



NATIONS TRUST BANK PLC AND ITS SUBSIDIARIES

Company Number PQ 118

INTERIM FINANCIAL STATEMENTS

For the Three months ended March 31, 2017

Nations Trust Bank 1Q profits up by 22%

The Bank closed the first quarter ending 31st March 2017 with a post-tax profit of Rs. 725Mn, up by 22% over the corresponding period in the previous year with pre-tax profits increasing by an impressive 33%. Profitability growth was underpinned by a 9% growth in loans and advances during the period under review despite the narrowing of net interest margins.

Net interest income increased by 18% as the volume growth outperformed the impact arising from the narrowing of NIMs. The NIM compression is reflective of the rising cost of funds and a conscious rebalancing of the loan portfolio towards Corporate and SME from consumer lending.

Non fund based income including fees, commission and operating income increased by 39% for the period under review with trade and other related fees contributing to a larger portion of the increase. Initiatives put in place to harness fee generating business across various customer and market segments is progressing rapidly as reflected by the increases shown in fee based income. Net trading losses for the year amounted to Rs.56Mn which is reflective of the swap cost arising from an increased funding forex SWAP book and unfavorable movements in forward premiums. However, the Bank benefited from the relatively lower funding costs of the forex swaps compared to high cost rupee deposits.

Impairment charges recorded a 11% decrease which reflects the emphasis placed on credit quality and the collection effort that has been put in. Overall asset quality was maintained across the portfolios with the Group NPL ratio improving from 2.41% in December 2016 to 2.30% by quarter end 2017.

Expenses recorded a growth of 15% with personnel and other operating expenses contributing towards the increase. Growth in expenses are somewhat impacted by the higher taxes applicable for the current period on account of the increase in the VAT rate and the impact of regulatory allowances. The Bank continued to focus on widening the roll-out of lean initiatives, workflow methods and automation across the enterprise in its pursuit towards rationalizing expenditure on key controllable cost lines.

SME and Corporate loan portfolios recorded good growth during the quarter thereby cementing a strong base for further growth in the ensuing months. CASA growth was significant for the quarter recording a 10% growth and contributing to 25% of the total deposit growth. The launch of the new max-bonus product boosted growth in SA and has been well received by the market.

Commenting on the results and achievements, Renuka Fernando, CEO/Executive Director stated "I am extremely pleased with the performance of the first quarter; well balanced across the business pillars with support functions collaborating and equally contributing towards the growth and achievements in the businesses . The foundation has now been put in place to have a successful financial year"

NATIONS TRUST BANK PLC
INCOME STATEMENT



	Bank			Group		
	Three months ended 31 March			Three months ended 31 March		
	2017 Rs. '000	2016 Rs. '000	Change (%)	2017 Rs. '000	2016 Rs. '000	Change (%)
Gross Income	7,631,101	5,450,572	40	7,722,227	5,492,760	41
Interest Income	6,496,754	4,498,228	44	6,530,077	4,522,682	44
Less : Interest Expense	(3,974,865)	(2,343,481)	(70)	(3,957,352)	(2,334,833)	(69)
Net Interest Income	2,521,889	2,154,747	17	2,572,725	2,187,849	18
Fees and Commission Income	1,081,446	828,399	31	1,139,247	846,124	35
Less : Fees and Commission Expense	(73,500)	(62,792)	(17)	(73,575)	(64,465)	(14)
Net Fees and Commission Income	1,007,946	765,607	32	1,065,672	781,659	36
Net Trading Income / (Expense)	(55,674)	58,447	(195)	(55,674)	58,447	(195)
Other Operating Income	108,575	65,498	66	108,575	65,507	66
Total Operating Income	3,582,736	3,044,299	18	3,691,298	3,093,462	19
Impairment Charge /(Reversal) for Loans and Receivables and Available for Sale on Financial Assets	177,397	200,230	11	177,910	200,585	11
Individual Impairment - Loans and Advances	12,244	81,492	85	12,244	81,492	85
Collective Impairment - Loans and Advances	165,434	117,694	(41)	165,947	118,049	(41)
Others - Charges Receivable	(281)	1,044	127	(281)	1,044	127
Net Operating Income	3,405,339	2,844,069	20	3,513,388	2,892,877	21
Less : Expenses						
Personnel Expenses	901,566	769,444	(17)	908,454	775,869	(17)
Depreciation of Property, Plant and Equipment	86,199	86,710	1	89,779	90,269	1
Amortization of Intangible Assets	66,499	65,190	(2)	67,308	65,968	(2)
Other Operating Expenses	1,003,797	883,776	(14)	1,003,348	874,534	(15)
Total Operating Expenses	2,058,061	1,805,120	(14)	2,068,889	1,806,640	(15)
Operating Profit Before Value Added Tax (VAT) & NBT	1,347,278	1,038,949	30	1,444,499	1,086,237	33
Less : Value Added Tax (VAT) on Financial Services & NBT	316,284	193,368	(64)	320,601	195,957	(64)
Profit Before Income Tax	1,030,994	845,581	22	1,123,898	890,280	26
Less : Income Tax Expense	374,195	287,501	(30)	398,754	298,056	(34)
Profit for the Period	656,799	558,080	18	725,144	592,224	22
Earnings Per Share						
Basic / Diluted Earnings Per Share (Rs.)	2.85	2.42	18	3.14	2.57	22

NATIONS TRUST BANK PLC
STATEMENT OF COMPREHENSIVE INCOME



	Bank			Group		
	Three months ended 31 March			Three months ended 31 March		
	2017 Rs. '000	2016 Rs. '000	Change (%)	2017 Rs. '000	2016 Rs. '000	Change (%)
Profit for the period	656,799	558,080	18	725,144	592,224	22
Other Comprehensive Income to be reclassified to profit or loss in subsequent period:						
Net gains / (loss) on re-measuring available-for-sale financial assets	(9,780)	(478,410)	98	(9,780)	(478,410)	98
Net income tax (charge) / reversal relating to components of re-measuring available-for-sale financial assets	2,739	133,955	(98)	2,739	133,955	(98)
	<u>(7,041)</u>	<u>(344,455)</u>	98	<u>(7,041)</u>	<u>(344,455)</u>	98
Other Comprehensive Income not to be reclassified to profit or loss in subsequent period:						
Actuarial gain / (loss) on defined benefit plan	-	-	-	-	-	-
Net income tax charge / (reversal) relating to components of defined benefit plan	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	-	<u>-</u>	<u>-</u>	-
Other Comprehensive Income for the Period, Net of Tax	<u>(7,041)</u>	<u>(344,455)</u>	98	<u>(7,041)</u>	<u>(344,455)</u>	98
Total Comprehensive Income for the Period, Net of Tax	<u>649,758</u>	<u>213,625</u>	<u>204</u>	<u>718,103</u>	<u>247,769</u>	<u>190</u>
Attributable to:						
Equity holders of the parent	<u>649,758</u>	<u>213,625</u>	<u>204</u>	<u>718,103</u>	<u>247,769</u>	<u>190</u>

NATIONS TRUST BANK PLC
STATEMENT OF FINANCIAL POSITION



As at	Bank			Group		
	31.03.2017 Rs. '000	31.12.2016 Rs. '000 (Audited)	Change %	31.03.2017 Rs. '000	31.12.2016 Rs. '000 (Audited)	Change %
On Balance Sheet Assets						
Cash and Cash Equivalents	4,954,452	4,187,605	18	4,954,507	4,187,649	18
Balances with Central Bank of Sri Lanka	9,610,068	8,511,509	13	9,610,068	8,511,509	13
Placements with Banks	-	-		-	-	
Derivative Financial Instruments	84,974	65,356	30	84,974	65,356	30
Reverse Repurchase Agreements	911,665	14,930	6,006	911,665	14,930	6,006
Other Financial Assets Held-for-Trading	1,665,614	1,574,953	6	1,665,614	1,574,953	6
Other Financial Assets	5,689,619	6,860,949	(17)	5,689,619	6,860,949	(17)
Financial Assets Designated at Fair Value through Profit or Loss	-	-		-	-	
Loans & Receivables to Banks	-	-		-	-	
Loans & Receivables to Other Customers	161,928,659	148,924,733	9	162,833,882	149,817,940	9
Financial Investments - Available-for-Sale	26,543,533	22,148,962	20	26,543,533	22,148,962	20
Financial Investments - Held-to-Maturity	14,100,749	12,929,523	9	14,171,766	12,998,988	9
Investments in Subsidiaries	678,710	678,710	-	-	-	
Investments in Associates and Joint Ventures	-	-		-	-	
Property, Plant & Equipment	1,502,770	1,536,664	(2)	1,958,883	1,996,206	(2)
Investment Properties	-	-		-	-	
Intangible Assets	1,131,692	1,180,700	(4)	1,139,029	1,188,846	(4)
Deferred Tax Assets	526,143	522,545	1	527,241	523,580	1
Other Assets	1,908,878	1,776,551	7	2,003,109	1,813,689	10
Total Assets	231,237,526	210,913,690	10	232,093,890	211,703,557	10

NATIONS TRUST BANK PLC AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION



As at	Bank			Group		
	31.03.2017 Rs. '000	31.12.2016 Rs. '000 (Audited)	Change %	31.03.2017 Rs. '000	31.12.2016 Rs. '000 (Audited)	Change %
On Balance Sheet Liabilities						
Due to Banks	10,859,280	11,850,888	(8)	10,859,280	11,850,888	(8)
Derivative Financial Instruments	59,263	130,017	(54)	59,263	130,017	(54)
Other Financial liabilities Held-for-Trading	-	-		-	-	
Financial Liabilities Designated at Fair Value through Profit or Loss	-	-		-	-	
Repurchase Agreements	15,018,090	9,850,773	52	14,366,711	9,261,110	55
Due to Other Customers	167,779,691	151,559,668	11	167,687,238	151,502,235	11
Other Borrowings	3,697,021	4,098,408	(10)	3,697,021	4,098,408	(10)
Debt Securities Issued	-	-		-	-	
Current Tax Liabilities	515,294	439,215	17	559,992	478,011	17
Deferred Tax Liabilities	1,545,020	1,492,958	3	1,544,706	1,492,733	3
Other Liabilities	5,321,771	5,463,971	(3)	5,469,729	5,522,851	(1)
Due to Subsidiaries	-	-		-	-	
Subordinated Term Debts	10,295,518	10,046,699	2	10,295,517	10,046,698	2
Total Liabilities	215,090,948	194,932,595	10	214,539,457	194,382,952	10
Equity						
Stated Capital / Assigned Capital (230,607,283 Ordinary Shares)	5,101,369	5,101,369	-	5,101,369	5,101,369	-
Statutory Reserve Fund	796,401	796,401	-	796,401	796,401	-
Retained Earnings	10,433,928	10,261,403	2	11,841,784	11,600,913	2
AFS Reserve	(185,119)	(178,078)	4	(185,119)	(178,078)	4
Other Reserves	-	-		-	-	
Total Shareholders' Equity	16,146,578	15,981,095	1	17,554,433	17,320,605	1
Total Equity and Liabilities	231,237,526	210,913,690	10	232,093,890	211,703,557	10
Contingent Liabilities and Commitments	141,142,816	124,017,916	14	141,142,816	123,584,888	14
Memorandum Information						
Number of Employees	2,802	2,747		2,825	2,770	
Number of Branches	93	93		93	93	
Number of Off-Site ATMs	39	39		39	39	

CERTIFICATION :

I certify that these Financial Statements comply with the requirements of the Companies Act No.7 of 2007.

.....
(Sgd.) Ajith Akmeemana
Chief Financial Officer

We, the undersigned being the Chairman, Director and Director / Chief Executive Officer of Nations Trust Bank PLC., certify jointly that,
(a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka.
(b) the information contained in these statements has been extracted from the unaudited financial statements of the Bank and its Subsidiaries unless indicated as audited.

.....
(Sgd.) Krishan Balendra
Chairman

.....
(Sgd.) Shalini Panditaratne
Director

.....
(Sgd.) Renuka Fernando
Director / Chief Executive Officer

08 May 2017
Colombo

NATIONS TRUST BANK PLC
SELECTED PERFORMANCE INDICATORS (As per Regulatory Reporting)

Item	Bank		Group	
	31.03.2017	31.12.2016 (Audited)	31.03.2017	31.12.2016 (Audited)
Regulatory Capital Adequacy				
Core Capital (Tier 1 Capital), Rs. '000	15,014,479	14,965,471	16,335,955	16,286,138
Total Capital Base, Rs. '000	20,878,225	21,291,422	22,199,700	22,612,088
Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 5%)	9.83%	10.57%	10.60%	11.40%
Total Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 10%)	13.68%	15.04%	14.41%	15.82%
Assets Quality (Quality of Loan Portfolio)				
Gross Non-Performing Advances Ratio, % (net of interest in suspense)	2.31%	2.42%	2.30%	2.41%
Net-Non Performing Advances,%(net of interest in suspense and provision)	0.67%	0.65%	0.67%	0.65%
Profitability				
Interest Margin, %	4.56%	4.90%	-	-
Return on Assets (before Tax), %	1.87%	2.09%	2.03%	2.20%
Return on Equity, %	16.35%	18.19%	16.63%	17.74%
Regulatory Liquidity				
Statutory Liquid Assets, Rs. '000	41,332,645	38,929,441	-	-
Statutory Liquid Assets Ratio, % (Minimum Requirement, 20%)				
Domestic Banking Unit	20.73%	21.72%	-	-
Off-Shore Banking Unit	39.54%	33.38%	-	-
Net Assets Value Per Share (Rs.)	70.02	60.67	76.12	65.79
Market Price Per Share (Rs.)	31.03.2017 (Quarter ended)	31.03.2016 (Quarter ended)		
Highest	84.00	107.90		
Lowest	75.00	96.50		
Last Traded Price	83.90	97.20		

NATIONS TRUST BANK PLC
STATEMENT OF CHANGES IN EQUITY

BANK	Stated Capital	Retained Earnings	Available for Sale Reserve	Statutory Reserve Fund	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
As at 01 January 2016	5,101,369	8,154,695	73,282	660,840	13,990,186
Profit For the Period	-	558,080	-	-	558,080
Other Comprehensive Income	-	-	(344,455)	-	(344,455)
Total Comprehensive Income	-	558,080	(344,455)	-	213,625
Dividend paid for 2015	-	(484,275)	-	-	(484,275)
As at 31 March 2016	5,101,369	8,228,500	(271,173)	660,840	13,719,536
As at 01 January 2017	5,101,369	10,261,403	(178,078)	796,401	15,981,095
Profit For the Period	-	656,799	-	-	656,799
Other Comprehensive Income	-	-	(7,041)	-	(7,041)
Total Comprehensive Income	-	656,799	(7,041)	-	649,758
Dividend paid for 2015	-	(484,275)	-	-	(484,275)
As at 31 March 2017	5,101,369	10,433,928	(185,119)	796,401	16,146,578
GROUP	Stated Capital	Retained Earnings	Available for Sale Reserve	Statutory Reserve Fund	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
As at 01 January 2016	5,101,369	9,335,949	73,282	660,840	15,171,440
Profit For the Period	-	592,224	-	-	592,224
Other Comprehensive Income	-	-	(344,455)	-	(344,455)
Total Comprehensive Income	-	592,224	(344,455)	-	247,769
Dividend paid for 2015	-	(484,275)	-	-	(484,275)
As at 31 March 2016	5,101,369	9,443,898	(271,173)	660,840	14,934,934
As at 01 January 2017	5,101,369	11,600,913	(178,078)	796,401	17,320,605
Profit For the Period	-	725,144	-	-	725,144
Other Comprehensive Income	-	-	(7,041)	-	(7,041)
Total Comprehensive Income	-	725,144	(7,041)	-	718,103
Dividend paid for 2015	-	(484,275)	-	-	(484,275)
As at 31 March 2017	5,101,369	11,841,784	(185,119)	796,401	17,554,433

Nations Trust Bank PLC and Its Subsidiaries
Statement of Cash Flows
For the Period Ended 31 March



	Bank		Group	
	2017 Rs. '000	2016 Rs. '000	2017 Rs. '000	2016 Rs. '000
Cash Flows from Operating Activities				
Receipts of Interest Income	6,107,619	4,205,437	6,181,298	4,251,102
Receipts of Fees and Commission Income	1,080,970	827,225	1,139,352	864,882
Payments of Interest Expense	(3,364,727)	(1,879,949)	(3,390,743)	(1,895,385)
Payments of Fees and Commission Expense	(73,500)	(62,792)	(70,353)	(61,244)
Net Trading Income	(52,199)	83,388	(52,199)	83,388
Receipts from Other Operating Income	108,553	71,150	108,805	71,320
Gratuity Payments Made	(7,263)	(22,922)	(7,263)	(22,922)
Payments for Operating Expenses	(2,157,878)	(1,597,185)	(2,171,705)	(1,599,683)
Net Cash Flow from Operating Activities before Income Tax (A)	1,641,575	1,624,352	1,737,192	1,691,459
Income Tax paid	(285,119)	(175,304)	(297,743)	(189,247)
Operating Profit before Changes in Operating Assets and Liabilities	1,356,456	1,443,396	1,439,448	1,496,559
(Increase)/Decrease in Operating Assets				
Reverse Repurchase Agreements	(896,385)	(633,119)	(1,152,093)	(1,046,801)
Derivative Financial Instruments	(19,619)	(2,668)	(19,619)	(2,668)
Financial Investments Held for Trading	(95,000)	918,421	(95,000)	918,421
Financial Investments-Held to Maturity	(1,249,424)	11,606	(1,249,795)	11,273
Financial Investments-Available for Sale	(4,322,988)	(3,720,801)	(4,322,988)	(3,720,801)
Other Financial Assets	1,167,000	4,240	1,105,302	(20,760)
Loans & Receivables to Other Customers	(12,910,465)	(1,611,402)	(13,125,932)	(1,758,516)
Other Assets	(68,130)	(356,264)	(79,044)	(361,259)
(Increase)/Decrease in Operating Assets	(18,395,011)	(5,389,987)	(18,939,168)	(5,981,110)
Increase/(Decrease) in Operating Liabilities				
Repurchase Agreements	5,157,321	(1,569,599)	5,413,029	(1,155,918)
Due to Other Customers	15,918,978	5,717,881	15,944,232	5,642,340
Derivative Financial Instruments	(70,754)	(17,049)	(70,754)	(17,049)
Other Liabilities	(34,512)	158,994	(1,248)	141,226
Increase/(Decrease) in Operating Liabilities	20,971,033	4,290,227	21,285,258	4,610,599
Net Cash Flows from Operating Activities	3,932,478	343,636	3,785,537	126,047
Cash Flows from Investing Activities				
Purchase of Property, Plant and Equipment	(85,382)	(131,492)	(85,533)	(131,690)
Proceeds from Sale of Property, Plant and Equipment and Intangible Assets	-	9,853	-	9,853
Purchase of Intangible Assets	(16,472)	(77,704)	(16,472)	(78,988)
	(101,852)	(199,342)	(102,005)	(200,825)
Cash Flows from Financing Activities				
Net change in Debt issued and other Borrowed Funds	(1,447,900)	233,913	(1,243,780)	372,689
Interest paid on Subordinated Debt	(65,515)	(163,971)	(65,515)	(163,971)
Dividends paid to Equity Holders of the Parent	(484,275)	(484,275)	(484,275)	(484,275)
	(1,997,690)	(414,334)	(1,793,569)	(275,557)
Net Increase in Cash and Cash Equivalents	1,832,936	(270,040)	1,889,963	(350,335)
Cash and Cash Equivalents at the beginning of the period	12,604,514	11,569,479	12,578,715	11,482,587
Cash and Cash Equivalents at the end of the period	14,437,450	11,299,438	14,468,678	11,132,252
Reconciliation of Cash and Cash Equivalents				
Cash on Hand	3,977,910	4,283,328	3,977,803	4,283,341
Statutory Deposit with the Central Bank of Sri Lanka	9,610,068	6,993,498	9,610,068	6,993,498
Balances with Banks	676,470	606,658	707,807	439,459
Money at Call and Short Notice	300,072	25,004	300,072	25,004
Deposits from Other Banks	(127,071)	(609,051)	(127,071)	(609,051)
	14,437,450	11,299,438	14,468,678	11,132,252
A. Reconciliation of Operating Profit				
Profit before Taxation	1,030,994	845,581	1,123,898	890,280
(Profit) / Loss on disposal of Property, Plant and Equipment and Intangible Assets	(23)	-	(23)	-
Impairment charge / (Reversal) for Loans and Receivables	177,397	200,230	177,910	200,585
Provision for Gratuity	20,112	28,574	20,455	28,779
(Increase) / Decrease in Interest Receivable	(333,760)	(234,027)	(334,961)	(235,335)
Increase/ (Decrease) in Interest Payable	610,138	463,532	610,006	463,495
Increase / (Decrease) in Financial Guarantee Liabilities	(476)	(1,174)	(476)	(1,174)
Other Receivables	2,152	(593)	2,404	(432)
Other Payables	(826)	156,688	(824)	156,690
Other Non cash items	143,128	187,949	146,065	210,980
Gratuity Payments Made	(7,263)	(22,922)	(7,263)	(22,922)
	1,641,575	1,624,352	1,737,192	1,691,459

NATIONS TRUST BANK PLC
ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS



	HFT at Fair Value		Financial Derivatives at Fair Value		HTM at Amortised Cost		L & R at Amortised Cost		AFS		Other Financial Liabilities at Amortised Cost		Total	
	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016
BANK														
Rs. '000	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016
Assets														
Cash and Cash Equivalents	-	-	-	-	-	-	4,954,452	4,187,605	-	-	-	-	4,954,452	4,187,605
Balances with Central Bank of Sri Lanka	-	-	-	-	-	-	9,610,068	8,511,509	-	-	-	-	9,610,068	8,511,509
Derivative Financial Instruments	-	-	84,974	65,356	-	-	-	-	-	-	-	-	84,974	65,356
Reverse Repurchase Agreements	-	-	-	-	-	-	911,665	14,930	-	-	-	-	911,665	14,930
Financial Assets - Held for Trading	1,665,614	1,574,953	-	-	-	-	-	-	-	-	-	-	1,665,614	1,574,953
Other Financial Assets	-	-	-	-	-	-	5,689,619	6,860,949	-	-	-	-	5,689,619	6,860,949
Loans & Receivables to Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans & Receivables to Other Customers	-	-	-	-	-	-	161,928,659	148,924,733	-	-	-	-	161,928,659	148,924,733
Financial Investments - Available-for-Sale	-	-	-	-	-	-	-	-	26,543,533	22,148,962	-	-	26,543,533	22,148,962
Financial Assets - Held to Maturity	-	-	-	-	14,100,749	12,929,523	-	-	-	-	-	-	14,100,749	12,929,523
Total Financial Assets	1,665,614	1,574,953	84,974	65,356	14,100,749	12,929,523	183,094,462	168,499,725	26,543,533	22,148,962	-	-	225,489,333	205,218,519
Liabilities														
Due to Banks	-	-	-	-	-	-	-	-	-	-	10,859,280	11,850,888	10,859,280	11,850,888
Derivative Financial Instruments	-	-	59,263	130,017	-	-	-	-	-	-	-	-	59,263	130,017
Repurchase Agreements	-	-	-	-	-	-	-	-	-	-	15,018,090	9,850,773	15,018,090	9,850,773
Due to Other Customers	-	-	-	-	-	-	-	-	-	-	167,779,691	151,559,668	167,779,691	151,559,668
Debt Issued and Other Borrowed Funds	-	-	-	-	-	-	-	-	-	-	13,992,538	14,145,106	13,992,538	14,145,106
Total Financial Liabilities	-	-	59,263	130,017	-	-	-	-	-	-	207,649,598	187,406,435	207,708,861	187,536,451

GROUP

	HFT at Fair Value		Financial Derivatives at Fair Value		HTM at Amortised Cost		L & R at Amortised Cost		AFS		Other Financial Liabilities at Amortised Cost		Total	
	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016
Rs. '000	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016	31.03.2017	31.12.2016
Assets														
Cash and Cash Equivalents	-	-	-	-	-	-	4,954,507	4,187,649	-	-	-	-	4,954,507	4,187,649
Balances with Central Bank of Sri Lanka	-	-	-	-	-	-	9,610,068	8,511,509	-	-	-	-	9,610,068	8,511,509
Derivative Financial Instruments	-	-	84,974	65,356	-	-	-	-	-	-	-	-	84,974	65,356
Reverse Repurchase Agreements	-	-	-	-	-	-	911,665	14,930	-	-	-	-	911,665	14,930
Financial Assets - Held for Trading	1,665,614	1,574,953	-	-	-	-	-	-	-	-	-	-	1,665,614	1,574,953
Other Financial Assets	-	-	-	-	-	-	5,689,619	6,860,949	-	-	-	-	5,689,619	6,860,949
Loans & Receivables to Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and Advances to Customers	-	-	-	-	-	-	162,833,882	149,817,940	-	-	-	-	162,833,882	149,817,940
Financial Investments - Available-for-Sale	-	-	-	-	-	-	-	-	26,543,533	22,148,962	-	-	26,543,533	22,148,962
Financial Assets - Held to Maturity	-	-	-	-	14,171,766	12,998,988	-	-	-	-	-	-	14,171,766	12,998,988
Total Financial Assets	1,665,614	1,574,953	84,974	65,356	14,171,766	12,998,988	183,999,740	169,392,976	26,543,533	22,148,962	-	-	226,465,628	206,181,234
Liabilities														
Due to Banks	-	-	-	-	-	-	-	-	-	-	10,859,280	11,850,888	10,859,280	11,850,888
Derivative Financial Instruments	-	-	59,263	130,017	-	-	-	-	-	-	-	-	59,263	130,017
Repurchase Agreements	-	-	-	-	-	-	-	-	-	-	14,366,711	9,261,110	14,366,711	9,261,110
Due to Other Customers	-	-	-	-	-	-	-	-	-	-	167,687,238	151,502,235	167,687,238	151,502,235
Debt Issued and Other Borrowed Funds	-	-	-	-	-	-	-	-	-	-	13,992,538	14,145,105	13,992,538	14,145,105
Total Financial Liabilities	-	-	59,263	130,017	-	-	-	-	-	-	206,905,767	186,759,338	206,965,029	186,889,356

HFT -Held for Trading
HTM - Held-to-Maturity
L&R- Loans and Receivables
AFS- Available-for-Sale

(AS PER THE CIRCULAR NO.02/17/900/0001/004 DATED ON OCTOBER 11, 2013 ISSUED BY THE CENTRAL BANK OF SRI LANKA)

	Bank		Group	
	31.03.2017 Rs. '000	31.12.2016 Rs. '000 (Audited)	31.03.2017 Rs. '000	31.12.2016 Rs. '000 (Audited)
(1) Loans and Receivables To Other Customers				
Gross Loans and Receivables	162,089,011	148,975,699	162,994,198	149,868,485
(Less) : Individual Impairment	(714,894)	(702,650)	(714,894)	(702,650)
Collective Impairment	(1,638,557)	(1,575,427)	(1,638,520)	(1,575,006)
Net Loans and Advances including those designated at Fair Value through Profit or Loss	159,735,560	146,697,623	160,640,784	147,590,829
(Less) : Loans and Advances designated at Fair Value through Profit or Loss	-	-	-	-
Net Loans and Advances	159,735,560	146,697,623	160,640,784	147,590,829
Staff Loans	2,796,980	2,807,963	2,796,980	2,807,963
Less : Allowance for Day 1 Difference	(603,882)	(580,851)	(603,882)	(580,851)
	2,193,098	2,227,112	2,193,098	2,227,112
	161,928,659	148,924,733	162,833,882	149,817,940
(2) Gross Loans and Receivables to Other Customers -By Product				
	31.03.2017 Rs. '000	31.12.2016 Rs. '000 (Audited)	31.03.2017 Rs. '000	31.12.2016 Rs. '000 (Audited)
By Product -Domestic Currency				
Bills of Exchange	42,454	67,545	42,454	67,545
Overdrafts	30,673,655	30,365,184	30,673,655	30,365,184
Term Loans	62,292,467	56,786,371	62,292,467	56,786,371
Staff Loans	2,796,980	2,807,963	2,796,980	2,807,963
Leases	33,032,749	31,422,446	33,032,749	31,422,446
Credit Cards	16,367,431	16,282,718	16,367,431	16,282,718
Pawning Advance	438,469	455,544	438,469	455,544
Corporate Debt Securities	642,345	948,429	642,345	948,429
Housing Loans	2,790,811	2,556,287	2,790,811	2,556,287
Other Advances	6,291,549	3,861,526	7,196,736	4,754,312
Sub Total	155,368,912	145,554,013	156,274,099	146,446,799
By Product -Foreign Currency				
Overdrafts	356,290	218,047	356,290	218,047
Term Loans	5,329,412	3,355,482	5,329,412	3,355,482
Other Advances	3,831,378	2,656,120	3,831,378	2,656,120
Sub Total	9,517,079	6,229,649	9,517,079	6,229,649
Total	164,885,991	151,783,662	165,791,178	152,676,448

NATIONS TRUST BANK PLC
ADDITIONAL QUARTERLY DISCLOSURES (Contd')

(AS PER THE CIRCULAR NO.02/17/900/0001/004 DATED ON OCTOBER 11, 2013 ISSUED BY THE CENTRAL BANK OF SRI LANKA)

(3) Movements in Individual and Collective Impairment during the period for Loans and Receivables to Banks and Other Customers

	Bank		Group	
	31.03.2017 Rs. '000	31.12.2016 Rs. '000 (Audited)	31.03.2017 Rs. '000	31.12.2016 Rs. '000 (Audited)
Individual Impairment				
Opening Balance	702,650	699,248	702,650	699,248
Charge/ (Reversal) to Income Statement	12,244	3,402	12,244	3,402
Closing Balance	714,894	702,650	714,894	702,650
Collective Impairment				
Opening Balance	1,575,427	1,398,171	1,575,006	1,397,621
Charge/ (Reversal) to Income Statement	165,434	661,069	165,817	676,529
Amounts written off during the Period	(102,303)	(483,812)	(102,303)	(499,144)
Closing Balance	1,638,557	1,575,427	1,638,520	1,575,006
Total Impairment	2,353,451	2,278,077	2,353,414	2,277,656

(4) Due to Other Customers -By Product

	Bank		Group	
	31.03.2017 Rs. '000	31.12.2016 Rs. '000 (Audited)	31.03.2017 Rs. '000	31.12.2016 Rs. '000 (Audited)
By Product -Domestic Currency				
Demand Deposits	14,150,486	13,310,172	14,058,033	13,252,740
Savings Deposits	26,226,463	23,281,051	26,226,463	23,281,050
Call Deposits	102,041	92,910	102,041	92,910
Fixed Deposits	105,538,328	94,403,995	105,538,328	94,403,995
Certificate of Deposits	2,056,765	2,441,050	2,056,765	2,441,050
Sub Total	148,074,082	133,529,178	147,981,629	133,471,745
By Product -Foreign Currency				
Demand Deposits	858,777	757,263	858,777	757,263
Savings Deposits	5,521,250	5,084,916	5,521,250	5,084,916
Call Deposits	20,824	38,507	20,824	38,507
Fixed Deposits	13,304,758	12,149,804	13,304,758	12,149,804
Sub Total	19,705,609	18,030,490	19,705,609	18,030,490
Total	167,779,691	151,559,668	167,687,238	151,502,235

DEBENTURE INFORMATION

The rated unsecured subordinated redeemable debentures 2013/18 and 2016/21 of the Bank are listed in the Colombo Stock Exchange.



Debenture Categories	CSE Listing	Interest Payable Frequency	Balance as at 31.03.2017	Balance as at 31.12.2016	Market Values for the Quarter ended 31.03.2017			Interest Rates		Interest Rate of Comparable Government Security		Other Ratios as at date of last trade	
			Rs. '000	Rs. '000	Highest Rs.	Lowest Rs.	Period End Rs.	Coupon Rate %	Effective Annual Yield %	31.03.2017 %	31.12.2016 %	Interest Yield %	Yield to Maturity -
Fixed Rate	NTB/BC/19/12/18A13	Semi -Annually	3,000,000	3,000,000	Not traded during the current period			13.00	13.42	11.55	11.25	Not traded	
Floating	NTB-BD-08/11/21-C2363	Semi -Annually	2,410	2,410	Not traded during the current period			12.02	12.38	12.55	12.15	Not traded	
Fixed Rate	NTB-BD-08/11/21-C2365-12.65	Semi -Annually	3,885,800	3,885,800	Not traded during the current period			12.65	13.05	12.55	12.15	Not traded	
Fixed Rate	NTB-BD-08/11/21-C2364-12.8	Annually	1,111,790	1,111,790	100	100	100	12.80	12.80	12.55	12.15	12.80	12.79
Total Debentures			8,000,000	8,000,000									

Ratios of Debt	31.03.2017	31.12.2016
* Debt / Equity Ratio %	63.76%	62.87%
Interest Cover (Times)	4.61	6.60
Quick Asset Ratio	91%	87%
* All Subordinated debt are considered as Debt (numerator)		

NATIONS TRUST BANK PLC
SEGMENT INFORMATION



Operating Segments Rs. '000	Banking Operations		Treasury Functions		Others		Unallocated/ Eliminations		Total Group	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Operating income	3,191,546	2,456,724	563,136	666,561	118,781	66,675	(182,164)	(96,498)	3,691,298	3,093,462
Impairment Charge/(Reversal) for Loans and Receivables	177,396	125,002	-	75,000	-	-	513	583	177,910	200,585
Net Operating income	3,014,150	2,331,722	563,136	591,561	118,781	66,675	(182,676)	(97,081)	3,513,389	2,892,877
Extracts of results										
Interest Income	5,189,034	3,566,622	1,309,974	967,083	54,619	36,885	(23,549)	(47,908)	6,530,077	4,522,682
Inter Segment	(179,580)	(109,773)	179,580	109,773	-	-	-	-	-	-
Interest Expense	(3,118,994)	(1,870,340)	(864,463)	(467,315)	(4,707)	(4,123)	30,812	6,944	(3,957,352)	(2,334,833)
Net Interest Income	1,890,461	1,586,508	625,090	609,541	49,912	32,762	7,260	(40,964)	2,572,725	2,187,849
Fees and Commission Income	1,137,812	862,028	-	-	72,164	37,207	(70,729)	(53,111)	1,139,247	846,124
Fees and Commission Expense	(63,220)	(53,321)	(5,548)	(3,322)	(3,297)	(3,295)	(1,510)	(4,527)	(73,575)	(64,465)
Net Fee and Commission Income	1,074,592	808,706	(5,548)	(3,322)	68,867	33,913	(72,239)	(57,638)	1,065,672	781,659
Net Trading Income	124,313	-	(56,407)	60,341	-	-	(123,580)	(1,894)	(55,674)	58,447
Other Operating Income	102,180	61,509	-	-	-	-	6,395	3,998	108,575	65,507
Depreciation of Property, Plant and Equipment	59,107	56,693	386	418	3,581	3,559	26,705	29,599	89,779	90,269
Amortization of Intangible Assets	8,217	34,228	3,027	2,997	809	779	55,255	27,964	67,308	65,968
Other Expenses										
Segment Profit / (Loss) before Value Added Tax	1,070,937	750,274	483,436	530,494	96,810	46,809	(206,683)	(241,340)	1,444,499	1,086,237
Value Added Tax & Income Tax Expense					(28,876)	(13,145)	(690,479)	(480,869)	(719,356)	(494,013)
Profit for the year	1,070,937	750,274	483,436	530,494	67,933	33,665	(897,163)	(722,209)	725,144	592,224
Capital Expenditures										
Property and Equipment	24,106	52,816	173	89	3,047	-	58,207	78,785	85,533	131,690
Other Intangible Assets	10,894	31,822	-	-	1,284	-	4,294	47,166	16,472	78,988
Total Assets	162,059,152	122,915,762	62,807,379	53,418,970	2,292,313	2,087,826	4,935,046	3,290,187	232,093,890	181,712,744
Total Liabilities	165,884,246	137,521,479	43,571,420	29,470,343	207,049	211,672	4,876,734	(425,684)	214,539,457	166,777,810

NATIONS TRUST BANK PLC



Explanatory Notes:

- (1) The Group figures include those of the Subsidiaries, Waldock Mackenzie Limited, Allied Properties Limited and Nations Insurance Brokers Limited.
- (2) These Financial Statements are prepared in accordance with Sri Lanka Accounting Standards (SLFRS / LKASs) and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange and the Directions issued by the Central Bank of Sri Lanka. Comparative figures have been remeasured / reclassified where necessary to comply with the Central Bank guidelines and SLFRS / LKASs.
- (3) These Interim financial statements are presented in accordance with LKAS 34 - Interim Financial Reporting and there are no changes to the accounting policies and methods of computation as against those disclosed in the Annual Report for the year ended 31 December 2016.
- (4) There are no material changes to contingent assets and liabilities since 31 March 2017 and the balances reflected are arising from transactions carried out in the normal course of Banking Business.
- (5) No material events have taken place since 31 March 2017 that require disclosure or/and adjustments in these accounts and all known expenditure have been provided in these financial statements.

The above figures are provisional and subject to audit.

NATIONS TRUST BANK PLC
FOR THE PERIOD ENDED 31 MARCH 2017

Twenty largest Shareholders

Name of the Shareholder	No. of Shares	%
John Keells Holdings PLC	46,121,536	20.00%
HWIC Asia Fund	34,591,092	15.00%
Mackinnons Keells Limited.	22,830,159	9.90%
Central Finance Company PLC A/C No 03	20,715,400	8.98%
Janashakthi General Insurance Limited	18,582,682	8.06%
HSBC Intl Nom Ltd-SSBT-First State Investment ICVC - Stewart Investors Asia Pacific Fund	14,944,230	6.48%
CF Growth Fund Ltd A/C No.01	14,813,273	6.42%
CF Insurance Brokers (Pvt) Ltd	10,592,857	4.59%
Janashakthi Insurance PLC (Policy Holders)	4,091,107	1.77%
Hatton National Bank PLC A/C No 1	3,703,543	1.61%
Mr. M.F. Hashim	2,600,000	1.13%
Mr. N.R. Somaiya	1,320,624	0.57%
Timex Garments (Pvt) Ltd	1,238,465	0.54%
Bank Of Ceylon-No2 A/C	1,236,880	0.54%
Deutsche Bank Ag As Trustee For Namal Acuity Value Fund	1,200,000	0.52%
Malship Ceylon Ltd	1,063,857	0.46%
Mr. D.J.M. Blackler	1,000,000	0.43%
HSBC Intl Nom Ltd-SSBT-Parametric Tax-Managed Emerging Markets Fund	934,186	0.41%
Deutsche Bank Ag-National Equity Fund	842,134	0.37%
Mr. P.P. Arachchi	820,000	0.36%
	203,242,025	88.14%
Others	27,365,258	11.86%
Total	230,607,283	100.00%

	31.03.2017	
Number of shareholders representing the public holding	6,303	34.84%

Directors' holding in shares as at 31 March 2017

Name of Director	No of Shares
Mr. K.N.J.Balendra	107,700
Mrs. R.N. K. Fernando (Director / CEO)	68,700
Mr.K.O.V.S.M.S. Wijesinghe	39,650
Mr. J.G.A. Cooray	8,400
Mr. M Jafferjee	-
Dr. K. De. Soysa	-
Mr. D.P. De Silva	-
Mrs. N. S. Panditaratne	-
Mr. C.L.K.P. Jayasuriya	-
Mr. H Raghavan	-
Mr. J.C.A.D' Souza	-
Ms. R.D. Rajapaksa	-
Mr. N. I. R. De Mel	-

Nations Trust Bank PLC (“The Company”) – Utilization of funds raised via Capital Market as at 31.03.2017

The utilization of Rs 5 billion raised through the issue of debentures on 08 November 2016.

Objective number	Objective as Per Prospectus	Amount allocated as Per prospectus in LKR	Proposed date of Utilization as Per prospectus	Amount allocated from proceeds in LKR (A)	% of total proceeds	Amounts utilized in LKR (B) Bn	% of utilization against allocation (B/A)	Clarification if not fully utilized
1	Expansion of Leasing portfolio	3.0Bn	Within 12 months from date of receipt of cash flows	3.0Bn	60%	3.0Bn	100%	N/A
2	Expansion of Consumer Finance portfolio	1.5Bn	Within 12 months from date of receipt of cash flows	1.5Bn	30%	1.5Bn		N/A
3	Expansion of Housing portfolio	0.5Bn	Within 12 months from date of receipt of cash flows	0.5Bn	10%	0.5Bn		N/A
4	Improve the Tier II capital base thus, increasing the Capital Adequacy Ratio (CAR)	5.0Bn	Subsequent to CBSL approval	5.0Bn	100%	5.0Bn		N/A