



# **NATIONS TRUST BANK PLC AND ITS SUBSIDIARIES**

**Company Number PQ 118**

## **INTERIM FINANCIAL STATEMENTS**

**For the Six months ended June 30, 2018**

## Nations Trust Bank records resilient performance

The Bank closed the 6 months period ending 30<sup>th</sup> June 2018 with a post-tax profit of Rs. 1,875Mn and a pre-tax profit of Rs. 3,882Mn underpinned by good growth in business volumes and improved operating margins. Despite increased impairment charges slowing the bottom line growth, the Bank recorded a resilient performance in the back drop of industry witnessing tightening of market liquidity, moderating credit growth and increased non-performing loans during the first half of the year.

Net interest income increased by 35% mainly attributable to growth in volumes with a marginal improvement in NIMs. Interest income recorded a faster growth of 26% over interest expense growth of 20% due to the higher drop in cost of funds over the previous period.

Non fund based income including fees, commission and other operating income increased by 18% with trade and transactional fees contributing to a larger portion of the increase. Net trading losses, which mainly comprise of cost on funding swaps, remained at previous year reported levels as there had been no material movement in the SWAP book and forward premium rates in comparison to the previous period. Customer FX income reported a moderate growth of 16% with the volume growth.

Impairment charges for the current year increased due to cash flow stress witnessed in selective portfolios which is also reflected in the increase in the NPL ratio to 3.06% from 2.29% reported in December 2017, mirroring industry trends. Industry NPLs stood at 2.50% in December 2017 increasing to 3.30% by end May 2018.

Expenses recorded a growth of 20% which is partly due to the front loading of certain expenses particularly related to branding, marketing activities and investments made on up-skilling of knowledge, employee engagement and culture building. Investments made in technology and digital platforms during the second half of 2017 also had a direct bearing in expenses growth in the current year. Expenses pertaining directly to business volume growth were well managed at 9%. Notably, the Bank reported a higher growth in revenue of 30% to commensurate expenses growth resulting in the Cost: Income ratio decreasing to 48.6% from 52.8% reported in the previous period.

Loans and advances recorded a growth of 12% primarily driven by Corporate portfolio lending. Deposits recorded a growth of 16% while CASA grew by 15%. CASA mix was maintained at 28%.

Commenting on the results and achievements, Renuka Fernando, CEO/Executive Director stated "It has indeed been a resilient performance across the enterprise as we were able to balance business growth amidst fast changing market dynamics whilst pursuing strategies we embarked at the beginning of the year for future business transformation. As we celebrate our 19<sup>th</sup> year of operations crossing many significant milestones along the way, the future holds much promise and I look forward in concluding yet another rewarding year"

NATIONS TRUST BANK PLC  
INCOME STATEMENT



	Bank						Group					
	Six Months ended 30 June			Quarter ended 30 June			Six Months ended 30 June			Quarter ended 30 June		
	2018 Rs. '000	2017 Rs. '000	Change (%)	2018 Rs. '000	2017 Rs. '000	Change (%)	2018 Rs. '000	2017 Rs. '000	Change (%)	2018 Rs. '000	2017 Rs. '000	Change (%)
<b>Gross Income</b>	<b>20,332,268</b>	16,363,246	24	<b>10,399,510</b>	8,732,145	19	<b>20,198,570</b>	16,181,510	25	<b>10,479,299</b>	8,459,286	24
Interest Income	17,319,197	13,666,939	27	8,970,447	7,260,981	24	17,329,889	13,734,859	26	8,971,496	7,295,577	23
Less : Interest Expense	(10,174,588)	(8,474,027)	(20)	(5,349,577)	(4,499,162)	(19)	(10,157,201)	(8,440,079)	(20)	(5,339,900)	(4,482,727)	(19)
<b>Net Interest Income</b>	<b>7,144,609</b>	<b>5,192,912</b>	<b>38</b>	<b>3,620,870</b>	<b>2,761,819</b>	<b>31</b>	<b>7,172,688</b>	<b>5,294,780</b>	<b>35</b>	<b>3,631,596</b>	<b>2,812,850</b>	<b>29</b>
Fees and Commission Income	2,716,419	2,365,141	15	1,356,526	1,192,900	14	2,862,559	2,470,966	16	1,435,266	1,240,924	16
Less : Fees and Commission Expense	(167,132)	(147,591)	(13)	(73,986)	(74,091)	0	(167,132)	(148,347)	(13)	(73,986)	(74,772)	1
<b>Net Fees and Commission Income</b>	<b>2,549,287</b>	<b>2,217,550</b>	<b>15</b>	<b>1,282,540</b>	<b>1,118,809</b>	<b>15</b>	<b>2,695,427</b>	<b>2,322,619</b>	<b>16</b>	<b>1,361,280</b>	<b>1,166,152</b>	<b>17</b>
Net Trading Income / (Expense)	(260,334)	(267,002)	2	(57,217)	(211,329)	73	(260,334)	(267,002)	2	(57,217)	(211,329)	73
Other Operating Income	556,986	598,168	(7)	129,754	489,593	(73)	266,456	242,687	10	129,754	134,115	(3)
<b>Total Operating Income</b>	<b>9,990,548</b>	<b>7,741,628</b>	<b>29</b>	<b>4,975,947</b>	<b>4,158,892</b>	<b>20</b>	<b>9,874,237</b>	<b>7,593,084</b>	<b>30</b>	<b>5,065,413</b>	<b>3,901,788</b>	<b>30</b>
Impairment Charge /(Reversal ) for Loans and Receivables and Available for Sale on Financial Assets	1,189,917	605,455	(97)	710,988	428,058	(66)	1,189,917	606,005	(96)	710,988	428,095	(66)
Individual Impairment - Loans and Advances	260,872	112,435	(132)	164,066	100,191	64	260,872	112,435	(132)	164,066	100,191	(64)
Collective Impairment - Loans and Advances	925,947	488,289	(90)	544,924	322,855	(69)	925,947	488,839	(89)	544,924	322,892	(69)
Others - Charges Receivable	3,098	4,731	35	1,998	5,012	60	3,098	4,731	35	1,998	5,012	60
<b>Net Operating Income</b>	<b>8,800,631</b>	<b>7,136,173</b>	<b>23</b>	<b>4,264,959</b>	<b>3,730,834</b>	<b>14</b>	<b>8,684,320</b>	<b>6,987,079</b>	<b>24</b>	<b>4,354,425</b>	<b>3,473,691</b>	<b>25</b>
<b>Less : Expenses</b>												
Personnel Expenses	2,051,457	1,680,043	(22)	1,058,641	778,477	(36)	2,065,555	1,693,818	(22)	1,065,724	785,364	(36)
Depreciation of Property, Plant and Equipment	181,887	173,279	(5)	89,832	87,080	(3)	201,029	180,455	(11)	99,465	90,676	(10)
Amortization of Intangible Assets	146,676	133,159	(10)	73,891	66,660	(11)	148,294	134,777	(10)	74,700	67,469	(11)
Other Operating Expenses	2,411,293	1,998,242	(21)	1,210,802	994,445	(22)	2,387,226	2,000,566	(19)	1,199,504	997,218	(20)
<b>Total Operating Expenses</b>	<b>4,791,313</b>	<b>3,984,723</b>	<b>(20)</b>	<b>2,433,166</b>	<b>1,926,662</b>	<b>(26)</b>	<b>4,802,104</b>	<b>4,009,616</b>	<b>(20)</b>	<b>2,439,393</b>	<b>1,940,727</b>	<b>(26)</b>
<b>Operating Profit Before Value Added Tax (VAT) &amp; NBT</b>	<b>4,009,318</b>	<b>3,151,450</b>	<b>27</b>	<b>1,831,793</b>	<b>1,804,172</b>	<b>2</b>	<b>3,882,216</b>	<b>2,977,463</b>	<b>30</b>	<b>1,915,032</b>	<b>1,532,964</b>	<b>25</b>
Less : Value Added Tax (VAT) & NBT on Financial Services	876,739	676,807	(30)	425,568	360,523	(18)	878,669	690,451	(27)	426,132	369,850	(15)
<b>Profit Before Income Tax</b>	<b>3,132,579</b>	<b>2,474,643</b>	<b>27</b>	<b>1,406,225</b>	<b>1,443,649</b>	<b>(3)</b>	<b>3,003,547</b>	<b>2,287,012</b>	<b>31</b>	<b>1,488,900</b>	<b>1,163,114</b>	<b>28</b>
Less : Income Tax Expense	1,059,977	773,608	(37)	534,211	399,413	(34)	1,128,179	859,368	(31)	552,678	460,614	(20)
<b>Profit for the Period</b>	<b>2,072,602</b>	<b>1,701,035</b>	<b>22</b>	<b>872,014</b>	<b>1,044,236</b>	<b>(16)</b>	<b>1,875,368</b>	<b>1,427,644</b>	<b>31</b>	<b>936,222</b>	<b>702,500</b>	<b>33</b>
<b>Earnings Per Share</b>												
Basic / Diluted Earnings Per Share (Rs.)	7.53	7.12	6	3.14	4.37	(28)	6.82	5.98	14	3.37	2.94	15

NATIONS TRUST BANK PLC  
STATEMENT OF COMPREHENSIVE INCOME



	Bank						Group					
	Six Months ended 30 June			Quarter ended 30 June			Six Months ended 30 June			Quarter ended 30 June		
	2018 Rs. '000	2017 Rs. '000	Change (%)	2018 Rs. '000	2017 Rs. '000	Change (%)	2018 Rs. '000	2017 Rs. '000	Change (%)	2018 Rs. '000	2017 Rs. '000	Change (%)
<b>Profit for the period</b>	2,072,602	1,701,035	22	872,014	1,044,236	(16)	1,875,368	1,427,644	31	936,222	702,500	33
<b>Other Comprehensive Income to be reclassified to profit or loss in subsequent period:</b>												
Net gains / (loss) on re-measuring available-for-sale financial assets	(128,631)	285,121	(145)	23,333	294,901	(92)	(128,631)	285,121	(145)	23,333	294,901	(92)
Net income tax (charge) / reversal relating to components of re-measuring available-for-sale financial assets	36,017	(79,834)	145	(6,533)	(82,573)	92	36,017	(79,834)	145	(6,533)	(82,573)	92
	<u>(92,614)</u>	<u>205,287</u>	(145)	<u>16,800</u>	<u>212,328</u>	(92)	<u>(92,614)</u>	<u>205,287</u>	(145)	<u>16,800</u>	<u>212,328</u>	(92)
<b>Other Comprehensive Income not to be reclassified to profit or loss in subsequent period:</b>												
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>	-	<u>-</u>	<u>-</u>	-	<u>-</u>	<u>-</u>	-
<b>Other Comprehensive Income for the Period, Net of Tax</b>	<u>(92,614)</u>	<u>205,287</u>	(145)	<u>16,800</u>	<u>212,328</u>	(92)	<u>(92,614)</u>	<u>205,287</u>	(145)	<u>16,800</u>	<u>212,328</u>	(92)
<b>Total Comprehensive Income for the Period, Net of Tax</b>	<u>1,979,988</u>	<u>1,906,322</u>	4	<u>888,814</u>	<u>1,256,564</u>	(29)	<u>1,782,754</u>	<u>1,632,931</u>	9	<u>953,022</u>	<u>914,828</u>	4
Attributable to:												
Equity holders of the parent	1,979,988	1,906,322	4	888,814	1,256,564	(29)	1,782,754	1,632,931	9	953,022	914,828	4

NATIONS TRUST BANK PLC  
STATEMENT OF FINANCIAL POSITION



As at	Bank			Group		
	30.06.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)	Change %	30.06.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)	Change %
<b>On Balance Sheet Assets</b>						
Cash and Cash Equivalents	7,939,157	6,867,222	16	7,939,212	6,869,695	16
Balances with Central Bank of Sri Lanka	12,709,728	11,193,266	14	12,709,728	11,193,266	14
Derivative Financial Instruments	63,252	230,217	(73)	63,252	230,217	(73)
Reverse Repurchase Agreements	133,392	10,798	1,135	133,392	10,798	1,135
Other Financial Assets Held-for-Trading	1,946,800	521,389	273	1,946,800	521,389	273
Other Financial Assets	5,916,623	6,797,607	(13)	5,916,623	6,797,607	(13)
Loans & Receivables to Other Customers	209,899,117	186,536,712	13	209,936,490	186,745,711	12
Financial Investments - Available-for-Sale	46,392,811	38,852,046	19	46,392,811	38,852,046	19
Financial Investments - Held-to-Maturity	8,576,860	9,879,390	(13)	8,648,738	9,950,433	(13)
Investments in Subsidiaries	678,710	678,710	0	-	-	-
Property, Plant & Equipment	2,542,361	2,584,301	(2)	3,320,076	3,363,792	(1)
Intangible Assets	1,100,529	1,148,646	(4)	1,103,819	1,153,552	(4)
Deferred Tax Asset	597,579	692,887	(14)	598,983	694,500	(14)
Other Assets	2,082,849	1,893,474	10	2,122,119	1,940,988	9
<b>Total Assets</b>	<b>300,579,768</b>	<b>267,886,665</b>	<b>12</b>	<b>300,832,043</b>	<b>268,323,994</b>	<b>12</b>
<b>On Balance Sheet Liabilities</b>						
Due to Banks	7,066,969	10,713,864	(34)	7,066,969	10,713,864	(34)
Derivative Financial Instruments	221,618	495,517	(55)	221,618	495,517	(55)
Repurchase Agreements	8,851,638	12,319,188	(28)	8,491,965	11,940,783	(29)
Due to Other Customers	225,261,798	194,296,718	16	225,234,654	194,268,995	16
Other Borrowings	11,118,636	11,662,223	(5)	11,118,636	11,662,223	(5)
Current Tax Liabilities	1,540,947	803,249	92	1,582,341	847,501	87
Deferred Tax Liabilities	2,189,708	2,430,399	(10)	2,281,232	2,522,429	(10)
Other Liabilities	6,688,512	6,282,421	6	6,729,614	6,327,290	6
Subordinated Term Debts	11,656,562	8,075,351	44	11,656,562	8,075,351	44
<b>Total Liabilities</b>	<b>274,596,388</b>	<b>247,078,930</b>	<b>11</b>	<b>274,383,591</b>	<b>246,853,953</b>	<b>11</b>
<b>Equity</b>						
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	15,317,508	13,813,403	11	15,544,520	14,237,649	9
Revaluation Reserve	674,631	674,631	0	912,691	912,691	0
AFS Reserve	114,986	207,600	(45)	114,986	207,600	(45)
<b>Total Shareholders' Equity</b>	<b>25,983,380</b>	<b>20,807,735</b>	<b>25</b>	<b>26,448,452</b>	<b>21,470,041</b>	<b>23</b>
<b>Total Equity and Liabilities</b>	<b>300,579,768</b>	<b>267,886,665</b>	<b>12</b>	<b>300,832,043</b>	<b>268,323,994</b>	<b>12</b>
<b>Contingent Liabilities and Commitments</b>	<b>178,725,201</b>	<b>173,677,294</b>	<b>3</b>	<b>177,800,113</b>	<b>172,133,465</b>	<b>3</b>
<b>Memorandum Information</b>						
Number of Employees	3,085	2,921		3,108	2,943	
Number of Branches	93	93		93	93	
Number of Off-Site ATMs	46	42		46	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

06 August 2018  
Colombo

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

Item	Bank		Group	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
<b>Regulatory Capital (LKR '000)</b>		(Audited)		(Audited)
Common Equity Tier 1	22,285,347	18,070,743	22,444,732	18,489,947
Tier 1 Capital	22,285,347	18,070,743	22,444,732	18,489,947
Total Capital	30,544,851	23,305,824	30,704,235	23,725,029
<b>Regulatory Capital Ratios (%)</b>				
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 5.75%) (Minimum Requirement - 6.375%)	11.61%	10.58%	11.71%	10.83%
Tier 1 Capital Ratio (Minimum Requirement - 7.25%) (Minimum Requirement - 7.875%)	11.61%	10.58%	11.71%	10.83%
Total Capital Ratio (Minimum Requirement - 11.25%) (Minimum Requirement - 11.875%)	15.91%	13.64%	16.02%	13.89%
<b>Assets Quality (Quality of Loan Portfolio)</b>				
Gross Non-Performing Advances Ratio, % (net of interest in suspense)	3.06%	2.29%	3.06%	2.29%
Net-Non Performing Advances, % (net of interest in suspense and provision)	1.29%	0.71%	1.29%	0.71%
<b>Profitability</b>				
Interest Margin, %	5.04%	5.00%	-	-
Return on Assets (before Tax), %	2.21%	2.55%	2.12%	2.22%
Return on Equity, %	17.44%	24.08%	15.45%	17.84%
<b>Regulatory Liquidity</b>				
Statutory Liquid Assets, Rs. '000	59,717,354	48,666,095		
Statutory Liquid Assets Ratio, % (Minimum Requirement, 20%)				
Domestic Banking Unit	22.10%	21.13%		
Off-Shore Banking Unit	25.71%	21.81%		
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 80%)		437.86%		
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 90%)	301.93%			
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement - 80%)		204.73%		
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement - 90%)	246.79%			
Net Assets Value Per Share (Rs.)	93.55	87.94	95.22	90.74
<b>Market Price Per Share (Rs.)</b>	<b>30.06.2018</b>	<b>30.06.2017</b>		
	(Quarter ended)	(Quarter ended)		
Highest - Voting	93.00	84.50		
- Non Voting	95.00			
Lowest - Voting	80.00	74.50		
- Non Voting	80.00			
Last Traded Price - Voting	90.00	82.00		
- Non Voting	95.00			

**NATIONS TRUST BANK PLC**  
**STATEMENT OF CHANGES IN EQUITY**

<b>BANK</b>	<b>Stated Capital</b>	<b>Retained Earnings</b>	<b>Revaluation Reserve</b>	<b>Available for Sale Reserve</b>	<b>Statutory Reserve Fund</b>	<b>Total</b>
	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>
<b>As at 01 January 2017</b>	<b>5,101,369</b>	<b>10,261,404</b>	<b>-</b>	<b>(178,077)</b>	<b>796,400</b>	<b>15,981,096</b>
Profit For the Period	-	1,701,035	-	-	-	1,701,035
Other Comprehensive Income	-	-	-	205,287	-	205,287
Total Comprehensive Income	-	1,701,035	-	205,287	-	1,906,322
Dividend paid for 2016	-	(484,275)	-	-	-	(484,275)
<b>As at 30 June 2017</b>	<b>5,101,369</b>	<b>11,478,164</b>	<b>-</b>	<b>27,210</b>	<b>796,400</b>	<b>17,403,143</b>
<b>As at 01 January 2018</b>	<b>5,101,369</b>	<b>13,813,403</b>	<b>674,631</b>	<b>207,600</b>	<b>1,010,732</b>	<b>20,807,735</b>
Profit For the Period	-	2,072,602	-	-	-	2,072,602
Other Comprehensive Income	-	-	-	(92,614)	-	(92,614)
Total Comprehensive Income	-	2,072,602	-	(92,614)	-	1,979,988
Scrip Dividend paid for 2017	555,705	(568,497)	-	-	-	(12,792)
Rights Issue	3,208,449	-	-	-	-	3,208,449
<b>As at 30 June 2018</b>	<b>8,865,523</b>	<b>15,317,508</b>	<b>674,631</b>	<b>114,986</b>	<b>1,010,732</b>	<b>25,983,380</b>
<b>GROUP</b>	<b>Stated Capital</b>	<b>Retained Earnings</b>	<b>Revaluation Reserve</b>	<b>Available for Sale Reserve</b>	<b>Statutory Reserve Fund</b>	<b>Total</b>
	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>
<b>As at 01 January 2017</b>	<b>5,101,369</b>	<b>11,600,912</b>	<b>-</b>	<b>(178,077)</b>	<b>796,400</b>	<b>17,320,604</b>
Profit For the Period	-	1,427,644	-	-	-	1,427,644
Other Comprehensive Income	-	-	-	205,287	-	205,287
Total Comprehensive Income	-	1,427,644	-	205,287	-	1,632,931
Dividend paid for 2016	-	(484,275)	-	-	-	(484,275)
<b>As at 30 June 2017</b>	<b>5,101,369</b>	<b>12,544,281</b>	<b>-</b>	<b>27,210</b>	<b>796,400</b>	<b>18,469,260</b>
<b>As at 01 January 2018</b>	<b>5,101,369</b>	<b>14,237,649</b>	<b>912,691</b>	<b>207,600</b>	<b>1,010,732</b>	<b>21,470,041</b>
Profit For the Period	-	1,875,368	-	-	-	1,875,368
Other Comprehensive Income	-	-	-	(92,614)	-	(92,614)
Total Comprehensive Income	-	1,875,368	-	(92,614)	-	1,782,754
Scrip Dividend paid for 2017	555,705	(568,497)	-	-	-	(12,792)
Rights Issue	3,208,449	-	-	-	-	3,208,449
<b>As at 30 June 2018</b>	<b>8,865,523</b>	<b>15,544,520</b>	<b>912,691</b>	<b>114,986</b>	<b>1,010,732</b>	<b>26,448,452</b>

**Nations Trust Bank PLC and Its Subsidiaries**  
**Statement of Cash Flows**  
**For the Period Ended 30 June**



	Bank		Group	
	Six Months ended 30 June		Six Months ended 30 June	
	2018 Rs. '000	2017 Rs. '000	2018 Rs. '000	2017 Rs. '000
<b>Cash Flows from Operating Activities</b>				
Receipts of Interest Income	17,822,888	13,129,626	17,827,988	13,266,953
Receipts of Fees and Commission Income	3,051,238	2,180,131	3,198,101	2,288,001
Payments of Interest Expense	(9,087,060)	(7,312,932)	(9,074,555)	(7,356,562)
Payments of Fees and Commission Expense	(165,522)	(147,591)	(165,522)	(141,298)
Net Trading Income	(346,435)	(339,903)	(346,435)	(339,903)
Receipts from Other Operating Income	556,574	598,146	266,044	598,398
Gratuity Payments Made	(28,837)	(30,208)	(28,837)	(30,208)
Payments for Operating Expenses	(5,398,964)	(4,242,539)	(5,389,750)	(4,276,313)
<b>Net Cash Flow from Operating Activities before Income Tax (A)</b>	<b>6,403,882</b>	<b>3,834,730</b>	<b>6,287,034</b>	<b>4,009,068</b>
Income Tax paid	(319,825)	(463,738)	(354,344)	(537,861)
<b>Operating Profit before Changes in Operating Assets and Liabilities</b>	<b>6,084,057</b>	<b>3,370,992</b>	<b>5,932,690</b>	<b>3,471,207</b>
<b>(Increase)/Decrease in Operating Assets</b>				
Reverse Repurchase Agreements	(121,297)	(986,570)	(121,297)	(1,674,310)
Financial Investments - Held for Trading	(1,350,000)	355,000	(1,350,000)	355,000
Financial Investments - Held to Maturity	1,300,000	2,964,377	1,300,000	2,963,614
Financial Investments - Available for Sale	(8,773,021)	(15,170,320)	(8,773,021)	(15,170,320)
Other Financial Assets	866,590	(91,780)	866,590	203,722
Loans & Receivables to Other Customers	(24,271,125)	(19,484,545)	(24,099,368)	(19,627,379)
Other Assets	(165,228)	75,716	(157,706)	61,190
<b>(Increase)/Decrease in Operating Assets</b>	<b>(32,514,081)</b>	<b>(32,338,122)</b>	<b>(32,334,802)</b>	<b>(32,888,483)</b>
<b>Increase/(Decrease) in Operating Liabilities</b>				
Repurchase Agreements	(3,422,472)	4,593,305	(3,398,858)	5,206,230
Due to Other Customers	30,409,626	29,317,093	30,410,205	29,317,093
Other Liabilities	229,070	(592,100)	224,198	(956,340)
<b>Increase/(Decrease) in Operating Liabilities</b>	<b>27,216,224</b>	<b>33,318,298</b>	<b>27,235,545</b>	<b>33,566,983</b>
<b>Net Cash Flows from Operating Activities</b>	<b>786,200</b>	<b>4,351,168</b>	<b>833,433</b>	<b>4,149,707</b>
<b>Cash Flows from Investing Activities</b>				
Purchase of Property, Plant and Equipment	(163,356)	(260,047)	(180,725)	(261,943)
Proceeds from Sale of Property, Plant and Equipment and Intangible Assets	23,821	23	23,821	23
Purchase of Intangible Assets	(98,557)	(143,362)	(98,557)	(143,362)
	<b>(238,092)</b>	<b>(403,386)</b>	<b>(255,461)</b>	<b>(405,282)</b>
<b>Cash Flows from Financing Activities</b>				
Net change in Debt issued and other Borrowed Funds	(1,301,280)	(304,131)	(1,301,280)	(100,005)
Proceeds from Rights Issue	3,208,449	-	3,208,449	-
Interest paid on Subordinated Debt	(437,293)	(611,883)	(437,293)	(611,883)
Dividends paid to Equity Holders of the Parent	(12,792)	(484,275)	(45,074)	(484,275)
	<b>1,457,084</b>	<b>(1,400,289)</b>	<b>1,424,802</b>	<b>(1,196,163)</b>
Net Increase in Cash and Cash Equivalents	2,005,192	2,547,496	2,002,774	2,548,262
Cash and Cash Equivalents at the beginning of the period	17,914,449	12,604,514	17,916,922	12,603,802
<b>Cash and Cash Equivalents at the end of the period</b>	<b>19,919,641</b>	<b>15,152,010</b>	<b>19,919,696</b>	<b>15,152,064</b>
<b>Reconciliation of Cash and Cash Equivalents</b>				
Cash on Hand	5,179,585	4,271,303	5,179,608	4,271,325
Statutory Deposit with the Central Bank of Sri Lanka	12,709,728	10,533,733	12,709,728	10,533,733
Balances with Banks	2,759,572	798,619	2,759,604	798,651
Deposits from Other Banks	(729,244)	(451,645)	(729,244)	(451,645)
	<b>19,919,641</b>	<b>15,152,010</b>	<b>19,919,696</b>	<b>15,152,064</b>
<b>A. Reconciliation of Operating Profit</b>				
Profit before Taxation	3,132,579	2,474,643	3,003,547	2,287,011
(Profit) / Loss on disposal of Property, Plant and Equipment and Intangible Assets	(412)	(23)	(412)	(23)
Impairment charge / (Reversal ) for Loans and Receivables	1,189,917	605,455	1,189,917	606,005
Provision for Gratuity	56,288	40,224	56,782	40,910
(Increase) / Decrease in Interest Receivable	927,353	(561,260)	926,531	(561,260)
Increase/ (Decrease) in Interest Payable	621,196	549,213	616,314	549,076
Increase / (Decrease) in Financial Guarantee Liabilities & Deferred Income	334,819	(912)	334,819	(912)
Increase / (Decrease) in Fees & Commission and Operating Expenses Payable	(185,120)	16,897	(184,439)	16,900
Other Non cash items	(81,194)	128,818	(64,481)	489,686
Interest paid on Subordinated Debt	437,293	611,883	437,293	611,883
Gratuity Payments Made	(28,837)	(30,208)	(28,837)	(30,208)
	<b>6,403,882</b>	<b>3,834,730</b>	<b>6,287,034</b>	<b>4,009,068</b>



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	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017
<b>BANK</b>														
<b>Rs. '000</b>	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>30.06.2018</b>	<b>31.12.2017</b>
<b>Assets</b>														
Cash and Cash Equivalents	-	-	-	-	-	-	7,939,157	6,867,222	-	-	-	-	7,939,157	6,867,222
Balances with Central Bank of Sri Lanka	-	-	-	-	-	-	12,709,728	11,193,266	-	-	-	-	12,709,728	11,193,266
Derivative Financial Instruments	-	-	63,252	230,217	-	-	-	-	-	-	-	-	63,252	230,217
Reverse Repurchase Agreements	-	-	-	-	-	-	133,392	10,798	-	-	-	-	133,392	10,798
Financial Assets - Held for Trading	1,946,800	521,389	-	-	-	-	-	-	-	-	-	-	1,946,800	521,389
Other Financial Assets	-	-	-	-	-	-	5,916,623	6,797,607	-	-	-	-	5,916,623	6,797,607
Loans & Receivables to Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans & Receivables to Other Customers	-	-	-	-	-	-	209,899,117	186,536,712	-	-	-	-	209,899,117	186,536,712
Financial Investments - Available-for-Sale	-	-	-	-	-	-	-	-	46,392,811	38,852,046	-	-	46,392,811	38,852,046
Financial Assets - Held to Maturity	-	-	-	-	8,576,860	9,879,390	-	-	-	-	-	-	8,576,860	9,879,390
<b>Total Financial Assets</b>	<b>1,946,800</b>	<b>521,389</b>	<b>63,252</b>	<b>230,217</b>	<b>8,576,860</b>	<b>9,879,390</b>	<b>236,598,017</b>	<b>211,405,605</b>	<b>46,392,811</b>	<b>38,852,046</b>	<b>-</b>	<b>-</b>	<b>293,577,740</b>	<b>260,888,647</b>
<b>Liabilities</b>														
Due to Banks	-	-	-	-	-	-	-	-	-	-	7,066,969	10,713,864	7,066,969	10,713,864
Derivative Financial Instruments	-	-	221,618	495,517	-	-	-	-	-	-	-	-	221,618	495,517
Repurchase Agreements	-	-	-	-	-	-	-	-	-	-	8,851,638	12,319,188	8,851,638	12,319,188
Due to Other Customers	-	-	-	-	-	-	-	-	-	-	225,261,798	194,296,718	225,261,798	194,296,718
Debt Issued and Other Borrowed Funds	-	-	-	-	-	-	-	-	-	-	22,775,198	19,737,574	22,775,198	19,737,574
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>221,618</b>	<b>495,517</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>263,955,603</b>	<b>237,067,344</b>	<b>264,177,221</b>	<b>237,562,861</b>

**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	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017
<b>Rs. '000</b>	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>30.06.2018</b>	<b>31.12.2017</b>	<b>30.06.2018</b>	<b>31.12.2017</b>
<b>Assets</b>														
Cash and Cash Equivalents	-	-	-	-	-	-	7,939,212	6,869,695	-	-	-	-	7,939,212	6,869,695
Balances with Central Bank of Sri Lanka	-	-	-	-	-	-	12,709,728	11,193,266	-	-	-	-	12,709,728	11,193,266
Derivative Financial Instruments	-	-	63,252	230,217	-	-	-	-	-	-	-	-	63,252	230,217
Reverse Repurchase Agreements	-	-	-	-	-	-	133,392	10,798	-	-	-	-	133,392	10,798
Financial Assets - Held for Trading	1,946,800	521,389	-	-	-	-	-	-	-	-	-	-	1,946,800	521,389
Other Financial Assets	-	-	-	-	-	-	5,916,623	6,797,607	-	-	-	-	5,916,623	6,797,607
Loans & Receivables to Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and Advances to Customers	-	-	-	-	-	-	209,936,490	186,745,711	-	-	-	-	209,936,490	186,745,711
Financial Investments - Available-for-Sale	-	-	-	-	-	-	-	-	46,392,811	38,852,046	-	-	46,392,811	38,852,046
Financial Assets - Held to Maturity	-	-	-	-	8,648,738	9,950,433	-	-	-	-	-	-	8,648,738	9,950,433
<b>Total Financial Assets</b>	<b>1,946,800</b>	<b>521,389</b>	<b>63,252</b>	<b>230,217</b>	<b>8,648,738</b>	<b>9,950,433</b>	<b>236,635,445</b>	<b>211,617,077</b>	<b>46,392,811</b>	<b>38,852,046</b>	<b>-</b>	<b>-</b>	<b>293,687,046</b>	<b>261,171,162</b>
<b>Liabilities</b>														
Due to Banks	-	-	-	-	-	-	-	-	-	-	7,066,969	10,713,864	7,066,969	10,713,864
Derivative Financial Instruments	-	-	221,618	495,517	-	-	-	-	-	-	-	-	221,618	495,517
Repurchase Agreements	-	-	-	-	-	-	-	-	-	-	8,491,965	11,940,783	8,491,965	11,940,783
Due to Other Customers	-	-	-	-	-	-	-	-	-	-	225,234,654	194,268,995	225,234,654	194,268,995
Debt Issued and Other Borrowed Funds	-	-	-	-	-	-	-	-	-	-	22,775,198	19,737,574	22,775,198	19,737,574
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>221,618</b>	<b>495,517</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>263,568,786</b>	<b>236,661,216</b>	<b>263,790,404</b>	<b>237,156,733</b>

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	
	30.06.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)	30.06.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)
(1) <b>Loans and Receivables To Other Customers</b>				
<b>Gross Loans and Receivables</b>	211,229,363	187,069,652	211,266,606	187,278,521
(Less) : Individual Impairment (Note 3.1)	(1,265,839)	(1,056,964)	(1,265,839)	(1,056,964)
Collective Impairment (Note 3.2)	(2,145,656)	(1,551,951)	(2,145,526)	(1,551,821)
<b>Net Loans and Advances including those designated at Fair Value through Profit or Loss</b>	207,817,868	184,460,737	207,855,241	184,669,736
(Less) : Loans and Advances designated at Fair Value through Profit or Loss	-	-	-	-
<b>Net Loans and Advances</b>	207,817,868	184,460,737	207,855,241	184,669,736
<b>Staff Loans</b>	2,763,156	2,715,078	2,763,156	2,715,078
Less : Allowance for Day 1 Difference	(681,907)	(639,103)	(681,907)	(639,103)
	2,081,249	2,075,975	2,081,249	2,075,975
	209,899,117	186,536,712	209,936,490	186,745,711
(2) <b>Gross Loans and Receivables to Other Customers -By Product</b>				
	30.06.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)	30.06.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)
<b>By Product -Domestic Currency</b>				
Bills of Exchange	41,095	30,611	41,095	30,611
Overdrafts	37,931,173	33,172,123	37,931,173	33,172,123
Term Loans	72,267,327	67,419,567	72,267,327	67,419,567
Staff Loans	2,763,156	2,715,078	2,763,156	2,715,078
Leases	41,690,120	37,258,851	41,690,120	37,258,851
Credit Cards	22,093,587	20,193,297	22,093,587	20,193,297
Pawning Advance	265,860	279,439	265,860	279,439
Corporate Debt Securities	118,352	325,243	118,352	325,243
Housing Loans	3,886,841	3,301,282	3,886,841	3,301,282
Other Advances	11,417,409	9,748,499	11,454,652	9,957,369
<b>Sub Total</b>	192,474,920	174,443,990	192,512,163	174,652,859
<b>By Product -Foreign Currency</b>				
Overdrafts	1,186,717	188,728	1,186,717	188,728
Term Loans	13,958,862	10,111,095	13,958,862	10,111,095
Other Advances	6,372,020	5,040,917	6,372,020	5,040,917
<b>Sub Total</b>	21,517,599	15,340,740	21,517,599	15,340,740
<b>Total</b>	213,992,519	189,784,730	214,029,762	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	
	30.06.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)	30.06.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)
<b>(3.1) Individual Impairment</b>				
<b>Opening Balance</b>	1,056,964	702,650	1,056,964	702,650
Charge/ (Reversal) to Income Statement	260,872	354,314	260,872	354,314
Amounts written off during the Period	(51,997)	-	(51,997)	-
<b>Closing Balance</b>	<b>1,265,839</b>	<b>1,056,964</b>	<b>1,265,839</b>	<b>1,056,964</b>
<b>(3.2) Collective Impairment</b>				
<b>Opening Balance</b>	1,551,951	1,575,427	1,551,821	1,574,878
Charge/ (Reversal) to Income Statement	925,947	729,554	925,947	729,973
Amounts written off during the Period	(332,242)	(753,030)	(332,242)	(753,030)
<b>Closing Balance</b>	<b>2,145,656</b>	<b>1,551,951</b>	<b>2,145,526</b>	<b>1,551,821</b>
<b>Total Impairment</b>	<b>3,411,495</b>	<b>2,608,915</b>	<b>3,411,365</b>	<b>2,608,785</b>

(4) Due to Other Customers -By Product

	Bank		Group	
	30.06.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)	30.06.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)
<b>By Product -Domestic Currency</b>				
Demand Deposits	14,859,065	15,862,077	14,831,921	15,834,353
Savings Deposits	33,194,219	28,955,328	33,194,219	28,955,329
Call Deposits	433,200	54,246	433,200	54,246
Fixed Deposits	144,527,197	124,068,840	144,527,197	124,068,840
Certificate of Deposits	1,374,972	1,851,002	1,374,972	1,851,002
<b>Sub Total</b>	<b>194,388,653</b>	<b>170,791,493</b>	<b>194,361,509</b>	<b>170,763,770</b>
<b>By Product -Foreign Currency</b>				
Demand Deposits	5,975,925	2,163,972	5,975,925	2,163,972
Savings Deposits	8,395,575	7,147,595	8,395,575	7,147,595
Call Deposits	31,691	4,329	31,691	4,329
Fixed Deposits	16,469,954	14,189,329	16,469,954	14,189,329
<b>Sub Total</b>	<b>30,873,145</b>	<b>23,505,225</b>	<b>30,873,145</b>	<b>23,505,225</b>
<b>Total</b>	<b>225,261,798</b>	<b>194,296,718</b>	<b>225,234,654</b>	<b>194,268,995</b>

**DEBENTURE INFORMATION**

The rated unsecured subordinated redeemable debentures 2013/18, 2016/21 and 2018/23 of the Bank are listed in the Colombo Stock Exchange.



Debenture Categories	CSE Listing	Interest Payable Frequency	Balance as at 30.06.2018 Rs. '000	Balance as at 31.12.2017 Rs. '000	Market Values for the Quarter ended 30.06.2018			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 %	30.06.2018 %	31.12.2017 %	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	8.78	8.90	Not traded	
Floating	NTB-BD-08/11/21-C2363	Semi -Annually	2,410	2,410	Not traded during the current period			11.61	11.95	10.01	9.84	Not traded	
Fixed Rate	NTB-BD-08/11/21-C2365-12.65	Semi -Annually	3,885,800	3,885,800	100	100	100	12.65	13.05	10.01	9.84	12.65	12.64
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	10.01	9.84	Not traded	
Fixed Rate	NTB-BD-20/04/23-C2402-12.65	Semi -Annually	2,213,000	-	Not traded during the current period			12.65	13.05	10.43	-	Not traded	
Fixed Rate	NTB-BD-20/04/23-C2401-13	Annually	1,287,000	-	Not traded during the current period			13.00	13.00	10.43	-	Not traded	
<b>Total Debentures</b>			<b>11,500,000</b>	<b>8,000,000</b>									

Ratios of Debt	30.06.2018	31.12.2017
* Debt / Equity Ratio %	77.62%	78.48%
Interest Cover (Times)	4.64	6.31
Quick Asset Ratio	119%	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	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017	30.06.2018	30.06.2017
<b>Operating income</b>	<b>8,832,396</b>	<b>6,691,512</b>	<b>1,276,416</b>	<b>1,072,456</b>	<b>217,402</b>	<b>228,296</b>	<b>(451,976)</b>	<b>(399,181)</b>	<b>9,874,237</b>	<b>7,593,084</b>
Impairment Charge/(Reversal ) for Loans and Receivables	1,186,819	602,186	-	-	-	-	3,098	3,818	1,189,917	606,005
<b>Net Operating income</b>	<b>7,645,577</b>	<b>6,089,326</b>	<b>1,276,416</b>	<b>1,072,456</b>	<b>217,402</b>	<b>228,296</b>	<b>(455,074)</b>	<b>(402,998)</b>	<b>8,684,320</b>	<b>6,987,079</b>
<b>Extracts of results</b>										
Interest Income	14,322,991	10,966,947	2,694,338	2,767,186	29,164	105,927	283,396	(105,202)	17,329,889	13,734,859
Inter Segment	(856,760)	(538,956)	856,760	538,956	-	-	-	-	-	-
Interest Expense	(7,829,734)	(6,476,235)	(2,040,571)	(1,992,630)	(1,086)	(4,984)	(285,811)	33,769	(10,157,201)	(8,440,079)
<b>Net Interest Income</b>	<b>5,636,498</b>	<b>3,951,757</b>	<b>1,510,526</b>	<b>1,313,512</b>	<b>28,078</b>	<b>100,943</b>	<b>(2,414)</b>	<b>(71,433)</b>	<b>7,172,688</b>	<b>5,294,780</b>
Fees and Commission Income	2,859,745	2,458,517	44,006	36,270	192,899	134,610	(234,090)	(158,430)	2,862,559	2,470,966
Fees and Commission Expense	(138,846)	(126,672)	(11,246)	(8,491)	(3,575)	(7,259)	(13,464)	(5,925)	(167,132)	(148,347)
<b>Net Fee and Commission Income</b>	<b>2,720,898</b>	<b>2,331,845</b>	<b>32,760</b>	<b>27,779</b>	<b>189,324</b>	<b>127,351</b>	<b>(247,554)</b>	<b>(164,355)</b>	<b>2,695,427</b>	<b>2,322,619</b>
Net Trading Income	302,166	235,957	(266,870)	(268,835)	-	-	(295,630)	(234,124)	(260,334)	(267,002)
Other Operating Income	172,834	171,954	-	-	-	-	93,622	70,733	266,456	242,687
Depreciation of Property, Plant and Equipment	113,216	117,547	4,341	772	7,601	7,176	75,871	54,960	201,029	180,455
Amortization of Intangible Assets	23,694	16,466	11,489	6,053	1,618	1,618	111,493	110,639	148,294	134,777
Other Expenses										
<b>Segment Profit / (Loss) before Value Added Tax</b>	<b>3,520,748</b>	<b>2,146,312</b>	<b>1,097,023</b>	<b>908,143</b>	<b>174,968</b>	<b>181,119</b>	<b>(910,521)</b>	<b>(258,112)</b>	<b>3,882,216</b>	<b>2,977,463</b>
Value Added Tax & Income Tax Expense					(37,854)	(59,903)	(1,968,993)	(1,489,916)	(2,006,848)	(1,549,819)
<b>Profit for the year</b>	<b>3,520,748</b>	<b>2,146,312</b>	<b>1,097,023</b>	<b>908,143</b>	<b>137,114</b>	<b>121,215</b>	<b>(2,879,515)</b>	<b>(1,748,027)</b>	<b>1,875,368</b>	<b>1,427,644</b>
<b>Capital Expenditures</b>										
Property and Equipment	60,027	56,183	-	173	10,211	3,047	110,487	117,774	180,725	177,177
Other Intangible Assets	48,974	20,695	-	-	-	1,284	49,583	58,756	98,557	80,734
<b>Total Assets</b>	<b>213,655,248</b>	<b>168,861,755</b>	<b>83,324,647</b>	<b>70,704,344</b>	<b>1,011,270</b>	<b>1,830,029</b>	<b>2,840,879</b>	<b>5,864,012</b>	<b>300,832,043</b>	<b>247,260,140</b>
<b>Total Liabilities</b>	<b>227,565,607</b>	<b>170,106,008</b>	<b>38,248,416</b>	<b>53,054,707</b>	<b>95,445</b>	<b>86,476</b>	<b>8,474,124</b>	<b>5,543,686</b>	<b>274,383,591</b>	<b>228,790,877</b>

**NATIONS TRUST BANK PLC**  
As at 30 June 2018

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 Insurance PLC - Equity Fund	19,065,795	8.06%
Bnymсанv 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	2,483,232	1.05%
Mr. Premalal Brahammange	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%
City Bank NewYork S/A Norges Bank Account	1,079,750	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%
E.W. Balasuriya & Co. (Pvt) Ltd	512,999	0.22%
	<b>210,958,659</b>	<b>89.16%</b>
Others	25,640,364	10.84%
<b>Total</b>	<b>236,599,023</b>	<b>100.00%</b>

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%
Bnymсанv 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%
	<b>40,762,173</b>	<b>99.06%</b>
Others	385,940	0.94%
<b>Total</b>	<b>41,148,113</b>	<b>100.00%</b>

	30.06.2018	
	Number	%
Number of shareholders representing the public holding (Voting)	5,850	34.74%
Number of shareholders representing the public holding (Non Voting)	332	11.71%
Compliant under Option 3 - Float Adjusted Market Capitalization	Rs. 7.4 Bn	

**Directors' holding in shares as at 30 June 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
Mr. D.P. De Silva	-	-
Mrs. N. S. Panditaratne	-	-
Mr. C.L.K.P. Jayasuriya	-	-
Mr. J.C.A.D' Souza	-	-
Ms. R.D. Rajapaksa	-	-
Mr. N. I. R. De Mel	-	-

**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 30 June 2018 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 12 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 31 March 2018.
- (6) The Bank 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 approximately 40% of the total impairment provision as per the previously applicable LKAS 39.
- (8) No other material events have taken place since 30 June 2018 that require disclosure or/and adjustments in these accounts and all known expenditure have been provided for in these financial statements.

**The above figures are provisional & subject to audit**

**Nations Trust Bank PLC ("The Company") – Utilization of funds raised via Capital Market as at 30.06.2018**

The utilization of Rs 3.5 billion raised through the issue of debentures on 20 April 2018.

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)	% of utilisation against allocation (B/A)	Clarification if not fully utilized including where the funds are invested
1	Expansion of SME portfolio	2.0Bn	Within 3 to 12 months from date of receipt of cash flows	2.0Bn	57.14%	1.7Bn	85%	Proposed time lines are not yet lapsed & unutilized funds are invested in government securities
2	Expansion of Commercial Banking portfolio	1.5Bn	Within 3 to 12 months from date of receipt of cash flows	1.5Bn	42.86%	1.5Bn	100%	N/A
3	Improve the Tier II capital base thus, increasing the Capital Adequacy Ratio (CAR)	3.5Bn	2 <sup>nd</sup> Quarter 2018	3.5Bn	100%	3.2Bn	91.43%	