



NATIONS TRUST BANK PLC AND ITS SUBSIDIARIES

Company Number PQ 118

INTERIM FINANCIAL STATEMENTS

For the Three months ended March 31, 2018

Nations Trust Bank commences the year on a high note with profits up by 30%

Nations Trust Bank closed the first quarter ending 31st March 2018 with a post-tax profit of Rs. 939Mn, up by 30% over the corresponding period in the previous year with pre-tax profits increasing at a higher rate of 36%. Post tax profit growth for the Group was lower owing to additional tax provided for the inter-company dividend payments which also resulted in the Bank posting a much higher operating income. Profitability growth was underpinned by a 7% growth in loans and advances during the period under review along with improving net interest margins.

Net interest income increased by 43% as Net Interest Margins (NIM) climbed up steadily due to a drop in cost of funds over the corresponding period coupled with improved portfolio yields.

Non fund based income including fees, commission and operating income increased by 16% for the period under review with trade and transactional fees contributing to a larger portion of the increase. Net trading losses for the year amounted to Rs. 203Mn which is reflective of the swap cost arising from an increased funding forex SWAP book (up by 30%) coupled with an increase in forward premiums (up by 50bps) as compared with the comparative period. The Bank continued to benefit from the relatively lower funding costs of the forex swaps compared to high cost rupee deposits. Marked to market losses on the FIS portfolio was minimal for the quarter under review.

Impairment charges recorded an increase of 169% due to the combined impact of portfolio growth coupled with some stress seen in selective portfolios as evidenced in the deterioration of the Group NPL ratio to 2.62% from 2.29% reported in December 2017 which also mirrored the trend seen in the industry. The Bank has put significant focus to strengthen the collection and recovery processes.

Expenses recorded a growth of 14% of which relatively higher increases are attributable to expenses relating to investments in technology and branding with moderate increases stemming from regulatory and volume related expenses. The Bank continued its focus on pursuing operational excellence and the drop in the cost: income ratio to 49% is evident of its transformational journey.

Growth in loans and advances portfolio is primarily driven by Corporate, Leasing and Consumer portfolios. CASA growth was subdued due to large swings in a few corporate customers but acquisition of new accounts/customers on CASA continued its momentum.

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 the strategies embarked upon moving in the right direction. It is also quite an exciting time for the Bank as we put in place many digital initiatives to bring about transformational change across the enterprise for the long term. In this aspect, it is indeed heartening to note that FriMi –our digital bank, has been placed amongst the Top 30 Best Digital Banks and Financial Institutions for 2018 in the Asia Pacific, Middle East & Africa region by the Asian Banker."

NATIONS TRUST BANK PLC
INCOME STATEMENT



	Bank			Group		
	Three Months ended 31 March			Three Months ended 31 March		
	2018 Rs. '000	2017 Rs. '000	Change (%)	2018 Rs. '000	2017 Rs. '000	Change (%)
Gross Income	9,932,757	7,631,101	30	9,719,271	7,722,227	26
Interest Income	8,348,750	6,405,959	30	8,358,392	6,439,284	30
Less : Interest Expense	(4,825,010)	(3,974,865)	(21)	(4,817,301)	(3,957,352)	(22)
Net Interest Income	3,523,740	2,431,094	45	3,541,091	2,481,932	43
Fees and Commission Income	1,359,893	1,172,241	16	1,427,293	1,230,042	16
Less : Fees and Commission Expense	(93,146)	(73,500)	(27)	(93,146)	(73,575)	(27)
Net Fees and Commission Income	1,266,747	1,098,741	15	1,334,147	1,156,467	15
Net Trading Income / (Expense)	(202,319)	(55,674)	(263)	(202,319)	(55,674)	(263)
Other Operating Income	426,433	108,575	293	135,904	108,575	25
Total Operating Income	5,014,601	3,582,736	40	4,808,823	3,691,298	30
Impairment Charge /(Reversal) for Loans and Receivables and Available for Sale on Financial Assets	478,929	177,397	(170)	478,929	177,910	(169)
Individual Impairment - Loans and Advances	96,806	12,244	(691)	96,806	12,244	(691)
Collective Impairment - Loans and Advances	381,023	165,434	(130)	381,023	165,947	(130)
Others - Charges Receivable	1,100	(281)	491	1,100	(281)	491
Net Operating Income	4,535,672	3,405,339	33	4,329,894	3,513,388	23
Less : Expenses						
Personnel Expenses	992,816	901,566	(10)	999,831	908,454	(10)
Depreciation of Property, Plant and Equipment	92,056	86,199	-	101,563	89,779	(13)
Amortization of Intangible Assets	72,785	66,499	(9)	73,594	67,308	(9)
Other Operating Expenses	1,200,491	1,003,797	(20)	1,187,722	1,003,348	(18)
Total Operating Expenses	2,358,148	2,058,061	(15)	2,362,710	2,068,889	(14)
Operating Profit Before Value Added Tax (VAT) & NBT	2,177,524	1,347,278	62	1,967,184	1,444,499	36
Less : Value Added Tax (VAT) on Financial Services & NBT	451,171	316,284	(43)	452,537	320,601	(41)
Profit Before Income Tax	1,726,353	1,030,994	67	1,514,647	1,123,898	35
Less : Income Tax Expense	525,767	374,195	(41)	575,501	398,754	(44)
Profit for the Period	1,200,586	656,799	83	939,146	725,144	30
Earnings Per Share						
Basic / Diluted Earnings Per Share (Rs.)	4.32	2.36	83	3.38	2.61	30

NATIONS TRUST BANK PLC
STATEMENT OF COMPREHENSIVE INCOME



	Bank			Group		
	Three Months ended 31 March			Three Months ended 31 March		
	2018 Rs. '000	2017 Rs. '000	Change (%)	2018 Rs. '000	2017 Rs. '000	Change (%)
Profit for the period	1,200,586	656,799	83	939,146	725,144	30
Other Comprehensive Income to be reclassified to profit or loss in subsequent period:						
Net gains / (loss) on re-measuring available-for-sale financial assets	(151,964)	(9,780)	(1,454)	(151,964)	(9,780)	(1,454)
Net income tax (charge) / reversal relating to components of re-measuring available-for-sale financial assets	42,550	2,739	1,454	42,550	2,739	1,454
	<u>(109,414)</u>	<u>(7,041)</u>	(1,454)	<u>(109,414)</u>	<u>(7,041)</u>	(1,454)
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>(109,414)</u>	<u>(7,041)</u>	(1,454)	<u>(109,414)</u>	<u>(7,041)</u>	(1,454)
Total Comprehensive Income for the Period, Net of Tax	<u>1,091,172</u>	<u>649,758</u>	68	<u>829,732</u>	<u>718,103</u>	16
Attributable to:						
Equity holders of the parent	<u>1,091,172</u>	<u>649,758</u>	68	<u>829,732</u>	<u>718,103</u>	16

NATIONS TRUST BANK PLC
STATEMENT OF FINANCIAL POSITION



As at	Bank			Group		
	31.03.2018 Rs. '000	31.12.2017 Rs. '000	Change %	31.03.2018 Rs. '000	31.12.2017 Rs. '000	Change %
		(Audited)			(Audited)	
On Balance Sheet Assets						
Cash and Cash Equivalents	9,258,679	6,867,222	35	9,258,733	6,869,695	35
Balances with Central Bank of Sri Lanka	11,679,741	11,193,266	4	11,679,741	11,193,266	4
Derivative Financial Instruments	241,124	230,217	5	241,124	230,217	5
Reverse Repurchase Agreements	946,530	10,798	8,666	946,530	10,798	8,666
Other Financial Assets Held-for-Trading	831,412	521,389	59	831,412	521,389	59
Other Financial Assets	6,839,900	6,797,607	1	6,839,900	6,797,607	1
Loans & Receivables to Other Customers	200,304,882	186,536,712	7	200,369,911	186,745,711	7
Financial Investments - Available-for-Sale	42,418,909	38,852,046	9	42,418,909	38,852,046	9
Financial Investments - Held-to-Maturity	9,811,863	9,879,390	(1)	9,884,502	9,950,433	(1)
Investments in Subsidiaries	678,710	678,710	0	-	-	-
Property, Plant & Equipment	2,492,498	2,584,301	(4)	3,279,388	3,363,792	(3)
Intangible Assets	1,117,890	1,148,646	(3)	1,121,990	1,153,552	(3)
Deferred Tax Asset	592,492	692,887	(14)	594,105	694,500	(14)
Other Assets	2,148,565	1,893,474	13	2,186,075	1,940,988	13
Total Assets	289,363,195	267,886,665	8	289,652,320	268,323,994	8
On Balance Sheet Liabilities						
Due to Banks	10,343,491	10,713,864	(3)	10,343,491	10,713,864	(3)
Derivative Financial Instruments	540,489	495,517	9	540,489	495,517	9
Repurchase Agreements	11,216,474	12,319,188	(9)	10,919,202	11,940,783	(9)
Due to Other Customers	211,506,574	194,296,718	9	211,460,726	194,268,995	9
Other Borrowings	11,956,451	11,662,223	3	11,956,451	11,662,223	3
Current Tax Liabilities	991,602	803,249	23	1,035,244	847,501	22
Deferred Tax Liabilities	2,359,368	2,430,399	(3)	2,451,248	2,522,429	(3)
Other Liabilities	7,101,578	6,282,421	13	7,197,435	6,327,290	14
Subordinated Term Debts	8,252,604	8,075,351	2	8,252,604	8,075,351	2
Total Liabilities	264,268,631	247,078,930	7	264,156,890	246,853,953	7
Equity						
Stated Capital	8,865,523	5,101,369	74	8,865,523	5,101,369	74
Statutory Reserve Fund	1,010,732	1,010,732	(0)	1,010,732	1,010,732	(0)
Retained Earnings	14,445,492	13,813,403	5	14,608,298	14,237,649	3
Revaluation Reserve	674,631	674,631	0	912,691	912,691	(0)
AFS Reserve	98,186	207,600	(53)	98,186	207,600	(53)
Total Shareholders' Equity	25,094,564	20,807,735	21	25,495,430	21,470,041	19
Total Equity and Liabilities	289,363,195	267,886,665	8	289,652,320	268,323,994	8
Contingent Liabilities and Commitments	185,590,053	173,130,996	7	184,677,568	171,587,167	8
Memorandum Information						
Number of Employees	2,992	2,921		3,015	2,943	
Number of Branches	93	93		93	93	
Number of Off-Site ATMs	42	42		42	42	

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

10 May 2018
Colombo

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

Item	Bank		Group	
	31.03.2018	31.12.2017 (Audited)	31.03.2018	31.12.2017 (Audited)
Assets Quality (Quality of Loan Portfolio)				
Gross Non-Performing Advances Ratio, % (net of interest in suspense)	2.62%	2.29%	2.62%	2.29%
Net-Non Performing Advances, % (net of interest in suspense and provision)	1.02%	0.71%	1.02%	0.71%
Profitability				
Interest Margin, %	5.46%	5.00%	-	-
Return on Assets (before Tax), %	2.68%	2.55%	2.34%	2.22%
Return on Equity, %	24.47%	24.08%	18.29%	17.84%
Regulatory Liquidity				
Statutory Liquid Assets, Rs. '000	52,410,706	48,666,095		
Statutory Liquid Assets Ratio, % (Minimum Requirement, 20%)				
Domestic Banking Unit	21.14%	21.13%		
Off-Shore Banking Unit	29.24%	21.81%		
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 80%)		437.86%		
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 90%)	439.73%			
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement - 80%)		204.73%		
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement - 90%)	256.71%			
Net Assets Value Per Share (Rs.)	90.35	87.94	91.79	90.74
Market Price Per Share (Rs.)				
	31.03.2018	31.12.2017		
	(Quarter ended)	(Quarter ended)		
Highest	83.00	87.00		
Lowest	77.00	77.50		
Last Traded Price	80.70	78.00		

	Bank		Group	
	31.03.2018	31.12.2017	31.03.2018	31.12.2017
	Basel III	Basel II	Basel III	Basel II
		(Audited)		(Audited)
Regulatory Capital (LKR '000)				
Common Equity Tier I	22,292,310	18,070,743	22,451,015	18,489,947
Tier I Capital	22,292,310	18,070,743	22,451,015	18,489,947
Total Capital	27,197,152	23,305,824	27,355,857	23,725,029
Regulatory Capital Ratios (%)				
Common Equity Tier I Capital Ratio				
(Minimum Requirement - 5.75%)		10.58%		10.83%
(Minimum Requirement - 6.375%)	12.25%		12.36%	
Tier I Capital Ratio				
(Minimum Requirement - 7.25%)		10.58%		10.83%
(Minimum Requirement - 7.875%)	12.25%		12.36%	
Total Capital Ratio				
(Minimum Requirement - 11.25%)		13.64%		13.89%
(Minimum Requirement - 11.875%)	14.95%		15.07%	

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 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	-	1,024,274
Total Comprehensive Income	-	4,250,606	674,631	385,677	-	5,310,915
Dividend paid for 2016	-	(484,275)	-	-	-	(484,275)
Transfers from the Reserve Fund	-	(214,332)	-	-	214,332	0
As at 31 December 2017	5,101,369	13,813,403	674,631	207,600	1,010,732	20,807,735
As at 01 January 2018	5,101,369	13,813,403	674,631	207,600	1,010,732	20,807,735
Profit For the Period	-	1,200,586	-	-	-	1,200,586
Other Comprehensive Income	-	-	-	(109,414)	-	(109,414)
Total Comprehensive Income	-	1,200,586	-	(109,414)	-	1,091,172
Scrip Dividend paid for 2017	555,705	(568,497)	-	-	-	(12,792)
Rights Issue	3,208,449	-	-	-	-	3,208,449
As at 31 March 2018	8,865,523	14,445,492	674,631	98,186	1,010,732	25,094,564

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 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
As at 01 January 2018	5,101,369	14,237,649	912,691	207,600	1,010,732	21,470,041
Profit For the Period	-	939,146	-	-	-	939,146
Other Comprehensive Income	-	-	-	(109,414)	-	(109,414)
Total Comprehensive Income	-	939,146	-	(109,414)	-	829,732
Scrip Dividend paid for 2017	555,705	(568,497)	-	-	-	(12,792)
Rights Issue	3,208,449	-	-	-	-	3,208,449
As at 31 March 2018	8,865,523	14,608,298	912,691	98,186	1,010,732	25,495,430

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



	Bank		Group	
	2018 Rs. '000	2017 Rs. '000	2018 Rs. '000	2017 Rs. '000
Cash Flows from Operating Activities				
Receipts of Interest Income	8,239,667	6,107,619	8,247,227	6,181,298
Receipts of Fees and Commission Income	1,357,838	1,080,970	1,428,348	1,139,352
Payments of Interest Expense	(4,112,099)	(3,364,727)	(4,104,452)	(3,390,743)
Payments of Fees and Commission Expense	(93,146)	(73,500)	(93,146)	(70,353)
Net Trading Income	(158,123)	(142,572)	(158,123)	(142,572)
Receipts from Other Operating Income	426,021	108,553	135,492	108,805
Gratuity Payments Made	(8,901)	(7,263)	(8,901)	(7,263)
Payments for Operating Expenses	(2,338,086)	(2,157,878)	(2,332,892)	(2,171,705)
Net Cash Flow from Operating Activities before Income Tax (A)	3,313,171	1,551,202	3,113,553	1,646,819
Income Tax paid	(159,200)	(285,119)	(175,964)	(297,743)
Operating Profit before Changes in Operating Assets and Liabilities	3,153,971	1,266,083	2,937,589	1,349,076
(Increase)/Decrease in Operating Assets				
Reverse Repurchase Agreements	(934,868)	(896,385)	(934,868)	(1,152,093)
Derivative Financial Instruments	-	-	-	-
Financial Investments Held for Trading	(300,000)	(95,000)	(300,000)	(95,000)
Financial Investments-Held to Maturity	-	(1,249,424)	-	(1,249,795)
Financial Investments-Available for Sale	(3,791,667)	(4,322,988)	(3,791,667)	(4,322,988)
Other Financial Assets	(56,160)	1,167,000	(56,160)	1,105,302
Loans & Receivables to Other Customers	(14,175,317)	(12,910,465)	(14,031,365)	(13,125,932)
Other Assets	(247,995)	(68,130)	(240,639)	(79,044)
(Increase)/Decrease in Operating Assets	(19,506,007)	(18,375,393)	(19,354,699)	(18,919,551)
Increase/(Decrease) in Operating Liabilities				
Repurchase Agreements	(1,087,160)	5,157,321	(1,005,964)	5,413,029
Due to Other Customers	16,806,694	15,918,978	16,788,570	15,944,232
Derivative Financial Instruments	-	-	-	-
Other Liabilities	549,788	(34,512)	598,562	(1,248)
Increase/(Decrease) in Operating Liabilities	16,269,322	21,041,787	16,381,168	21,356,013
Net Cash Flows from Operating Activities	(82,714)	3,932,478	(35,942)	3,785,537
Cash Flows from Investing Activities				
Purchase of Property, Plant and Equipment	(23,661)	(85,382)	(40,572)	(85,533)
Proceeds from Sale of Property, Plant and Equipment and Intangible Assets	23,821	-	23,821	-
Purchase of Intangible Assets	(42,027)	(16,472)	(42,027)	(16,472)
	(41,867)	(101,852)	(58,778)	(102,005)
Cash Flows from Financing Activities				
Net Change in Debt Issued and Other Borrowed Funds	(1,201,155)	(1,447,900)	(1,201,155)	(1,243,780)
Proceeds from Rights Issue	3,208,449	-	3,208,449	-
Interest paid on Subordinated Debt	-	(65,515)	-	(65,515)
Dividends paid to Equity Holders of the Parent	(12,792)	(484,275)	(45,074)	(484,275)
	1,994,502	(1,997,690)	1,962,220	(1,793,569)
Net Increase in Cash and Cash Equivalents	1,869,920	1,832,936	1,867,501	1,889,963
Cash and Cash Equivalents at the beginning of the period	17,914,449	12,604,514	17,916,922	12,578,715
Cash and Cash Equivalents at the end of the period	19,784,369	14,437,450	19,784,423	14,468,678
Reconciliation of Cash and Cash Equivalents				
Cash on Hand	5,980,670	3,977,910	5,980,693	3,977,803
Statutory Deposit with the Central Bank of Sri Lanka	11,679,741	9,610,068	11,679,741	9,610,068
Balances with Banks	1,493,361	676,470	1,493,392	707,807
Money at Call and Short Notice	1,784,648	300,072	1,784,648	300,072
Deposits from Other Banks	(1,154,051)	(127,071)	(1,154,051)	(127,071)
	19,784,369	14,437,450	19,784,423	14,468,678
A. Reconciliation of Operating Profit				
Profit before Taxation	1,726,353	1,030,994	1,514,647	1,123,898
(Profit) / Loss on disposal of Property, Plant and Equipment and Intangible Assets	(412)	(23)	(412)	(23)
Impairment charge / (Reversal) for Loans and Receivables	478,929	177,397	478,929	177,910
Provision for Gratuity	28,144	20,112	28,391	20,455
(Increase) / Decrease in Interest Receivable	118,453	(333,760)	116,876	(334,961)
Increase/ (Decrease) in Interest Payable	682,688	610,138	682,626	610,006
Increase / (Decrease) in Financial Guarantee Liabilities	(2,056)	(476)	(2,056)	(476)
Other Receivables	5,890	2,152	9,000	2,404
Other Payables	252,184	(826)	252,741	(824)
Other Non Cash Items	31,899	52,758	41,712	55,693
Gratuity Payments Made	(8,901)	(7,263)	(8,901)	(7,263)
	3,313,171	1,551,202	3,113,553	1,646,819

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	
	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017
BANK														
Rs. '000	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017
Assets														
Cash and Cash Equivalents	-	-	-	-	-	-	9,258,679	6,867,222	-	-	-	-	9,258,679	6,867,222
Balances with Central Bank of Sri Lanka	-	-	-	-	-	-	11,679,741	11,193,266	-	-	-	-	11,679,741	11,193,266
Derivative Financial Instruments	-	-	241,124	230,217	-	-	-	-	-	-	-	-	241,124	230,217
Reverse Repurchase Agreements	-	-	-	-	-	-	946,530	10,798	-	-	-	-	946,530	10,798
Financial Assets - Held for Trading	831,412	521,389	-	-	-	-	-	-	-	-	-	-	831,412	521,389
Other Financial Assets	-	-	-	-	-	-	6,839,900	6,797,607	-	-	-	-	6,839,900	6,797,607
Loans & Receivables to Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans & Receivables to Other Customers	-	-	-	-	-	-	200,304,882	186,536,712	-	-	-	-	200,304,882	186,536,712
Financial Investments - Available-for-Sale	-	-	-	-	-	-	-	-	42,418,909	38,852,046	-	-	42,418,909	38,852,046
Financial Assets - Held to Maturity	-	-	-	-	9,811,863	9,879,390	-	-	-	-	-	-	9,811,863	9,879,390
Total Financial Assets	831,412	521,389	241,124	230,217	9,811,863	9,879,390	229,029,732	211,405,606	42,418,909	38,852,046	-	-	282,333,040	260,888,648
Liabilities														
Due to Banks	-	-	-	-	-	-	-	-	-	-	10,343,491	10,713,864	10,343,491	10,713,864
Derivative Financial Instruments	-	-	540,489	495,517	-	-	-	-	-	-	-	-	540,489	495,517
Repurchase Agreements	-	-	-	-	-	-	-	-	-	-	11,216,474	12,319,188	11,216,474	12,319,188
Due to Other Customers	-	-	-	-	-	-	-	-	-	-	211,506,574	194,296,718	211,506,574	194,296,718
Debt Issued and Other Borrowed Funds	-	-	-	-	-	-	-	-	-	-	20,209,054	19,737,574	20,209,054	19,737,574
Total Financial Liabilities	-	-	540,489	495,517	-	-	-	-	-	-	253,275,592	237,067,344	253,816,081	237,562,861

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	
	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017
Rs. '000	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017	31.03.2018	31.12.2017
Assets														
Cash and Cash Equivalents	-	-	-	-	-	-	9,258,733	6,869,695	-	-	-	-	9,258,733	6,869,695
Balances with Central Bank of Sri Lanka	-	-	-	-	-	-	11,679,741	11,193,266	-	-	-	-	11,679,741	11,193,266
Derivative Financial Instruments	-	-	241,124	230,217	-	-	-	-	-	-	-	-	241,124	230,217
Reverse Repurchase Agreements	-	-	-	-	-	-	946,530	10,798	-	-	-	-	946,530	10,798
Financial Assets - Held for Trading	831,412	521,389	-	-	-	-	-	-	-	-	-	-	831,412	521,389
Other Financial Assets	-	-	-	-	-	-	6,839,900	6,797,607	-	-	-	-	6,839,900	6,797,607
Loans & Receivables to Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and Advances to Customers	-	-	-	-	-	-	200,369,911	186,745,711	-	-	-	-	200,369,911	186,745,711
Financial Investments - Available-for-Sale	-	-	-	-	-	-	-	-	42,418,909	38,852,046	-	-	42,418,909	38,852,046
Financial Assets - Held to Maturity	-	-	-	-	9,884,502	9,950,433	-	-	-	-	-	-	9,884,502	9,950,433
Total Financial Assets	831,412	521,389	241,124	230,217	9,884,502	9,950,433	229,094,816	211,617,078	42,418,909	38,852,046	-	-	282,470,764	261,171,164
Liabilities														
Due to Banks	-	-	-	-	-	-	-	-	-	-	10,343,491	10,713,864	10,343,491	10,713,864
Derivative Financial Instruments	-	-	540,489	495,517	-	-	-	-	-	-	-	-	540,489	495,517
Repurchase Agreements	-	-	-	-	-	-	-	-	-	-	10,919,202	11,940,783	10,919,202	11,940,783
Due to Other Customers	-	-	-	-	-	-	-	-	-	-	211,460,726	194,268,995	211,460,726	194,268,995
Debt Issued and Other Borrowed Funds	-	-	-	-	-	-	-	-	-	-	20,209,055	19,737,574	20,209,055	19,737,574
Total Financial Liabilities	-	-	540,489	495,517	-	-	-	-	-	-	252,932,474	236,661,217	253,472,964	237,156,732

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

NATIONS TRUST BANK PLC
ADDITIONAL QUARTERLY DISCLOSURES



(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	
	31.03.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)	31.03.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)
(1) Loans and Receivables To Other Customers				
Gross Loans and Receivables	201,135,683	187,069,652	201,200,581	187,278,521
(Less) : Individual Impairment (Note 3.1)	(1,101,773)	(1,056,964)	(1,101,773)	(1,056,964)
Collective Impairment (Note 3.2)	(1,780,379)	(1,551,951)	(1,780,248)	(1,551,821)
Net Loans and Advances including those designated at Fair Value through Profit or Loss	198,253,531	184,460,737	198,318,560	184,669,736
(Less) : Loans and Advances designated at Fair Value through Profit or Loss	-	-	-	-
Net Loans and Advances	198,253,531	184,460,737	198,318,560	184,669,736
Staff Loans	2,704,541	2,715,078	2,704,541	2,715,078
Less : Allowance for Day 1 Difference	(653,190)	(639,103)	(653,190)	(639,103)
	2,051,351	2,075,975	2,051,351	2,075,975
	200,304,882	186,536,712	200,369,911	186,745,711
(2) Gross Loans and Receivables to Other Customers -By Product				
By Product -Domestic Currency				
Bills of Exchange	135,122	30,611	135,122	30,611
Overdrafts	36,132,352	33,172,123	36,132,352	33,172,123
Term Loans	72,660,042	67,419,567	72,660,042	67,419,567
Staff Loans	2,704,541	2,715,078	2,704,541	2,715,078
Leases	40,288,295	37,258,851	40,288,295	37,258,851
Credit Cards	20,439,797	20,193,297	20,439,797	20,193,297
Pawning Advance	285,856	279,439	285,856	279,439
Corporate Debt Securities	216,855	325,243	216,855	325,243
Housing Loans	3,555,244	3,301,282	3,555,244	3,301,282
Other Advances	9,747,762	9,748,499	9,812,662	9,957,369
Sub Total	186,165,867	174,443,990	186,230,766	174,652,859
By Product -Foreign Currency				
Overdrafts	540,693	188,728	540,693	188,728
Term Loans	11,708,079	10,111,095	11,708,079	10,111,095
Other Advances	5,425,585	5,040,917	5,425,585	5,040,917
Sub Total	17,674,357	15,340,740	17,674,357	15,340,740
Total	203,840,224	189,784,730	203,905,123	189,993,599

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	
	31.03.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)	31.03.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)
(3.1) Individual Impairment				
Opening Balance	1,056,964	702,650	1,056,964	702,650
Charge/ (Reversal) to Income Statement	96,806	354,314	96,806	354,314
Amounts written off during the Period	(51,997)	-	(51,997)	-
Closing Balance	1,101,773	1,056,964	1,101,773	1,056,964
(3.2) Collective Impairment				
Opening Balance	1,551,951	1,575,427	1,551,821	1,574,878
Charge/ (Reversal) to Income Statement	381,023	729,554	381,023	729,973
Amounts written off during the Period	(152,595)	(753,030)	(152,595)	(753,030)
Closing Balance	1,780,379	1,551,951	1,780,248	1,551,821
Total Impairment	2,882,152	2,608,915	2,882,021	2,608,785

(4) Due to Other Customers -By Product

	Bank		Group	
	31.03.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)	31.03.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)
By Product -Domestic Currency				
Demand Deposits	14,669,964	15,862,077	14,624,116	15,834,353
Savings Deposits	30,847,921	28,955,328	30,847,921	28,955,329
Call Deposits	33,947	54,246	33,947	54,246
Fixed Deposits	139,689,074	124,068,840	139,689,074	124,068,840
Certificate of Deposits	1,719,996	1,851,002	1,719,996	1,851,002
Sub Total	186,960,902	170,791,493	186,915,054	170,763,770
By Product -Foreign Currency				
Demand Deposits	1,571,987	2,163,972	1,571,987	2,163,972
Savings Deposits	5,935,607	7,147,595	5,935,607	7,147,595
Call Deposits	-	4,329	-	4,329
Fixed Deposits	17,038,077	14,189,329	17,038,077	14,189,329
Sub Total	24,545,671	23,505,225	24,545,671	23,505,225
Total	211,506,574	194,296,718	211,460,726	194,268,995

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 31.03.2018 Rs. '000	Balance as at 31.12.2017 Rs. '000	Market Values for the Quarter ended 31.03.2018			Interest Rates		Interest Rate of Comparable Government Security		Other Ratios as at date of last trade	
					Highest Rs.	Lowest Rs.	Period End Rs.	Coupon Rate %	Effective Annual Yield %	31.03.2018 %	31.12.2017 %	Interest Yield %	Yield to Maturity %
Fixed Rate	NTB/BC/19/12/18A13	Semi -Annually	3,000,000	3,000,000	99.3	99.3	99.3	13.00	13.42	8.97	8.90	13.10	13.90
Floating	NTB-BD-08/11/21-C2363	Semi -Annually	2,410	2,410	Not traded during the current period			11.61	11.95	9.95	9.84	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	9.95	9.84	Not traded	
Fixed Rate	NTB-BD-08/11/21-C2364-12.8	Annually	1,111,790	1,111,790	Not traded during the current period			12.80	12.80	9.95	9.84	Not traded	
Total Debentures			8,000,000	8,000,000									

Ratios of Debt	31.03.2018	31.12.2017
* Debt / Equity Ratio %	69.57%	78.48%
Interest Cover (Times)	5.62	6.31
Quick Asset Ratio	116%	112%

* Borrowings of which original maturity with five years or more are considered for debt.

NATIONS TRUST BANK PLC
SEGMENT INFORMATION



Operating Segments Rs. '000	Bank		Treasury Functions		Others		Unallocated/ Eliminations		Total Group	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Operating income	4,286,974	3,191,546	649,639	563,136	106,343	118,781	(234,132)	(182,164)	4,808,824	3,691,298
Impairment Charge/(Reversal) for Loans and Advances	478,182	177,396	-	-	-	-	746	513	478,928	177,909
Net Operating income	3,808,792	3,014,150	649,639	563,136	106,343	118,780	(234,878)	(182,677)	4,329,896	3,513,389
Extracts of results										
Interest Income	6,887,458	5,100,073	1,345,622	1,309,974	17,609	54,619	107,703	(25,384)	8,358,392	6,439,282
Inter Segment	(393,027)	(179,580)	393,027	179,580	-	-	-	-	-	-
Interest Expense	(3,762,723)	(3,118,994)	(904,508)	(864,463)	(258)	(4,707)	(149,812)	30,812	(4,817,301)	(3,957,352)
Net Interest Income	2,731,708	1,801,500	834,141	625,090	17,351	49,912	(42,109)	5,428	3,541,091	2,481,930
Fees and Commission Income	1,353,957	1,208,981	14,659	17,792	90,801	72,164	(32,124)	(68,895)	1,427,293	1,230,042
Fees and Commission Expense	(79,325)	(63,220)	(3,808)	(5,548)	(1,809)	(3,297)	(8,204)	(1,510)	(93,146)	(73,575)
Net fee and commission income	1,274,632	1,145,761	10,851	12,244	88,992	68,867	(40,328)	(70,405)	1,334,147	1,156,467
Net Trading Income	152,383	124,313	(195,353)	(56,407)	-	-	(159,349)	(123,580)	(202,319)	(55,674)
Other Operating Income	128,251	102,180	-	-	-	-	7,654	6,395	135,904	108,575
Depreciation of Property,Plant and Equipment	58,323	59,107	2,171	386	3,737	3,581	37,333	26,705	101,563	89,779
Amortization of Intangible Assets	11,779	8,217	5,745	3,027	809	809	55,262	55,255	73,594	67,308
Other Expenses										
Segment Profit / (Loss) before Value Added Tax	1,816,320	1,070,937	564,049	483,436	85,958	96,810	(499,142)	(206,683)	1,967,184	1,444,499
Value Added Tax & Income Tax Expense					(18,819)	(28,876)	(1,009,219)	(690,479)	(1,028,038)	(719,356)
Profit for the year	1,816,320	1,070,937	564,049	483,436	67,139	67,933	(1,508,361)	(897,163)	939,146	725,144
Capital Expenditures										
Property and Equipment	10,845	24,106	-	173	10,211	3,047	19,516	58,207	40,572	85,533
Other Intangible Assets	7,259	10,894	-	-	-	1,284	34,768	4,294	42,027	16,472
Total Assets	203,566,151	162,059,152	81,619,758	62,807,379	989,904	2,292,313	3,476,377	4,935,046	289,652,190	232,093,890
Total Liabilities	213,599,047	165,884,246	43,236,324	43,571,420	144,054	207,049	7,177,334	4,876,734	264,156,759	214,539,457

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 2017.
- (4) There are no material changes to contingent assets and liabilities since 31 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 Bank has issued 35 Million BASEL III compliant, Tier II, Listed, Rated Unsecured Redeemable Subordinated Debentures with non viability conversion as directed by the Central Bank of Sri Lanka at par value of Rs 100/- each. These debentures were allotted on 20 April 2018.
- (7) The Bank has completed the initial assessment of the impact on its Financial Statements for the year ended December 31, 2016, resulting from the application of SLFRS 9 with the assistance of an external consultant. Based on the assessments undertaken to date which is yet to be audited, the total estimated additional loan loss provision on the Financial Statements as at December 31, 2016 on adoption of SLFRS 9 is expected to be in the range of 45%-50% of the total impairment provision as per the previously applicable LKAS 39.
- (8) No other material events have taken place since 31 March 2018 that require disclosure or/and adjustments in these accounts and all known expenditure have been provided in these financial statements.

NATIONS TRUST BANK PLC
FOR THE PERIOD ENDED 31 March 2018

Twenty largest Shareholders

Name of the Shareholder	Voting Shares	
	No. of Shares	%
John Keells Holdings PLC	47,320,605	20.00%
HWIC Asia Fund	35,490,392	15.00%
Central Finance Company PLC A/C No 03	23,612,729	9.98%
Mackinnons Keells Limited.	23,423,698	9.90%
Janashakthi General Insurance Limited	19,065,795	8.06%
BNYMSANV RE-FIRST STATE INVESTMENTS ICVC-STEWART INVESTORS ASIA PACIFIC FUND	15,788,969	6.67%
CF Insurance Brokers (Pvt) Ltd	11,894,248	5.03%
CF Growth Fund Ltd A/C No.01	11,813,621	4.99%
Janashakthi Insurance PLC (Policy Holders)	4,197,467	1.77%
Hatton National Bank PLC A/C No 1	3,799,827	1.61%
Mr. M.F. Hashim	2,668,324	1.13%
RUBBER INVESTMENT TRUST LIMITED A/C # 01	2,476,517	1.05%
Mr. Premalal Brahammanage	2,105,399	0.89%
Mr. N.R. Somaiya	1,354,957	0.57%
Timex Garments (Pvt) Ltd	1,270,662	0.54%
Malship Ceylon Ltd	1,091,515	0.46%
Mr. D.J.M. Blackler	1,025,998	0.43%
HSBC Intl Nom Ltd-SSBT-Parametric Tax-Managed Emerging Markets Fund	958,472	0.41%
Mr. Premapala Pitipana Arachchi	841,318	0.36%
E.W. BALASURIYA & CO. (PVT) LTD	512,999	0.22%
	210,713,512	89.0600%
Others	25,885,511	10.94%
Total	236,599,023	100.00%

Name of the Shareholder	Non Voting Shares	
	No. of Shares	%
John Keells Holdings PLC	14,506,193	35.25%
Central Finance Company PLC A/C No 03	7,184,555	17.46%
HWIC Asia Fund	6,172,242	15.00%
Mackinnons Keells Limited.	4,073,686	9.90%
BNYMSANV RE-FIRST STATE INVESTMENTS ICVC-STEWART INVESTORS ASIA PACIFIC FUND	2,745,907	6.67%
CF Insurance Brokers (Pvt) Ltd	2,068,564	5.03%
CF Growth Fund Ltd A/C No.01	2,054,542	4.99%
MR. S. G. H. I. JAFFERJEE	410,399	1.00%
RUBBER INVESTMENT TRUST LIMITED A/C # 01	403,933	0.98%
MR. H. N. ESUFALLY	311,066	0.76%
MR. M. A. H. ESUFALLY	205,199	0.50%
MR. M. A. JAFFERJEE	184,591	0.45%
Mr. D.J.M. Blackler	128,249	0.31%
E.W. BALASURIYA & CO. (PVT) LTD	89,216	0.22%
MRS. S. BALENDRA	57,169	0.14%
J.B. COCOSHELL (PVT) LTD	56,827	0.14%
MR. M. J. FERNANDO	44,886	0.11%
THE INCORPORATED TRUSTEES OF THE CHURCH OF CEYLON	24,534	0.06%
MR. M. L. HIRDARAMANI	21,199	0.05%
Mr. K.N.J.Balendra	19,216	0.05%
	40,762,173	99.06%
Others	385,940	0.94%
Total	41,148,113	100.00%

	31.03.2018	
Number of shareholders representing the public holding (Voting)	6,009	34.81%
Number of shareholders representing the public holding (Non Voting)	329	11.71%

Directors' holding in shares as at 31 March 2018

Name of Director	No of Shares	
	Voting	Non Voting
Mr. K.N.J.Balendra	110,499	19,216
Mrs. R.N. K. Fernando (Director / CEO)	70,486	-
Mr.K.O.V.S.M.S. Wijesinghe	40,680	7,074
Mr. J.G.A. Cooray	8,618	1,497
Mr. M Jafferjee	237,692	184,591
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 31.03.2018

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		