The Basic Indicator Approach	27,949,752					27,205,205				
The Standardised Approach	-					-				
The Alternative Standardised Approach	-					-				

Table 11

Differences between Accounting and Regulatory Scopes and Mapping of Financial Statement Categories with Regulatory Risk Categories

Bank	LKR '000 as at 30-Sep-2021				
	a	b	c	d	e
	Carrying Values as Reported in Published Financial Statements	Carrying Values under Scope of Regulatory Reporting	Subject to Credit Risk Framework	Subject to Market Risk Framework	Not subject to Capital Requirements or Subject to Deduction from Capital
Assets	377,129,928	376,466,623	266,110,826	69,174,068	41,181,728
Cash and Cash Equivalents	17,228,713	13,422,298	13,422,298	-	-
Balances with Central Banks	7,028,847	6,823,819	6,823,819	-	-
Placements with Banks	4,000,654	8,005,000	4,005,000	-	4,000,000
Derivative Financial Instruments	761,033	-	-	-	-
Financial Assets - Recognised through Profit or Loss	1,000,817	69,174,068	-	69,174,068	-
Financial Assets Designated at Fair Value through Profit or Loss	-	-	-	-	-
Loans and Receivables to Banks	-	-	-	-	-
Financial Assets at Amortised Cost – Loans and Advances	246,999,168	246,666,936	210,582,107	-	36,084,829
Financial Assets at Fair Value through Other Comprehensive Income	68,770,207	-	-	-	-
Financial Assets at Amortised Cost - Debt Instruments	23,219,218	23,198,160	23,198,160	-	-
Investments in Subsidiaries	678,710	678,710	678,710	-	-
Investments in Associates and Joint Ventures	-	-	-	-	-
Property, Plant and Equipment	4,044,466	2,385,949	2,385,949	-	-
Investment Properties	-	-	-	-	-
Goodwill and Intangible Assets	1,096,245	-	-	-	-
Other Assets	2,301,850	6,111,682	5,014,783	-	1,096,899
Liabilities	340,089,603	339,799,155	-	-	-
Due to Banks	3,011,471	8,086,471	-	-	-
Derivative Financial Instruments	153,879	-	-	-	-
Other Financial Liabilities Held-For- Trading	-	-	-	-	-
Financial Liabilities Designated at Fair Value Through Profit or Loss	-	-	-	-	-
Due to Depositors	260,055,845	258,970,665	-	-	-
Due to Other Borrowers	48,151,786	40,211,604	-	-	-
Debt Securities Issued	-	-	-	-	-
Current Tax Liabilities	1,900,825	-	-	-	-
Deferred Tax Liabilities	-	-	-	-	-
Other Provisions	-	-	-	-	-
Other Liabilities	8,773,977	15,530,415	-	-	-
Due to Subsidiaries	-	-	-	-	-
Subordinated Term Debts	18,041,820	17,000,000	-	-	-
Off-Balance Sheet Liabilities	202,423,854	213,456,755	204,864,386	-	-
Guarantees	2,483,129	2,483,129	2,483,129	-	-
Performance Bonds	19,192,885	19,192,885	18,950,247	-	-
Letters of Credit	13,283,091	13,283,091	13,283,091	-	-
Other Contingent Items	8,056,405	8,056,405	8,056,405	-	-
Undrawn Loan Commitments	129,880,803	129,880,803	129,880,803	-	-
Other Commitments	29,527,542	40,560,442	32,210,711	-	-
Shareholders' Equity					
Equity Capital (Stated Capital)/Assigned Capital	9,408,135	9,408,134	-	-	-
of which Amount Eligible for CET1	9,408,134	9,408,134	-	-	-
of which Amount Eligible for AT1	-	-	-	-	-
Retained Earnings	25,666,788	25,697,545	-	-	(63,828)
Accumulated Other Comprehensive Income	(392,255)	-	-	-	-
Other Reserves	2,357,657	1,561,788	-	-	397,935
Total Shareholders' Equity	37,040,325	36,667,468	-	-	334,107

Notes:

- 1) Differences in Cash and Cash Equivalents, Financial Assets - Recognised through Profit or Loss, Financial Assets at Amortised Cost – Loans and Advances, Financial Assets at Amortised Cost - Debt Instruments, Property, Plant and Equipment, Other Assets, Due to Banks, Due to Depositors, Due to Other Borrowers, Subordinated Term Debts and Other Liabilities is due to Classification differences and adjustments to published financial statements subsequently.
- 2) Difference in Retained Earnings is due to profit difference in SLAS and SLFRS accounting standards and Revaluation Reserve classification differences.
- 3) Accumulated Other Comprehensive Income is not considered in (b) as it is based on SLAS accounting standards.
- 4) Differences in Other Commitments is due to Notional Value of Derivative contracts reported in Published Financial Statements (a) and Carrying Value reported in Regulatory Reporting (b).