



NATIONS TRUST BANK PLC AND ITS SUBSIDIARIES

Company Number PQ 118

INTERIM FINANCIAL STATEMENTS

For the Twelve months ended December 31, 2017

Nations Trust Bank records 31% growth in pre-tax profits

Nations Trust Bank closed the financial year 31st December 2017 with a post-tax profit of Rs.3,371Mn, up by 18% over the previous year with pre-tax profits increasing by 31%. A higher effective tax rate stemming from the increase in the financial services VAT rate as well as the additional tax of Rs. 210Mn on inter-company dividend payments impacted the Group bottom line growth. Healthy portfolio growth and strong fee-based income growth enabled the Group to record higher pre-tax profits, despite the effects of narrower NIMs and an increase in impairment provisions.

The Group's Net Interest Income grew by 26% underpinned by good growth in its advances portfolio. The faster increase in deposits rates which mirrored market trends due to tightening of market liquidity, especially in the first half of the year, resulted in interest expenses increasing by 56% whilst the corresponding increase in interest income was lower at 42%. However this trend was somewhat reversed in the second half with the decline in cost of funds and a moderate pick-up in NIMs.

Net fee and commission income increased by 29% driven by growth in the cards fee based income, increased trade and transactional fees as well as contributions made from structured financing transactions. Net trading losses for the year amounted to Rs.558Mn which is partly reflective of the swap cost arising from an increase in the funding of the forex swap book by 30% and increase in SWAP premiums by 117bps. However, the Bank continued to benefit from the relatively lower funding costs of the forex swaps compared to high cost rupee deposits. Realized capital gains on the fixed income securities portfolio amounted to Rs. 190Mn for the period under review compared to Rs. 34Mn in the corresponding year.

Impairment charge increased by 58%, stemming primarily from the increase in individual impairment as the weather related weakening of the country's agriculture sector had trickle down effects on several industry sectors. Previous year individual impairment charge was low as a result of reversals in impairment provisions.

Total operating expenses increased by 15% due to business growth in transactional volumes and increased operational activity. Ongoing focus on automating processes, lean initiatives and productivity improvements resulted in the Group's cost-to-income ratio improving to 52% from 55% in the previous year.

Loans and advances recorded a well balanced growth of 25%. Deposits grew by 28% faster than the industry growth of 17%. Despite the prevalent high interest rate scenario, the Bank successfully grew its CASA base supported by the launch of the 'Max Bonus' Savings product, an innovative product proposition. The Bank successfully concluded a \$50Mn funding line from IFC adding more diversity to the medium term funding structure of the bank. During the year, the Bank reached a major milestone in its digitization journey with the launch of Sri Lanka's first digital bank, FriMi, a combination of next generation bank account, payment system and e-wallet wrapped up in one convenient app.

Commenting on the results and achievements, Renuka Fernando, Director/CEO stated "It has been an extremely rewarding year as the Bank not only exceeded in achieving the financial goals set for the year but also successfully executed a numbers of strategic initiatives in our customer experience and digital journey. We look forward to another year with anticipation and renewed energy as we pursue our plans to deliver sustainable growth with customer centricity at our core"

NATIONS TRUST BANK PLC
INCOME STATEMENT



	Bank						Group					
	Twelve months ended 31 December			Quarter ended 31 December			Twelve months ended 31 December			Quarter ended 31 December		
	2017 Rs. '000	2016 Rs. '000	Change (%)	2017 Rs. '000	2016 Rs. '000	Change (%)	2017 Rs. '000	2016 Rs. '000	Change (%)	2017 Rs. '000	2016 Rs. '000	Change (%)
Gross Income	36,097,195	25,300,051	43	10,409,495	7,301,884	43	35,332,973	25,547,459	38	9,822,284	7,386,322	33
Interest Income	30,262,250	21,269,532	42	8,343,908	6,066,731	38	30,384,940	21,383,877	42	8,363,195	6,097,944	37
Less : Interest Expense	(18,152,375)	(11,646,713)	(56)	(4,776,581)	(3,518,376)	(36)	(18,096,662)	(11,598,266)	(56)	(4,762,914)	(3,503,203)	(36)
Net Interest Income	12,109,875	9,622,819	26	3,567,327	2,548,355	40	12,288,278	9,785,611	26	3,600,281	2,594,741	39
Fees and Commission Income	4,753,996	3,680,228	29	1,298,159	1,023,221	27	4,979,084	3,836,765	30	1,363,586	1,076,446	27
Less : Fees and Commission Expense	(322,737)	(245,474)	(31)	(109,103)	(88,450)	(23)	(322,743)	(238,456)	(35)	(108,884)	(81,210)	(34)
Net Fees and Commission Income	4,431,259	3,434,754	29	1,189,056	934,771	27	4,656,341	3,598,309	29	1,254,702	995,236	26
Net Trading Income / (Expense)	(558,453)	(241,381)	(131)	(65,935)	(113,205)	42	(558,453)	(241,381)	(131)	(65,935)	(113,205)	42
Other Operating Income	1,639,402	591,672	177	833,363	325,137	156	527,402	568,198	(7)	161,438	325,137	(50)
Total Operating Income	17,622,083	13,407,864	31	5,523,811	3,695,058	49	16,913,568	13,710,737	23	4,950,486	3,801,909	30
Impairment Charge /(Reversal) for Loans and Receivables and Available for Sale on Financial Assets	1,088,404	674,810	(61)	343,754	150,630	(128)	1,088,825	690,272	(58)	343,624	150,577	(128)
Individual Impairment - Loans and Advances	354,314	3,402	(10,316)	148,705	(79,694)	(287)	354,314	3,402	(10,316)	148,705	(79,694)	(287)
Collective Impairment - Loans and Advances	729,554	661,066	(10)	195,463	224,383	13	729,975	676,528	(8)	195,333	224,330	13
Others - Charges Receivable	4,536	10,342	56	(414)	5,941	107	4,536	10,342	56	(414)	5,941	107
Net Operating Income	16,533,679	12,733,054	30	5,180,057	3,544,428	46	15,824,743	13,020,465	22	4,606,862	3,651,332	26
Less : Expenses												
Personnel Expenses	3,825,570	3,301,854	(16)	1,222,499	969,278	(26)	3,856,988	3,330,970	(16)	1,233,145	979,018	(26)
Depreciation of Property, Plant and Equipment	352,319	347,977	(1)	91,413	86,374	(6)	366,855	362,221	(1)	95,105	89,945	(6)
Amortization of Intangible Assets	272,581	260,292	(5)	71,710	66,489	(8)	275,817	263,495	(5)	72,519	67,299	(8)
Other Operating Expenses	4,276,602	3,669,804	(17)	1,220,990	974,738	(25)	4,273,394	3,663,299	(17)	1,218,230	973,010	(25)
Total Operating Expenses	8,727,072	7,579,927	(15)	2,606,612	2,096,879	(24)	8,773,054	7,619,985	(15)	2,618,999	2,109,272	(24)
Operating Profit Before Value Added Tax (VAT) & NBT	7,806,607	5,153,127	51	2,573,445	1,447,549	78	7,051,689	5,400,480	31	1,987,863	1,542,060	29
Less : Value Added Tax (VAT) on Financial Services & NBT	1,636,093	1,046,211	(56)	540,642	348,959	(55)	1,658,207	1,060,284	(56)	544,206	353,468	(54)
Profit Before Income Tax	6,170,514	4,106,916	50	2,032,803	1,098,590	85	5,393,482	4,340,196	24	1,443,657	1,188,592	21
Less : Income Tax Expense	1,883,873	1,395,707	(35)	491,377	332,971	(48)	2,021,993	1,471,110	(37)	512,497	357,378	(43)
Profit for the Period	4,286,641	2,711,209	58	1,541,426	765,619	101	3,371,489	2,869,086	18	931,160	831,214	12
Earnings Per Share												
Basic / Diluted Earnings Per Share (Rs.)	18.12	11.46	58	6.51	3.24	101	14.25	12.13	18	3.94	3.51	12

NATIONS TRUST BANK PLC
STATEMENT OF COMPREHENSIVE INCOME



	Bank						Group					
	Twelve months ended 31 December			Quarter ended 31 December			Twelve months ended 31 December			Quarter ended 31 December		
	2017 Rs. '000	2016 Rs. '000	Change (%)	2017 Rs. '000	2016 Rs. '000	Change (%)	2017 Rs. '000	2016 Rs. '000	Change (%)	2017 Rs. '000	2016 Rs. '000	Change (%)
Profit for the period	4,286,641	2,711,209	58	1,541,426	765,619	101	3,371,489	2,869,086	18	931,160	831,214	12
Other Comprehensive Income to be reclassified to profit or loss in subsequent period:												
Net gains / (loss) on re-measuring available-for-sale financial assets	535,663	(138,564)	487	(50,793)	(84,059)	40	535,663	(138,564)	487	(50,793)	(84,059)	40
Less : Reclassification adjustment to the Statement of Profit or Loss	-	(210,546)	(100)		(210,546)	(100)	-	(210,546)	(100)		(210,546)	(100)
Net income tax (charge)/ reversal relating to components of re-measuring available-for-sale financial assets	(149,986)	97,751	253	14,222	82,489	83	(149,986)	97,751	253	14,222	82,489	83
	<u>385,677</u>	<u>(251,359)</u>	253	<u>(36,571)</u>	<u>(212,116)</u>	83	<u>385,677</u>	<u>(251,359)</u>	253	<u>(36,571)</u>	<u>(212,116)</u>	83
Other Comprehensive Income not to be reclassified to profit or loss in subsequent period:												
Actuarial gain / (loss) on defined benefit plan	(50,049)	21,299	(335)	(50,049)	21,299	335	(50,201)	21,823	330	(50,201)	21,823	330
Net income tax charge / (reversal) relating to components of defined benefit plan	14,014	(5,964)	(335)	14,014	(5,964)	335	14,056	(6,111)	330	14,056	(6,111)	330
Gain/(Loss) on Revaluation of Land & Building	936,988	-	100	936,988	-	100	1,267,627	-	100	1,267,627	-	100
Deferred Tax charge / (reversal) relating to revaluation gain	(262,357)	-	100	(262,357)	-	100	(354,936)	-	100	(354,936)	-	100
	<u>638,596</u>	<u>15,335</u>	4,064	<u>638,596</u>	<u>15,335</u>	4,064	<u>876,546</u>	<u>15,712</u>	5,479	<u>876,546</u>	<u>15,712</u>	5,479
Other Comprehensive Income for the Period, Net of Tax	1,024,273	(236,024)	534	602,025	(196,781)	406	1,262,223	(235,647)	636	839,975	(196,404)	528
Total Comprehensive Income for the Period, Net of Tax	5,310,914	2,475,185	115	2,143,451	568,838	277	4,633,712	2,633,439	76	1,771,135	634,810	179
Attributable to:												
Equity holders of the parent	5,310,914	2,475,185	115	2,143,451	568,838	277	4,633,712	2,633,439	76	1,771,135	634,810	179

NATIONS TRUST BANK PLC
STATEMENT OF FINANCIAL POSITION



As at	Bank			Group		
	31.12.2017 Rs. '000 (Audited)	31.12.2016 Rs. '000 (Audited)	Change %	31.12.2017 Rs. '000 (Audited)	31.12.2016 Rs. '000 (Audited)	Change %
On Balance Sheet Assets						
Cash and Cash Equivalents	6,867,222	4,187,605	64	6,869,695	4,187,649	64
Balances with Central Bank of Sri Lanka	11,193,266	8,511,509	32	11,193,266	8,511,509	32
Placements with Banks	-	-	-	-	-	-
Derivative Financial Instruments	230,217	65,356	252	230,217	65,356	252
Reverse Repurchase Agreements	10,798	14,930	(28)	10,798	14,930	(28)
Other Financial Assets Held-for-Trading	521,389	1,574,952	(67)	521,389	1,574,952	(67)
Other Financial Assets	6,797,607	6,860,950	(1)	6,797,607	6,860,950	(1)
Financial Assets Designated at Fair Value through Profit or Loss	-	-	-	-	-	-
Loans & Receivables to Banks	-	-	-	-	-	-
Loans & Receivables to Other Customers	186,536,712	148,924,734	25	186,745,711	149,817,941	25
Financial Investments - Available-for-Sale	38,852,046	22,148,963	75	38,852,046	22,148,963	75
Financial Investments - Held-to-Maturity	9,879,390	12,929,523	(24)	9,950,433	12,998,988	(23)
Investments in Subsidiaries	678,710	678,710	-	-	-	-
Investments in Associates and Joint Ventures	-	-	-	-	-	-
Property, Plant & Equipment	2,584,301	1,536,664	68	3,363,792	1,996,208	69
Investment Properties	-	-	-	-	-	-
Intangible Assets	1,148,646	1,180,699	(3)	1,153,552	1,188,841	(3)
Deferred Tax Assets	692,887	522,545	33	694,500	523,580	33
Other Assets	1,893,474	1,776,550	7	1,940,988	1,813,688	7
Total Assets	267,886,665	210,913,690	27	268,323,994	211,703,555	27

NATIONS TRUST BANK PLC AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION



As at	Bank			Group		
	31.12.2017 Rs. '000 (Audited)	31.12.2016 Rs. '000 (Audited)	Change %	31.12.2017 Rs. '000 (Audited)	31.12.2016 Rs. '000 (Audited)	Change %
On Balance Sheet Liabilities						
Due to Banks	10,713,864	11,850,888	(10)	10,713,864	11,850,888	(10)
Derivative Financial Instruments	495,517	130,017	281	495,517	130,017	281
Other Financial liabilities Held-for-Trading	-	-	-	-	-	-
Financial Liabilities Designated at Fair Value through Profit or Loss	-	-	-	-	-	-
Repurchase Agreements	12,319,188	9,850,773	25	11,940,783	9,261,110	29
Due to Other Customers	194,296,718	151,559,668	28	194,268,995	151,502,236	28
Other Borrowings	11,662,223	4,098,408	185	11,662,223	4,098,408	185
Debt Securities Issued	-	-	-	-	-	-
Current Tax Liabilities	803,249	439,215	83	847,501	478,011	77
Deferred Tax Liabilities	2,430,399	1,492,958	63	2,522,429	1,492,734	69
Other Liabilities	6,282,421	5,463,970	15	6,327,290	5,522,850	15
Due to Subsidiaries	-	-	-	-	-	-
Subordinated Term Debts	8,075,351	10,046,697	(20)	8,075,351	10,046,697	(20)
Total Liabilities	247,078,930	194,932,594	27	246,853,953	194,382,951	27
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	1,010,732	796,400	27	1,010,732	796,400	27
Retained Earnings	13,813,403	10,261,404	35	14,237,649	11,600,912	23
Revaluation Reserve	674,631	-	100	912,691	-	100
AFS Reserve	207,600	(178,077)	217	207,600	(178,077)	217
Other Reserves	-	-	-	-	-	-
Total Shareholders' Equity	20,807,735	15,981,096	30	21,470,041	17,320,604	24
Total Equity and Liabilities	267,886,665	210,913,690	27	268,323,994	211,703,555	27
Contingent Liabilities and Commitments	173,130,996	124,017,916	40	171,587,167	123,584,888	39
Memorandum Information						
Number of Employees	2,921	2,747	-	2,943	2,770	-
Number of Branches	93	93	-	93	93	-
Number of Off-Site ATMs	42	39	-	42	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 audited financial statements of the Bank and its Subsidiaries

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

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

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

27th February 2018
Colombo

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

Item	Bank		Group	
	31.12.2017 (Audited)	31.12.2016 (Audited)	31.12.2017 (Audited)	31.12.2016 (Audited)
Assets Quality (Quality of Loan Portfolio)				
Gross Non-Performing Advances Ratio, % (net of interest in suspense)	2.29%	2.42%	2.29%	2.41%
Net-Non Performing Advances,%(net of interest in suspense and provision)	0.71%	0.65%	0.71%	0.65%
Profitability				
Interest Margin, %	5.00%	4.90%	-	-
Return on Assets (before Tax), %	2.55%	2.09%	2.22%	2.20%
Return on Equity, %	24.08%	18.19%	17.84%	17.74%
Regulatory Liquidity				
Statutory Liquid Assets, Rs. '000	48,666,095	38,929,441		-
Statutory Liquid Assets Ratio, % (Minimum Requirement, 20%)				
Domestic Banking Unit	21.13%	21.72%		-
Off-Shore Banking Unit	21.81%	33.38%		
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 80%)	437.86%	155.57%		
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement - 80%)	204.73%	131.80%		
Net Assets Value Per Share (Rs.)	87.94	67.54	90.74	73.21
Market Price Per Share (Rs.)	31.12.2017 (Quarter ended)	31.12.2016 (Quarter ended)		
Highest	87.00	85.00		
Lowest	77.50	75.10		
Last Traded Price	78.00	80.90		

	Bank		Group	
	31.12.2017 Basel III	31.12.2016 Basel II	31.12.2017 Basel III	31.12.2016 Basel II
Regulatory Capital (LKR '000)				
Common Equity Tier 1	18,070,743		18,489,947	
Tier 1 Capital	18,070,743	14,965,472	18,489,947	16,286,138
Total Capital	23,305,824	21,291,422	23,725,029	22,612,088
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 5.75%)	10.58%		10.83%	
Tier 1 Capital Ratio (Minimum Requirement - 5%) (Minimum Requirement - 7.25%)		10.57%		11.40%
Total Capital Ratio (Minimum Requirement - 10%) (Minimum Requirement - 11.25%)	10.58%		10.83%	
		15.04%		15.82%
	13.64%		13.89%	

NATIONS TRUST BANK PLC
STATEMENT OF CHANGES IN EQUITY

BANK	Stated Capital	Retained Earnings	Revaluation Reserve	Available for Sale Reserve	Statutory Reserve Fund	Total
	Rs. '000	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	-	2,711,209	-	-	-	2,711,209
Other Comprehensive Income	-	15,335	-	(251,359)	-	(236,024)
Total Comprehensive Income	-	2,726,544	-	(251,359)	-	2,475,185
Dividend paid for 2015	-	(484,275)	-	-	-	(484,275)
Transfers from the Reserve Fund	-	(135,560)	-	-	135,560	-
As at 31 December 2016	5,101,369	10,261,404	-	(178,077)	796,400	15,981,096
As at 01 January 2017	5,101,369	10,261,404	-	(178,077)	796,400	15,981,096
Profit For the Period	-	4,286,641	-	-	-	4,286,641
Other Comprehensive Income	-	(36,035)	674,631	385,677	-	1,024,273
Total Comprehensive Income	-	4,250,606	674,631	385,677	-	5,310,914
Dividend paid for 2016	-	(484,275)	-	-	-	(484,275)
Transfers from the Reserve Fund	-	(214,332)	-	-	214,332	-
As at 31 December 2017	5,101,369	13,813,403	674,631	207,600	1,010,732	20,807,735

GROUP	Stated Capital	Retained Earnings	Revaluation Reserve	Available for Sale Reserve	Statutory Reserve Fund	Total
	Rs. '000	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	-	2,869,086	-	-	-	2,869,086
Other Comprehensive Income	-	15,712	-	(251,359)	-	(235,647)
Total Comprehensive Income	-	2,884,798	-	(251,359)	-	2,633,439
Dividend paid for 2015	-	(484,275)	-	-	-	(484,275)
Transfers from the Reserve Fund	-	(135,560)	-	-	135,560	-
As at 31 December 2016	5,101,369	11,600,912	-	(178,077)	796,400	17,320,604
As at 01 January 2017	5,101,369	11,600,912	-	(178,077)	796,400	17,320,604
Profit For the Period	-	3,371,489	-	-	-	3,371,489
Other Comprehensive Income	-	(36,145)	912,691	385,677	-	1,262,223
Total Comprehensive Income	-	3,335,344	912,691	385,677	-	4,633,712
Dividend paid for 2016	-	(484,275)	-	-	-	(484,275)
Transfers from the Reserve Fund	-	(214,332)	-	-	214,332	-
As at 31 December 2017	5,101,369	14,237,649	912,691	207,600	1,010,732	21,470,041

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



	Bank		Group	
	2017 Rs. '000 (Audited)	2016 Rs. '000 (Audited)	2017 Rs. '000 (Audited)	2016 Rs. '000 (Audited)
Cash Flows from Operating Activities				
Receipts of Interest Income	29,783,292	20,395,332	29,905,982	20,635,355
Receipts of Fees and Commission Income	4,752,679	3,676,301	4,977,767	3,855,703
Payments of Interest Expense	(15,803,949)	(10,030,686)	(15,744,864)	(10,108,747)
Payments of Fees and Commission Expense	(322,737)	(245,474)	(322,743)	(232,882)
Net Trading Income	(576,780)	(232,852)	(576,779)	(232,852)
Receipts from Other Operating Income	1,638,709	584,536	526,708	578,783
Gratuity Payments Made	(64,828)	(57,073)	(64,828)	(57,504)
Payments for Operating Expenses	(9,512,903)	(7,753,475)	(9,556,046)	(7,798,626)
Net Cash Flow from Operating Activities before Income Tax (A)	9,893,482	6,336,609	9,145,197	6,639,231
Income Tax paid	(765,268)	(760,145)	(898,794)	(819,584)
Operating Profit before Changes in Operating Assets and Liabilities	9,128,214	5,576,463	8,246,403	5,819,645
(Increase)/Decrease in Operating Assets				
Reverse Repurchase Agreements	3,900	287,631	3,900	(29,793)
Derivative Financial Instruments	(164,861)	488,674	(164,861)	488,674
Financial Investments Held for Trading	1,096,999	461,654	1,096,999	461,654
Financial Investments-Held to Maturity	3,051,961	(341,496)	3,050,383	(342,911)
Financial Investments-Available for Sale	(16,550,113)	(5,814,595)	(16,550,113)	(5,814,595)
Other Financial Assets	44,617	(312,980)	44,617	(434,643)
Loans & Receivables to Other Customers	(38,458,771)	(28,938,440)	(37,774,985)	(29,141,685)
Other Assets	(302,309)	(355,134)	(312,741)	(346,060)
(Increase)/Decrease in Operating Assets	(51,278,577)	(34,524,687)	(50,606,800)	(35,159,358)
Increase/(Decrease) in Operating Liabilities				
Repurchase Agreements	2,455,070	(3,808,901)	2,666,328	(3,491,478)
Due to Other Customers	41,661,611	21,508,454	41,691,320	21,533,708
Derivative Financial Instruments	365,499	76,690	365,499	76,690
Other Liabilities	695,327	394,317	670,605	308,208
Increase/(Decrease) in Operating Liabilities	45,177,507	18,170,559	45,393,753	18,427,127
Net Cash Flows from Operating Activities	3,027,144	(10,777,664)	3,033,356	(10,912,587)
Cash Flows from Investing Activities				
Purchase of Property, Plant and Equipment	(373,311)	(244,731)	(377,094)	(247,779)
Proceeds from Sale of Property, Plant and Equipment and Intangible Assets	694	7,618	694	7,618
Purchase of Intangible Assets	(135,853)	(226,898)	(135,853)	(228,182)
	(508,470)	(464,011)	(512,253)	(468,343)
Cash Flows from Financing Activities				
Net change in Debt issued and other Borrowed Funds	6,369,643	10,530,327	6,369,643	10,669,581
Proceeds from the issue of Debentures	-	5,076,876	-	5,076,876
Repayment of Subordinated Debt	(1,940,834)	(2,084,596)	(1,940,834)	(2,084,596)
Interest paid on Subordinated Debt	(1,153,275)	(761,621)	(1,153,275)	(761,621)
Dividends paid to Equity Holders of the Parent	(484,275)	(484,275)	(484,275)	(484,275)
	2,791,260	12,276,711	2,791,260	12,415,966
Net Increase in Cash and Cash Equivalents	5,309,934	1,035,036	5,312,363	1,035,036
Cash and Cash Equivalents at the beginning of the period	12,604,515	11,569,479	12,604,559	11,569,526
Cash and Cash Equivalents at the end of the period	17,914,449	12,604,514	17,916,922	12,604,559
Reconciliation of Cash and Cash Equivalents				
Cash on Hand	6,867,222	3,745,304	6,869,695	3,745,317
Statutory Deposit with the Central Bank of Sri Lanka	11,193,266	8,511,509	11,193,266	8,511,509
Balances with Banks	-	442,301	-	442,332
Money at Call and Short Notice	-	-	-	-
Deposits from Other Banks	(146,039)	(94,599)	(146,039)	(94,599)
	17,914,449	12,604,514	17,916,922	12,604,559
A. Reconciliation of Operating Profit				
Profit before Taxation	6,170,514	4,106,916	5,393,482	4,340,197
(Profit) / Loss on disposal of Property, Plant and Equipment and Intangible Assets	(694)	(7,136)	(694)	(7,136)
Impairment charge / (Reversal) for Loans and Receivables	1,088,404	674,812	1,088,825	690,273
Provision for Gratuity	109,772	88,421	111,031	89,435
(Increase) / Decrease in Interest Receivable	133,102	(681,288)	133,102	(681,050)
Increase/ (Decrease) in Interest Payable	2,217,254	1,616,026	2,220,626	1,616,098
Increase / (Decrease) in Financial Guarantee Liabilities	(1,317)	(3,928)	(1,317)	(3,928)
Other Receivables	(8,951)	14,618	(8,951)	8,857
Other Payables	29,452	84,611	35,377	84,613
Other Non cash items	220,774	500,629	238,544	559,374
Gratuity Payments Made	(64,828)	(57,073)	(64,828)	(57,504)
	9,893,482	6,336,609	9,145,197	6,639,231

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	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016
BANK														
Rs. '000	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Assets														
Cash and Cash Equivalents	-	-	-	-	-	-	6,867,222	4,187,605	-	-	-	-	6,867,222	4,187,605
Balances with Central Bank of Sri Lanka	-	-	-	-	-	-	11,193,266	8,511,509	-	-	-	-	11,193,266	8,511,509
Derivative Financial Instruments	-	-	230,217	65,356	-	-	-	-	-	-	-	-	230,217	65,356
Reverse Repurchase Agreements	-	-	-	-	-	-	10,798	14,930	-	-	-	-	10,798	14,930
Financial Assets - Held for Trading	521,389	1,574,952	-	-	-	-	-	-	-	-	-	-	521,389	1,574,952
Other Financial Assets	-	-	-	-	-	-	6,797,607	6,860,950	-	-	-	-	6,797,607	6,860,950
Loans & Receivables to Other Customers	-	-	-	-	-	-	186,536,712	148,924,734	-	-	-	-	186,536,712	148,924,734
Financial Investments - Available-for-Sale	-	-	-	-	-	-	-	-	38,852,046	22,148,963	-	-	38,852,046	22,148,963
Financial Assets - Held to Maturity	-	-	-	-	9,879,390	12,929,523	-	-	-	-	-	-	9,879,390	12,929,523
Total Financial Assets	521,389	1,574,952	230,217	65,356	9,879,390	12,929,523	211,405,605	168,499,728	38,852,046	22,148,963	-	-	260,888,647	205,218,521
Liabilities														
Due to Banks	-	-	-	-	-	-	-	-	-	-	10,713,864	11,850,888	10,713,864	11,850,888
Derivative Financial Instruments	-	-	495,517	130,017	-	-	-	-	-	-	-	-	495,517	130,017
Repurchase Agreements	-	-	-	-	-	-	-	-	-	-	12,319,188	9,850,773	12,319,188	9,850,773
Due to Other Customers	-	-	-	-	-	-	-	-	-	-	194,296,718	151,559,668	194,296,718	151,559,668
Debt Issued and Other Borrowed Funds	-	-	-	-	-	-	-	-	-	-	19,737,574	14,145,104	19,737,574	14,145,104
Total Financial Liabilities	-	-	495,517	130,017	-	-	-	-	-	-	237,067,344	187,406,433	237,562,861	187,536,450

	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	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016
GROUP														
Rs. '000	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Assets														
Cash and Cash Equivalents	-	-	-	-	-	-	6,869,695	4,187,649	-	-	-	-	6,869,695	4,187,649
Balances with Central Bank of Sri Lanka	-	-	-	-	-	-	11,193,266	8,511,509	-	-	-	-	11,193,266	8,511,509
Derivative Financial Instruments	-	-	230,217	65,356	-	-	-	-	-	-	-	-	230,217	65,356
Reverse Repurchase Agreements	-	-	-	-	-	-	10,798	14,930	-	-	-	-	10,798	14,930
Financial Assets - Held for Trading	521,389	1,574,952	-	-	-	-	-	-	-	-	-	-	521,389	1,574,952
Other Financial Assets	-	-	-	-	-	-	6,797,607	6,860,950	-	-	-	-	6,797,607	6,860,950
Loans and Advances to Customers	-	-	-	-	-	-	186,745,711	149,817,941	-	-	-	-	186,745,711	149,817,941
Financial Investments - Available-for-Sale	-	-	-	-	-	-	-	-	38,852,046	22,148,963	-	-	38,852,046	22,148,963
Financial Assets - Held to Maturity	-	-	-	-	9,950,433	12,998,988	-	-	-	-	-	-	9,950,433	12,998,988
Total Financial Assets	521,389	1,574,952	230,217	65,356	9,950,433	12,998,988	211,617,077	169,392,978	38,852,046	22,148,963	-	-	261,171,162	206,181,237
Liabilities														
Due to Banks	-	-	-	-	-	-	-	-	-	-	10,713,864	11,850,888	10,713,864	11,850,888
Derivative Financial Instruments	-	-	495,517	130,017	-	-	-	-	-	-	-	-	495,517	130,017
Repurchase Agreements	-	-	-	-	-	-	-	-	-	-	11,940,783	9,261,110	11,940,783	9,261,110
Due to Other Customers	-	-	-	-	-	-	-	-	-	-	194,268,995	151,502,236	194,268,995	151,502,236
Debt Issued and Other Borrowed Funds	-	-	-	-	-	-	-	-	-	-	19,737,574	14,145,105	19,737,574	14,145,105
Total Financial Liabilities	-	-	495,517	130,017	-	-	-	-	-	-	236,661,216	186,759,339	237,156,733	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	
	31.12.2017 Rs. '000 (Audited)	31.12.2016 Rs. '000 (Audited)	31.12.2017 Rs. '000 (Audited)	31.12.2016 Rs. '000 (Audited)
Loans and Receivables To Other Customers				
Gross Loans and Receivables	187,069,652	148,975,699	187,278,521	149,868,485
(Less) : Individual Impairment	(1,056,964)	(702,650)	(1,056,964)	(702,650)
Collective Impairment	(1,551,951)	(1,575,427)	(1,551,821)	(1,575,006)
Net Loans and Advances including those designated at Fair Value through Profit or Loss	184,460,737	146,697,623	184,669,736	147,590,829
(Less) : Loans and Advances designated at Fair Value through Profit or Loss	-	-	-	-
Net Loans and Advances	184,460,737	146,697,623	184,669,736	147,590,829
Staff Loans	2,715,078	2,807,963	2,715,078	2,807,963
Less : Allowance for Day 1 Difference	(639,103)	(580,851)	(639,103)	(580,851)
	2,075,975	2,227,112	2,075,975	2,227,112
	186,536,712	148,924,733	186,745,711	149,817,940

	Bank		Group	
	31.12.2017 Rs. '000 (Audited)	31.12.2016 Rs. '000 (Audited)	31.12.2017 Rs. '000 (Audited)	31.12.2016 Rs. '000 (Audited)
Gross Loans and Receivables to Other Customers -By Product				
By Product -Domestic Currency				
Bills of Exchange	30,611	67,545	30,611	67,545
Overdrafts	33,172,123	30,365,184	33,172,123	30,365,184
Term Loans	67,419,567	56,786,371	67,419,567	56,786,371
Staff Loans	2,715,078	2,807,963	2,715,078	2,807,963
Leases	37,258,851	31,422,446	37,258,851	31,422,446
Credit Cards	20,193,297	16,282,718	20,193,297	16,282,718
Pawning Advance	279,439	455,544	279,439	455,544
Corporate Debt Securities	325,243	948,429	325,243	948,429
Housing Loans	3,301,282	2,556,287	3,301,282	2,556,287
Other Advances	9,748,499	3,861,526	9,957,368	4,754,312
Sub Total	174,443,990	145,554,013	174,652,859	146,446,799
By Product -Foreign Currency				
Overdrafts	188,728	218,047	188,728	218,047
Term Loans	10,111,095	3,355,482	10,111,095	3,355,482
Other Advances	5,040,917	2,656,120	5,040,917	2,656,120
Sub Total	15,340,740	6,229,649	15,340,740	6,229,649
Total	189,784,730	151,783,662	189,993,599	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)

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

	Bank		Group	
	31.12.2017 Rs. '000 (Audited)	31.12.2016 Rs. '000 (Audited)	31.12.2017 Rs. '000 (Audited)	31.12.2016 Rs. '000 (Audited)
Individual Impairment				
Opening Balance	702,650	699,248	702,650	699,248
Charge/ (Reversal) to Income Statement	354,314	3,402	354,314	3,402
Closing Balance	1,056,964	702,650	1,056,964	702,650
Collective Impairment				
Opening Balance	1,575,427	1,398,171	1,574,878	1,397,621
Charge/ (Reversal) to Income Statement	729,554	661,069	729,973	676,529
Amounts written off during the Period	(753,030)	(483,812)	(753,030)	(499,144)
Closing Balance	1,551,951	1,575,427	1,551,821	1,574,878
Total Impairment	2,608,915	2,278,077	2,608,785	2,277,656

Due to Other Customers -By Product

	Bank		Group	
	31.12.2017 Rs. '000 (Audited)	31.12.2016 Rs. '000 (Audited)	31.12.2017 Rs. '000 (Audited)	31.12.2016 Rs. '000 (Audited)
By Product -Domestic Currency				
Demand Deposits	15,862,077	13,310,172	15,834,353	13,252,740
Savings Deposits	28,955,329	23,281,051	28,955,329	23,281,050
Call Deposits	54,246	92,910	54,246	92,910
Fixed Deposits	124,068,840	94,403,995	124,068,840	94,403,995
Certificate of Deposits	1,851,002	2,441,050	1,851,002	2,441,050
Sub Total	170,791,494	133,529,178	170,763,770	133,471,745
By Product -Foreign Currency				
Demand Deposits	2,163,972	757,263	2,163,972	757,263
Savings Deposits	7,147,595	5,084,916	7,147,595	5,084,916
Call Deposits	4,329	38,507	4,329	38,507
Fixed Deposits	14,189,329	12,149,804	14,189,329	12,149,804
Sub Total	23,505,225	18,030,490	23,505,225	18,030,490
Total	194,296,719	151,559,668	194,268,995	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 31.12.2017	Balance as at 31.12.2016	Market Values for the Quarter ended 31.12.2017			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 %	31.12.2017 %	31.12.2016 %	Interest Yield %	Yield to Maturity %
Fixed Rate	NTB/BC/19/12/18A13	Semi -Annually	3,000,000	3,000,000	100.5	100.2	100.2	13.00	13.42	8.90	11.42	12.97	12.77
Floating	NTB-BD-08/11/21-C2363	Semi -Annually	2,410	2,410	Not traded during the current period			11.61	11.95	9.84	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	9.84	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	9.84	12.15	12.80	12.79
Total Debentures			8,000,000	8,000,000									

Ratios of Debt	31.12.2017	31.12.2016
* Debt / Equity Ratio %	94.86%	62.86%
Interest Cover (Times)	5.89	6.64
Quick Asset Ratio	112%	87%

* Borrowings over one year original maturity are considered for debt

NATIONS TRUST BANK PLC
SEGMENT INFORMATION



Operating Segments Rs. '000	Bank		Treasury Functions		Others		Unallocated/ Eliminations		Total Group	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Operating income	14,850,291	11,915,555	2,357,604	1,974,746	447,126	370,001	(741,452)	(549,565)	16,913,568	13,710,737
Impairment Charge/(Reversal) for Loans and Advances	1,086,588	563,041	-	111,976	-	-	2,237	15,255	1,088,825	690,272
Net Operating income	13,763,702	11,352,514	2,357,604	1,862,770	447,125	370,000	(743,687)	(564,819)	15,824,743	13,020,465
Extracts of results										
Interest Income	24,329,374	16,858,589	6,029,903	4,476,115	185,460	177,479	(159,797)	(128,306)	30,384,940	21,383,877
Inter Segment	(1,202,484)	(253,772)	1,202,484	253,772	-	-	-	-	(0)	(0)
Interest Expense	(13,917,528)	(9,214,137)	(4,292,940)	(2,501,515)	(7,984)	(15,613)	121,790	132,998	(18,096,662)	(11,598,266)
Net Interest Income	9,209,362	7,390,680	2,939,447	2,228,372	177,476	161,866	(38,007)	4,692	12,288,278	9,785,611
Fees and Commission Income	4,956,401	3,752,350	-	1,686	284,305	221,423	(261,622)	(138,694)	4,979,084	3,836,765
Fees and Commission Expense	(263,816)	(212,078)	(19,085)	(14,693)	(14,657)	(13,304)	(25,185)	1,620	(322,743)	(238,456)
Net fee and commission income	4,692,586	3,540,272	(19,085)	(13,007)	269,647	208,120	(286,807)	(137,074)	4,656,341	3,598,309
Net Trading Income	479,512	448,711	(562,759)	(240,619)	-	-	(475,206)	(449,473)	(558,453)	(241,381)
Other Operating Income	468,831	535,892	-	-	-	14	58,571	32,292	527,402	568,198
Depreciation of Property,Plant and Equipment	229,858	240,018	2,768	1,615	14,536	14,244	119,693	106,345	366,855	362,221
Amortization of Intangible Assets	30,732	40,040	13,919	12,009	3,236	3,202	227,930	208,243	275,817	263,495
Other Expenses										
Segment Profit / (Loss) before Value Added Tax	5,555,687	4,062,562	2,003,784	1,553,399	356,576	285,377	(864,358)	(500,859)	7,051,689	5,400,480
Value Added Tax & Income Tax Expense					(111,658)	(84,834)	(3,568,542)	(2,446,560)	(3,680,200)	(2,531,394)
Profit for the year	5,555,687	4,062,562	2,003,784	1,553,399	244,918	200,543	(4,432,900)	(2,947,420)	3,371,489	2,869,086
Capital Expenditures										
Property and Equipment	174,890	164,414	29,184	808	2,542	3,047	170,477	79,509	377,094	247,779
Other Intangible Assets	21,360	39,653	76,099	820	1,300	1,284	37,094	186,425	135,853	228,182
Total Assets	186,869,846	148,409,426	73,655,325	55,810,743	1,189,330	2,324,201	6,609,494	5,159,185	268,323,994	211,703,555
Total Liabilities	188,483,941	154,090,464	50,827,829	34,988,727	87,804	306,870	7,454,378	4,996,890	246,853,953	194,382,951

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.
The accounting policies adopted are consistent with those of the previous financial year, except, the Bank and the Group adopted revaluation model for measurement of property plant and equipment. This has not been retrospectively adjusted as per the Accounting Standards guidelines
- (4) There are no material changes to contingent assets and liabilities since 31st December 2017 and the balances reflected are arising from transactions carried out in the normal course of Banking Business.
- (5) The Director of Bank Supervision of the Central Bank of Sri Lanka (CBSL) has by letter dated 12th October 2017 informed the Bank that the Monetary Board of the CBSL has permitted the John Keells Group and Central Finance Group to retain their respective current shareholdings in the Bank till 31st December 2020 and to reduce it to 15% each with effect from that date. The Monetary Board has also required the Bank to limit the voting rights of the John Keells Group and Central Finance Group to 10% each with effect from 31st March 2018.
- (6) The Board of Directors of the Bank at their meeting held on 31st October 2017 resolved to issue upto 40,105,614 Convertible Non-voting Shares (Convertible to Ordinary Voting Shares) at a price of Rs. 80 per share in order to raise a sum of upto Rs. 3,208,449,120.

The shares were issued on 14th February 2018 in the proportion of 4 Convertible Non-voting Shares for every 23 Ordinary Voting Shares held by the Shareholders in the Register of Shareholders, as at 12th January 2018.

Such issued Convertible Non-voting Shares shall have the option of convertibility into Ordinary Voting Shares at every calendar quarter at a conversion ratio of 1 Ordinary Voting Share for every 1 Convertible Non-voting Share.
- (7) The Bank intends to raise LKR 3.5 billion BASEL III Compliant, Tier 2, Listed Rated Unsecured Subordinated Redeemable Debentures with non-viability conversion to ordinary shares. The bank has obtained shareholder approval for the proposed Debenture issue and had been rated A- (lka) (EXP) by Fitch Ratings Lanka Limited. The Debentures will be listed on the Colombo Stock Exchange, by way of an Offer for Subscription.
- (8) Dividends Declared
A dividend of Rs. 2.10 per share in respect of year 2017 is declared by the Board of Directors to be paid in the form of a Scrip dividend in the proportion of 01 share for every 38.4644498 shares for both Ordinary Voting Shares and Convertible Non-Voting Shares (Convertible to Ordinary Voting Shares). Fractions in shares will be paid in cash.
- (9) No other material events have taken place since 31 December 2017 that require disclosure or/and adjustments in these accounts and all known expenditure have been provided in these financial statements.

NATIONS TRUST BANK PLC
AS AT 31 DECEMBER 2017

Twenty largest Shareholders

	Name of the Shareholder	No. of Shares	%
1	John Keells Holdings PLC	46,121,536	20.00%
2	HWIC Asia Fund	34,591,092	15.00%
3	Central Finance Company PLC A/C No 03	23,014,400	9.98%
4	Mackinnons Keells Limited.	22,830,159	9.90%
5	Janashakthi General Insurance Limited	18,582,682	8.06%
6	BNYMSANV RE-FIRST STATE INVESTMENTS ICVC- STEWART INVESTORS ASIA PACIFIC FUND	15,388,889	6.67%
7	CF Insurance Brokers (Pvt) Ltd	11,592,857	5.03%
8	CF Growth Fund Ltd A/C No.01	11,514,273	4.99%
9	Janashakthi Insurance PLC (Policy Holders)	4,091,107	1.77%
10	Hatton National Bank PLC A/C No 1	3,703,543	1.61%
11	Mr. M.F. Hashim	2,600,711	1.13%
12	RUBBER INVESTMENT TRUST LIMITED A/C # 01	2,263,764	0.98%
13	Mr. N.R. Somaiya	1,320,624	0.57%
14	Timex Garments (Pvt) Ltd	1,238,465	0.54%
15	Deutsche Bank Ag As Trustee For Namal Acuity Value Fund	1,200,000	0.52%
16	Malship Ceylon Ltd	1,063,857	0.46%
17	Mr. D.J.M. Blackler	1,000,000	0.43%
18	HSBC Intl Nom Ltd-SSBT-Parametric Tax-Managed Emerging Markets Fund	934,186	0.41%
19	Deutsche Bank Ag-National Equity Fund	842,134	0.37%
20	Mr. Premapala Pitipana Arachchi	820,000	0.36%
		204,714,279	88.77%
	Others	25,893,004	11.23%
	Total	230,607,283	100.00%

	31.12.2017	
Number of shareholders representing the public holding	6,066	34.81%

Directors' holding in shares as at 31 December 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	70,826
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 31.12.2017

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 Utilisation as Per prospectus	Amount allocated from proceeds in LKR (A)	% of total proceeds	Amounts utilised in LKR (B) Bn	% of utilisation against allocation (B/A)	Clarification if not fully utilised
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		5.0Bn		