



NATIONS TRUST BANK PLC AND ITS SUBSIDIARIES

Company Number PQ 118

**INTERIM FINANCIAL STATEMENTS
For the Nine months ended September 30, 2018**

Nations Trust Bank records a resilient performance

The Bank closed the nine months ending 30th September 2018 with a post-tax profit of Rs. 2,918Mn withstanding multiple challenges as witnessed across the industry with increasing non-performing loans, tightening of liquidity and moderating credit growth which particularly hindered the performance for the quarter. The Bank realigned its resources in a timely manner during the quarter with absolute focus on managing impairment provisions and bottom line growth whilst consolidating growth in selective portfolios.

Net interest income increased by 31% mainly attributable to growth in volumes (up by 26%) as NIMs stabilized and remained on par with the previous period. Interest income recorded a faster growth of 24% resulting from the increased growth in loan volumes and effective pricing of the loan book. Interest expense growth was lower at 19% due to the higher drop in cost of funds in comparison to the previous period. Nevertheless, the Bank noted a gradual rise in its cost of funds with the increasing interest rate environment which prevailed during the third quarter of 2018.

Non fund based income recorded a moderate growth of 16% with trade finance, syndication based facility fees and bancassurance fees contributing to a larger portion of the increase. Net trading losses dropped significantly during the period under review as customer and trading FX reported a higher growth rate coupled with the drop in the SWAP book and the resultant forward premiums.

Impairment charges for the current year increased as some portfolios of the loan book experienced cash flow stresses, which were also seen at an industry level. Bank NPL ratio stood at 3.71% from 2.29% reported in December 2017, mirroring industry trends.

Expenses recorded a growth of 19% which is partly due to investments made in technology, branding and people related skills development and employment engagement activities. Bank expenses pertaining directly to business volume growth were well managed at 10%. Notable increases are also seen in regulatory expenses. On the digital front, the Bank has undertaken a number of initiatives to improve efficiencies thereby re-engineering the opex model with the digitalizing of branch processes, automation of operational processes through Robotic process automations and enhancing the digital footprint across the Bank; all of which have made a considerable impact in generating operational efficiencies. With the Bank reporting a higher growth in revenue of 29%, the operational efficiencies resulted in the Cost: Income ratio decreasing to 47% from 51% reported in the previous period.

Loans and advances recorded a growth of 18% primarily driven by Corporate lending. Deposits recorded a growth of 18% with fixed deposits growing by 25% while CASA recorded a subdued growth of 1%. Furthermore, the Bank continued to diversify its funding base by securing a USD 50 mn funding line from FMO in August 2018.

Commenting on the results and achievements, Renuka Fernando, CEO/Executive Director stated “Our continuous improvement in financial performance demonstrates our core capabilities in steering the Bank during testing times. Managing impairment has been a key area of focus for us during the past few months whereby we have reorganized our collection shops and hope to keep a close watch in the upcoming months and will continue to focus until the stress on selective portfolios stabilise. Our digital transformation journey and investments in business transformational technology will continue to be pivotal strategic focus areas for us in the ensuing months. With the operating environment going through a turbulent phase, we remain focused in achieving our goals set for the year”

NATIONS TRUST BANK PLC
INCOME STATEMENT



	Bank						Group					
	Nine Months ended 30 September			Quarter ended 30 September			Nine Months ended 30 September			Quarter ended 30 September		
	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 (%)
Gross Income	31,668,901	25,687,699	23	11,336,635	9,324,454	22	31,610,097	25,510,687	24	11,411,526	9,329,177	22
Interest Income	26,908,062	21,634,010	24	9,588,866	7,967,071	20	26,922,442	21,737,414	24	9,592,553	8,002,554	20
Less : Interest Expense	(15,911,645)	(13,375,793)	(19)	(5,737,058)	(4,901,766)	(17)	(15,885,096)	(13,333,749)	(19)	(5,727,894)	(4,893,670)	(17)
Net Interest Income	10,996,417	8,258,217	33	3,851,808	3,065,305	26	11,037,346	8,403,665	31	3,864,659	3,108,884	24
Fees and Commission Income	4,307,097	3,740,168	15	1,590,678	1,375,027	16	4,523,094	3,899,829	16	1,660,534	1,428,863	16
Less : Fees and Commission Expense	(258,117)	(213,634)	(21)	(90,985)	(66,043)	(38)	(258,117)	(213,859)	(21)	(90,985)	(65,512)	(39)
Net Fees and Commission Income	4,048,980	3,526,534	15	1,499,693	1,308,984	15	4,264,977	3,685,970	16	1,569,549	1,363,351	15
Net Trading Income / (Expense)	(259,938)	(492,519)	47	396	(225,516)	100	(259,938)	(492,519)	47	396	(225,516)	100
Other Operating Income	713,680	806,040	(11)	156,695	207,872	(25)	424,499	365,963	16	158,043	123,276	28
Total Operating Income	15,499,139	12,098,272	28	5,508,592	4,356,645	26	15,466,884	11,963,079	29	5,592,647	4,369,995	28
Impairment Charge /(Reversal) for Loans and Receivables and Available for Sale on Financial Assets	2,251,088	744,651	(202)	1,061,171	139,196	(662)	2,251,088	745,201	(202)	1,061,171	139,196	(662)
Individual Impairment - Loans and Advances	520,715	205,609	(153)	259,843	93,174	179	520,715	205,609	(153)	259,843	93,174	(179)
Collective Impairment - Loans and Advances	1,721,402	534,092	(222)	795,455	45,803	(1,637)	1,721,402	534,642	(222)	795,455	45,803	(1,637)
Impairment for Other Financial Assets	5,873	-	(100)	5,873	-	(100)	5,873	-	(100)	5,873	-	(100)
Others - Charges Receivable	3,098	4,950	37	-	219	100	3,098	4,950	37	-	219	100
Net Operating Income	13,248,051	11,353,621	17	4,447,421	4,217,449	5	13,215,796	11,217,878	18	4,531,476	4,230,799	7
Less : Expenses												
Personnel Expenses	3,074,439	2,603,071	(18)	1,022,982	923,028	(11)	3,094,668	2,623,843	(18)	1,029,113	930,025	(11)
Depreciation of Property, Plant and Equipment	275,598	260,906	-	93,711	87,627	(7)	296,194	271,749	(9)	95,166	91,294	(4)
Amortization of Intangible Assets	222,892	200,870	(11)	76,215	67,712	(13)	225,319	203,298	(11)	77,024	68,521	(12)
Other Operating Expenses	3,723,808	3,055,611	(22)	1,312,515	1,057,369	(24)	3,688,518	3,055,164	(21)	1,301,292	1,054,598	(23)
Total Operating Expenses	7,296,737	6,120,458	(19)	2,505,423	2,135,736	(17)	7,304,699	6,154,054	(19)	2,502,595	2,144,438	(17)
Operating Profit Before Value Added Tax (VAT) & NBT	5,951,314	5,233,163	14	1,941,998	2,081,713	(7)	5,911,097	5,063,824	17	2,028,881	2,086,361	(3)
Less : Value Added Tax (VAT) & NBT on Financial Services	1,300,004	1,095,451	(19)	423,265	418,643	(1)	1,302,461	1,114,001	(17)	423,793	423,550	(0)
Profit Before Income Tax	4,651,310	4,137,712	12	1,518,733	1,663,070	(9)	4,608,636	3,949,823	17	1,605,088	1,662,811	(3)
Less : Income Tax Expense	1,604,685	1,392,496	(15)	544,707	618,888	12	1,690,075	1,509,495	(12)	561,896	650,127	14
Profit for the Period	3,046,625	2,745,216	11	974,026	1,044,182	(7)	2,918,561	2,440,328	20	1,043,192	1,012,684	3
Earnings Per Share												
Basic / Diluted Earnings Per Share (Rs.)	11.04	11.49	(4)	3.51	4.37	(20)	10.57	10.22	3	3.76	4.24	(11)

NATIONS TRUST BANK PLC
STATEMENT OF COMPREHENSIVE INCOME



	Bank						Group					
	Nine Months ended 30 September			Quarter ended 30 September			Nine Months ended 30 September			Quarter ended 30 September		
	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 (%)
Profit for the period	3,046,625	2,745,216	11	974,026	1,044,182	(7)	2,918,561	2,440,328	20	1,043,192	1,012,684	3
Other Comprehensive Income to be reclassified to profit or loss in subsequent period:												
Net gains / (loss) on re-measuring available-for-sale financial assets	(167,395)	586,457	(129)	(38,764)	301,336	(113)	(167,395)	586,457	(129)	(38,764)	301,336	(113)
Net income tax (charge) / reversal relating to components of re-measuring available-for-sale financial assets	46,871	(164,208)	129	10,854	(84,374)	113	46,871	(164,208)	129	10,854	(84,374)	113
	<u>(120,524)</u>	<u>422,249</u>	(129)	<u>(27,910)</u>	<u>216,962</u>	(113)	<u>(120,524)</u>	<u>422,249</u>	(129)	<u>(27,910)</u>	<u>216,962</u>	(113)
Other Comprehensive Income not to be reclassified to profit or loss in subsequent period:												
Actuarial gain / (loss) on defined benefit plan	1,103	-	100	1,103	-	100	1,103	-	100	1,103	-	100
Net income tax (charge) / reversal relating to components of defined benefit plan	(309)	-	(100)	(309)	-	(100)	(309)	-	(100)	(309)	-	(100)
	<u>794</u>	<u>-</u>	100	<u>794</u>	<u>-</u>	100	<u>794</u>	<u>-</u>	100	<u>794</u>	<u>-</u>	100
Other Comprehensive Income for the Period, Net of Tax	<u>(119,730)</u>	<u>422,249</u>	(128)	<u>(27,116)</u>	<u>216,962</u>	(112)	<u>(119,730)</u>	<u>422,249</u>	(128)	<u>(27,116)</u>	<u>216,962</u>	(112)
Total Comprehensive Income for the Period, Net of Tax	<u>2,926,895</u>	<u>3,167,465</u>	(8)	<u>946,910</u>	<u>1,261,144</u>	(25)	<u>2,798,831</u>	<u>2,862,577</u>	(2)	<u>1,016,076</u>	<u>1,229,646</u>	(17)
Attributable to:												
Equity holders of the parent	<u>2,926,895</u>	<u>3,167,465</u>	(8)	<u>946,910</u>	<u>1,261,144</u>	(25)	<u>2,798,831</u>	<u>2,862,577</u>	(2)	<u>1,016,076</u>	<u>1,229,646</u>	(17)

NATIONS TRUST BANK PLC
STATEMENT OF FINANCIAL POSITION



As at	Bank			Group		
	30.09.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)	Change %	30.09.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)	Change %
On Balance Sheet Assets						
Cash and Cash Equivalents	7,162,631	6,867,222	4	7,162,685	6,869,695	4
Balances with Central Bank of Sri Lanka	14,013,561	11,193,266	25	14,013,561	11,193,266	25
Derivative Financial Instruments	1,068,315	230,217	364	1,068,315	230,217	364
Reverse Repurchase Agreements	1,964,517	10,798	18,093	1,964,517	10,798	18,093
Other Financial Assets Held-for-Trading	967,698	521,389	86	967,698	521,389	86
Other Financial Assets	6,139,448	6,797,607	(10)	6,139,448	6,797,607	(10)
Loans & Receivables to Other Customers	219,530,846	186,536,712	18	219,561,544	186,745,711	18
Financial Investments - Available-for-Sale	53,171,247	38,852,046	37	53,171,247	38,852,046	37
Financial Investments - Held-to-Maturity	8,665,166	9,879,390	(12)	8,738,691	9,950,433	(12)
Investments in Subsidiaries	678,710	678,710	0	-	-	-
Property, Plant & Equipment	2,554,057	2,584,301	(1)	3,359,239	3,363,792	(0)
Intangible Assets	1,094,358	1,148,646	(5)	1,096,840	1,153,552	(5)
Deferred Tax Asset	311,609	692,887	(55)	321,186	694,500	(54)
Other Assets	2,196,682	1,893,474	16	2,234,746	1,940,988	15
Total Assets	319,518,845	267,886,665	19	319,799,717	268,323,994	19
On Balance Sheet Liabilities						
Due to Banks	6,205,986	10,713,864	(42)	6,205,986	10,713,864	(42)
Derivative Financial Instruments	263,449	495,517	(47)	263,449	495,517	(47)
Repurchase Agreements	12,878,091	12,319,188	5	12,819,034	11,940,783	7
Due to Other Customers	229,227,940	194,296,718	18	228,872,944	194,268,995	18
Other Borrowings	19,996,029	11,662,223	71	19,996,029	11,662,223	71
Current Tax Liabilities	1,246,113	803,249	55	1,263,068	847,501	49
Deferred Tax Liabilities	2,038,850	2,430,399	(16)	2,138,402	2,522,429	(15)
Other Liabilities	8,701,579	6,282,421	39	8,745,755	6,327,290	38
Subordinated Term Debts	12,030,521	8,075,351	49	12,030,521	8,075,351	49
Total Liabilities	292,588,558	247,078,930	18	292,335,188	246,853,953	18
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	16,292,325	13,813,403	18	16,588,507	14,237,649	17
Revaluation Reserve	674,631	674,631	0	912,691	912,691	0
AFS Reserve	87,076	207,600	(58)	87,076	207,600	(58)
Total Shareholders' Equity	26,930,287	20,807,735	29	27,464,529	21,470,041	28
Total Equity and Liabilities	319,518,845	267,886,665	19	319,799,717	268,323,994	19
Contingent Liabilities and Commitments	182,879,242	173,677,294	5	182,894,425	172,133,465	6
Memorandum Information						
Number of Employees	3,104	2,921		3,127	2,943	
Number of Branches	93	93		93	93	
Number of Off-Site ATMs	44	42		44	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

01 November 2018
Colombo

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

Item	Bank		Group	
	30.09.2018	31.12.2017	30.09.2018	31.12.2017
Regulatory Capital (LKR '000)		(Audited)		(Audited)
Common Equity Tier 1	22,029,336	18,070,743	22,189,529	18,489,947
Tier 1 Capital	22,029,336	18,070,743	22,189,529	18,489,947
Total Capital	29,773,442	23,305,824	29,933,636	23,725,029
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 5.75%) (Minimum Requirement - 6.375%)	10.77%	10.58%	10.87%	10.83%
Tier 1 Capital Ratio (Minimum Requirement - 7.25%) (Minimum Requirement - 7.875%)	10.77%	10.58%	10.87%	10.83%
Total Capital Ratio (Minimum Requirement - 11.25%) (Minimum Requirement - 11.875%)	14.56%	13.64%	14.66%	13.89%
Assets Quality (Quality of Loan Portfolio)				
Gross Non-Performing Advances Ratio, % (net of interest in suspense)	3.71%	2.29%	3.71%	2.29%
Net-Non Performing Advances, % (net of interest in suspense and provision)	1.62%	0.71%	1.62%	0.71%
Profitability				
Interest Margin, %	5.00%	5.00%	-	-
Return on Assets (before Tax), %	2.11%	2.55%	2.09%	2.22%
Return on Equity, %	16.49%	24.08%	15.47%	17.84%
Regulatory Liquidity				
Statutory Liquid Assets, Rs. '000	64,927,580	48,666,095		
Statutory Liquid Assets Ratio, % (Minimum Requirement, 20%)				
Domestic Banking Unit	23.09%	21.13%		
Off-Shore Banking Unit	22.76%	21.81%		
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 80%)		437.86%		
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 90%)	303.51%			
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement - 80%)		204.73%		
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement - 90%)	247.53%			
Net Assets Value Per Share (Rs.)	96.96	87.94	98.88	90.74
Market Price Per Share (Rs.)	30.09.2018	30.09.2017		
	(Quarter ended)	(Quarter ended)		
Highest - Voting	92.00	81.00		
- Non Voting	94.90			
Lowest - Voting	86.00	77.00		
- Non Voting	90.00			
Last Traded Price - Voting	88.90	80.00		
- Non Voting	90.00			

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	-	2,745,216	-	-	-	2,745,216
Other Comprehensive Income	-	-	-	422,249	-	422,249
Total Comprehensive Income	-	2,745,216	-	422,249	-	3,167,465
Dividend paid for 2016	-	(484,275)	-	-	-	(484,275)
As at 30 September 2017	5,101,369	12,522,345	-	244,171	796,400	18,664,286
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	-	3,046,625	-	-	-	3,046,625
Other Comprehensive Income	-	794	-	(120,524)	-	(119,730)
Total Comprehensive Income	-	3,047,419	-	(120,524)	-	2,926,895
Scrip Dividend paid for 2017	555,705	(568,497)	-	-	-	(12,792)
Rights Issue	3,208,449	-	-	-	-	3,208,449
As at 30 September 2018	8,865,523	16,292,325	674,631	87,076	1,010,732	26,930,287
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	-	2,440,328	-	-	-	2,440,328
Other Comprehensive Income	-	-	-	422,249	-	422,249
Total Comprehensive Income	-	2,440,328	-	422,249	-	2,862,577
Dividend paid for 2016	-	(484,275)	-	-	-	(484,275)
As at 30 September 2017	5,101,369	13,556,965	-	244,171	796,400	19,698,906
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	-	2,918,561	-	-	-	2,918,561
Other Comprehensive Income	-	794	-	(120,524)	-	(119,730)
Total Comprehensive Income	-	2,919,355	-	(120,524)	-	2,798,831
Scrip Dividend paid for 2017	555,705	(568,497)	-	-	-	(12,792)
Rights Issue	3,208,449	-	-	-	-	3,208,449
As at 30 September 2018	8,865,523	16,588,507	912,691	87,076	1,010,732	27,464,529

Statement of Cash Flows

	Bank		Group	
	Nine Months ended 30 September		Nine Months ended 30 September	
	2018	2017	2018	2017
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash Flows from Operating Activities				
Receipts of Interest Income	27,430,152	21,294,515	27,436,959	21,483,604
Receipts of Fees and Commission Income	4,550,867	3,454,596	4,767,473	3,614,278
Payments of Interest Expense	(14,084,356)	(11,712,866)	(14,063,715)	(11,764,803)
Payments of Fees and Commission Expense	(254,263)	(213,634)	(254,263)	(203,286)
Net Trading Income	(1,311,937)	(16,301)	(1,311,937)	(16,301)
Receipts from Other Operating Income	713,272	806,016	424,093	743,955
Gratuity Payments Made	(41,310)	(30,208)	(41,310)	(30,208)
Payments for Operating Expenses	(7,993,564)	(6,822,673)	(7,975,984)	(6,855,904)
Net Cash Flow from Operating Activities before Income Tax (A)	9,008,861	6,759,446	8,981,316	6,971,334
Income Tax paid	(1,012,390)	(705,353)	(1,082,885)	(828,726)
Operating Profit before Changes in Operating Assets and Liabilities	7,996,471	6,054,093	7,898,431	6,142,608
(Increase)/Decrease in Operating Assets				
Reverse Repurchase Agreements	(1,951,350)	(2,989,070)	(1,951,350)	(3,758,256)
Financial Investments - Held for Trading	(444,500)	1,097,000	(444,500)	1,097,000
Financial Investments - Held to Maturity	1,150,000	2,971,962	1,150,000	2,970,802
Financial Investments - Available for Sale	(15,833,045)	(13,505,222)	(15,833,045)	(13,505,222)
Other Financial Assets	634,750	79,980	634,750	415,565
Loans & Receivables to Other Customers	(34,673,271)	(26,956,313)	(34,494,974)	(27,084,685)
Other Assets	(245,191)	4,871	(239,060)	(258)
(Increase)/Decrease in Operating Assets	(51,362,607)	(39,296,792)	(51,178,179)	(39,865,054)
Increase/(Decrease) in Operating Liabilities				
Repurchase Agreements	607,804	4,760,476	926,918	5,413,484
Due to Other Customers	34,227,177	31,318,116	33,906,047	31,318,116
Other Liabilities	2,224,744	(214,280)	2,215,177	(658,591)
Increase/(Decrease) in Operating Liabilities	37,059,725	35,864,312	37,048,142	36,073,009
Net Cash Flows from Operating Activities	(6,306,411)	2,621,613	(6,231,605)	2,350,563
Cash Flows from Investing Activities				
Purchase of Property, Plant and Equipment	(268,768)	(328,997)	(315,058)	(332,459)
Proceeds from Sale of Property, Plant and Equipment and Intangible Assets	23,821	23	25,169	23
Purchase of Intangible Assets	(168,602)	(113,302)	(168,602)	(113,302)
	(413,549)	(442,276)	(458,491)	(445,738)
Cash Flows from Financing Activities				
Net change in Debt issued and other Borrowed Funds	6,458,334	2,771,414	6,458,334	2,975,539
Proceeds from Rights Issue	3,208,449	-	3,208,449	-
Interest paid on Subordinated Debt	(437,293)	(634,941)	(437,293)	(634,941)
Dividends paid to Equity Holders of the Parent	(12,792)	(484,275)	(45,074)	(484,275)
	9,216,698	1,652,198	9,184,416	1,856,323
Net Increase in Cash and Cash Equivalents	2,496,738	3,831,535	2,494,320	3,761,148
Cash and Cash Equivalents at the beginning of the period	17,914,449	12,604,514	17,916,922	12,674,955
Cash and Cash Equivalents at the end of the period	20,411,187	16,436,049	20,411,242	16,436,103
Reconciliation of Cash and Cash Equivalents				
Cash on Hand	5,552,395	3,988,128	5,552,418	3,988,150
Statutory Deposit with the Central Bank of Sri Lanka	14,013,561	11,008,732	14,013,561	11,008,732
Balances with Banks	1,435,119	537,368	1,435,151	537,400
Money at Call and Short Notice	175,117	1,321,291	175,117	1,321,291
Deposits from Other Banks	(765,005)	(419,470)	(765,005)	(419,470)
	20,411,187	16,436,049	20,411,242	16,436,103
A. Reconciliation of Operating Profit				
Profit before Taxation	4,651,310	4,137,712	4,608,636	3,949,823
(Profit) / Loss on disposal of Property, Plant and Equipment and Intangible Assets	(407)	(23)	(407)	(23)
Impairment charge / (Reversal) for Loans and Receivables	2,251,088	744,652	2,251,088	745,202
Provision for Gratuity	84,350	66,284	84,951	67,312
(Increase) / Decrease in Interest Receivable	1,208,909	(385,814)	1,206,433	(387,048)
Increase/ (Decrease) in Interest Payable	1,366,049	1,027,986	1,360,141	1,027,848
Increase / (Decrease) in Financial Guarantee Liabilities & Deferred Income	243,770	(1,242)	243,770	(1,242)
Increase / (Decrease) in Fees & Commission and Operating Expenses Payable	(91,385)	(127,485)	(87,008)	(127,482)
Other Non cash items	(1,100,806)	692,641	(1,082,271)	1,092,211
Interest paid on Subordinated Debt	437,293	634,941	437,293	634,941
Gratuity Payments Made	(41,310)	(30,208)	(41,310)	(30,208)
	9,008,861	6,759,446	8,981,316	6,971,334

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	
	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017
BANK														
Rs. '000	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017
Assets														
Cash and Cash Equivalents	-	-	-	-	-	-	7,162,631	6,867,222	-	-	-	-	7,162,631	6,867,222
Balances with Central Bank of Sri Lanka	-	-	-	-	-	-	14,013,561	11,193,266	-	-	-	-	14,013,561	11,193,266
Derivative Financial Instruments	-	-	1,068,315	230,217	-	-	-	-	-	-	-	-	1,068,315	230,217
Reverse Repurchase Agreements	-	-	-	-	-	-	1,964,517	10,798	-	-	-	-	1,964,517	10,798
Financial Assets - Held for Trading	967,698	521,389	-	-	-	-	-	-	-	-	-	-	967,698	521,389
Other Financial Assets	-	-	-	-	-	-	6,139,448	6,797,607	-	-	-	-	6,139,448	6,797,607
Loans & Receivables to Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans & Receivables to Other Customers	-	-	-	-	-	-	219,530,846	186,536,712	-	-	-	-	219,530,846	186,536,712
Financial Investments - Available-for-Sale	-	-	-	-	-	-	-	-	53,171,247	38,852,046	-	-	53,171,247	38,852,046
Financial Assets - Held to Maturity	-	-	-	-	8,665,166	9,879,390	-	-	-	-	-	-	8,665,166	9,879,390
Total Financial Assets	967,698	521,389	1,068,315	230,217	8,665,166	9,879,390	248,811,004	211,405,606	53,171,247	38,852,046	-	-	312,683,431	260,888,648
Liabilities														
Due to Banks	-	-	-	-	-	-	-	-	-	-	6,205,986	10,713,864	6,205,986	10,713,864
Derivative Financial Instruments	-	-	263,449	495,517	-	-	-	-	-	-	-	-	263,449	495,517
Repurchase Agreements	-	-	-	-	-	-	-	-	-	-	12,878,091	12,319,188	12,878,091	12,319,188
Due to Other Customers	-	-	-	-	-	-	-	-	-	-	229,227,940	194,296,718	229,227,940	194,296,718
Debt Issued and Other Borrowed Funds	-	-	-	-	-	-	-	-	-	-	32,026,549	19,737,574	32,026,549	19,737,574
Total Financial Liabilities	-	-	263,449	495,517	-	-	-	-	-	-	280,338,567	237,067,344	280,602,016	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	
	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017
Rs. '000	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017	30.09.2018	31.12.2017
Assets														
Cash and Cash Equivalents	-	-	-	-	-	-	7,162,685	6,869,695	-	-	-	-	7,162,685	6,869,695
Balances with Central Bank of Sri Lanka	-	-	-	-	-	-	14,013,561	11,193,266	-	-	-	-	14,013,561	11,193,266
Derivative Financial Instruments	-	-	1,068,315	230,217	-	-	-	-	-	-	-	-	1,068,315	230,217
Reverse Repurchase Agreements	-	-	-	-	-	-	1,964,517	10,798	-	-	-	-	1,964,517	10,798
Financial Assets - Held for Trading	967,698	521,389	-	-	-	-	-	-	-	-	-	-	967,698	521,389
Other Financial Assets	-	-	-	-	-	-	6,139,448	6,797,607	-	-	-	-	6,139,448	6,797,607
Loans & Receivables to Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and Advances to Customers	-	-	-	-	-	-	219,561,544	186,745,711	-	-	-	-	219,561,544	186,745,711
Financial Investments - Available-for-Sale	-	-	-	-	-	-	-	-	53,171,247	38,852,046	-	-	53,171,247	38,852,046
Financial Assets - Held to Maturity	-	-	-	-	8,738,691	9,950,433	-	-	-	-	-	-	8,738,691	9,950,433
Total Financial Assets	967,698	521,389	1,068,315	230,217	8,738,691	9,950,433	248,841,756	211,617,078	53,171,247	38,852,046	-	-	312,787,708	261,171,164
Liabilities														
Due to Banks	-	-	-	-	-	-	-	-	-	-	6,205,986	10,713,864	6,205,986	10,713,864
Derivative Financial Instruments	-	-	263,449	495,517	-	-	-	-	-	-	-	-	263,449	495,517
Repurchase Agreements	-	-	-	-	-	-	-	-	-	-	12,819,034	11,940,783	12,819,034	11,940,783
Due to Other Customers	-	-	-	-	-	-	-	-	-	-	228,872,944	194,268,995	228,872,944	194,268,995
Debt Issued and Other Borrowed Funds	-	-	-	-	-	-	-	-	-	-	32,026,549	19,737,574	32,026,549	19,737,574
Total Financial Liabilities	-	-	263,449	495,517	-	-	-	-	-	-	279,924,514	236,661,217	280,187,964	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	
	30.09.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)	30.09.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)
(1) Loans and Receivables To Other Customers				
Gross Loans and Receivables	222,268,465	187,069,652	222,299,033	187,278,521
(Less) : Individual Impairment (Note 3.1)	(1,525,682)	(1,056,964)	(1,525,682)	(1,056,964)
Collective Impairment (Note 3.2)	(2,706,866)	(1,551,951)	(2,706,736)	(1,551,821)
Net Loans and Advances including those designated at Fair Value through Profit or Loss	218,035,917	184,460,737	218,066,615	184,669,736
(Less) : Loans and Advances designated at Fair Value through Profit or Loss	-	-	-	-
Net Loans and Advances	218,035,917	184,460,737	218,066,615	184,669,736
Staff Loans	2,223,587	2,715,078	2,223,587	2,715,078
Less : Allowance for Day 1 Difference	(728,658)	(639,103)	(728,658)	(639,103)
	1,494,929	2,075,975	1,494,929	2,075,975
	219,530,846	186,536,712	219,561,544	186,745,711
(2) Gross Loans and Receivables to Other Customers -By Product				
	30.09.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)	30.09.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)
By Product -Domestic Currency				
Bills of Exchange	30,752	30,611	30,752	30,611
Overdrafts	41,905,098	33,172,123	41,905,098	33,172,123
Term Loans	75,141,939	67,419,567	75,141,939	67,419,567
Staff Loans	2,223,587	2,715,078	2,223,587	2,715,078
Leases	43,497,999	37,258,851	43,497,999	37,258,851
Credit Cards	23,061,119	20,193,297	23,061,119	20,193,297
Pawning Advance	290,446	279,439	290,446	279,439
Corporate Debt Securities	47,727	325,243	47,727	325,243
Housing Loans	4,332,850	3,301,282	4,332,850	3,301,282
Other Advances	9,667,266	9,748,499	9,697,834	9,957,369
Sub Total	200,198,783	174,443,990	200,229,351	174,652,859
By Product -Foreign Currency				
Overdrafts	1,344,363	188,728	1,344,363	188,728
Term Loans	15,885,581	10,111,095	15,885,581	10,111,095
Other Advances	7,063,325	5,040,917	7,063,325	5,040,917
Sub Total	24,293,269	15,340,740	24,293,269	15,340,740
Total	224,492,052	189,784,730	224,522,620	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	
	30.09.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)	30.09.2018 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	520,715	354,314	520,715	354,314
Amounts written off during the Period	(51,997)	-	(51,997)	-
Closing Balance	1,525,682	1,056,964	1,525,682	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	1,721,402	729,554	1,721,402	729,973
Amounts written off during the Period	(566,487)	(753,030)	(566,487)	(753,030)
Closing Balance	2,706,866	1,551,951	2,706,736	1,551,821
Total Impairment	4,232,548	2,608,915	4,232,418	2,608,785

(4) Due to Other Customers -By Product

	Bank		Group	
	30.09.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)	30.09.2018 Rs. '000	31.12.2017 Rs. '000 (Audited)
By Product -Domestic Currency				
Demand Deposits	13,914,244	15,862,077	13,900,890	15,834,353
Savings Deposits	31,646,351	28,955,328	31,646,351	28,955,329
Call Deposits	65,014	54,246	65,014	54,246
Fixed Deposits	156,084,035	124,068,840	155,742,393	124,068,840
Certificate of Deposits	601,957	1,851,002	601,957	1,851,002
Sub Total	202,311,601	170,791,493	201,956,605	170,763,770
By Product -Foreign Currency				
Demand Deposits	1,690,833	2,163,972	1,690,833	2,163,972
Savings Deposits	7,513,480	7,147,595	7,513,480	7,147,595
Call Deposits	11,222	4,329	11,222	4,329
Fixed Deposits	17,700,804	14,189,329	17,700,804	14,189,329
Sub Total	26,916,339	23,505,225	26,916,339	23,505,225
Total	229,227,940	194,296,718	228,872,944	194,268,995

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 30.09.2018 Rs. '000	Balance as at 31.12.2017 Rs. '000	Market Values for the Quarter ended 30.09.2018			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 %	30.09.2018 %	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	8.56	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	10.45	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	10.45	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	10.45	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	10.63	-	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	10.63	-	Not traded	
Total Debentures			11,500,000	8,000,000									

Ratios of Debt	30.09.2018	31.12.2017
* Debt / Equity Ratio %	109.11%	78.48%
Interest Cover (Times)	4.36	6.31
Quick Asset Ratio	122%	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	
	30.09.2018	30.09.2017	30.09.2018	30.09.2017	30.09.2018	30.09.2017	30.09.2018	30.09.2017	30.09.2018	30.09.2017
Operating income	13,799,742	10,596,584	1,988,641	1,605,680	323,050	337,385	(644,549)	(576,569)	15,466,884	11,963,079
Impairment Charge/(Reversal) for Loans and Receivables	2,253,314	745,212	-	-	-	-	(2,226)	(11)	2,251,088	745,201
Net Operating income	11,546,428	9,851,372	1,988,641	1,605,680	323,050	337,384	(642,323)	(576,558)	13,215,796	11,217,879
Extracts of results										
Interest Income	22,290,292	17,262,269	4,887,402	4,454,322	42,441	149,717	(297,693)	(128,894)	26,922,442	21,737,414
Inter Segment	(1,448,793)	(905,938)	1,448,793	905,938	-	-	-	-	-	-
Interest Expense	(12,028,483)	(10,122,689)	(4,135,202)	(3,245,597)	(1,512)	(5,194)	280,102	39,731	(15,885,096)	(13,333,749)
Net Interest Income	8,813,015	6,233,641	2,200,993	2,114,664	40,929	144,523	(17,591)	(89,163)	11,037,346	8,403,665
Fees and Commission Income	4,353,783	3,862,683	70,306	-	286,094	203,810	(187,089)	(166,664)	4,523,094	3,899,829
Fees and Commission Expense	(219,156)	(179,306)	(16,183)	(13,559)	(5,322)	(10,950)	(17,455)	(10,045)	(258,117)	(213,859)
Net Fee and Commission Income	4,134,626	3,683,377	54,122	(13,559)	280,773	192,860	(204,544)	(176,709)	4,264,977	3,685,970
Net Trading Income	435,907	348,070	(266,474)	(495,425)	-	-	(429,371)	(345,163)	(259,938)	(492,519)
Other Operating Income	416,194	331,496	-	-	1,348	-	6,957	34,468	424,499	365,963
Depreciation of Property, Plant and Equipment	167,763	173,377	6,481	1,178	11,766	10,843	110,184	86,351	296,194	271,749
Amortization of Intangible Assets	37,497	22,527	17,232	9,080	2,427	2,427	168,163	169,263	225,319	203,298
Other Expenses										
Segment Profit / (Loss) before Value Added Tax	5,232,059	3,885,150	1,713,641	1,355,699	259,141	270,364	(1,293,744)	(447,389)	5,911,097	5,063,824
Value Added Tax & Income Tax Expense					(55,567)	(86,974)	(2,936,970)	(2,536,522)	(2,992,536)	(2,623,496)
Profit for the year	5,232,059	3,885,150	1,713,641	1,355,699	203,574	183,390	(4,230,713)	(2,983,911)	2,918,561	2,440,328
Capital Expenditures										
Property and Equipment	119,120	120,712	-	910	28,822	3,047	167,116	207,789	315,058	332,459
Other Intangible Assets	84,791	116,625	-	-	-	1,284	83,811	(4,607)	168,602	113,302
Total Assets	224,012,957	175,578,434	91,822,963	70,942,417	1,049,368	1,816,406	2,914,429	7,189,072	319,799,717	255,526,330
Total Liabilities	232,556,499	178,053,544	50,260,277	51,015,605	67,083	104,352	9,451,328	6,653,922	292,335,188	235,827,424

NATIONS TRUST BANK PLC
FOR THE PERIOD ENDED 30 September 2018

Twenty largest Shareholders

Name of the Shareholder	Voting Shares	
	No. of Shares	%
John Keells Holdings PLC	47,320,605	19.92%
HWIC Asia Fund	35,641,831	15.00%
Central Finance Company PLC A/C No 03	23,612,729	9.94%
Mackinnons Keells Limited.	23,423,698	9.86%
Janashakthi Insurance PLC - Equity Fund	19,065,795	8.02%
Bnymсанv Re-First State Investments Icvc-Stewart Investors Asia Pacific Fund	15,788,969	6.64%
CF Insurance Brokers (Pvt) Ltd	11,894,248	5.01%
CF Growth Fund Ltd A/C No.01	11,813,621	4.97%
Janashakthi Insurance PLC (Policy Holders)	4,197,467	1.77%
Hatton National Bank PLC A/C No 1	3,799,827	1.60%
Rubber Investment Trust Limited A/C # 01	2,887,165	1.22%
Mr. M.F. Hashim	2,668,324	1.12%
Mr. Premalal Brahammanage	2,105,399	0.89%
City Bank NewYork S/A Norges Bank Account 02	1,784,581	0.75%
Mr. N.R. Somaiya	1,354,957	0.57%
Timex Garments (Pvt) Ltd	1,270,662	0.53%
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	0.40%
E.W. Balasuriya & Co. (Pvt) Ltd	602,215	0.25%
	212,308,078	89.35%
Others	25,304,110	10.65%
Total	237,612,188	100.00%

Name of the Shareholder	Non Voting Shares	
	No. of Shares	%
John Keells Holdings PLC	14,506,193	36.14%
Central Finance Company PLC A/C No 03	7,184,555	17.90%
HWIC Asia Fund	6,020,803	15.00%
Mackinnons Keells Limited.	4,073,686	10.15%
Bnymсанv Re-First State Investments Icvc-Stewart Investors Asia Pacific Fund	2,745,907	6.84%
CF Insurance Brokers (Pvt) Ltd	2,068,564	5.15%
CF Growth Fund Ltd A/C No.01	2,054,542	5.12%
Mr. S. G. H. I. Jafferjee	410,399	1.02%
Mr. H. N.Esufally	311,066	0.78%
Mr. M. A. H.Esufally	205,199	0.51%
Mr. D.J.M. Blackler	128,249	0.32%
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%
Mr. S. J. Hirdaramani	17,843	0.04%
Mr. A. K. L. Hirdaramani	15,502	0.04%
Mr. D. C. Fernando	15,181	0.04%
Vinik (Pvt) Ltd	12,489	0.03%
	39,936,840	99.51%
Others	198,108	0.49%
Total	40,134,948	100.00%

	30.09.2018	
	Number	%
Number of shareholders representing the public holding (Voting)	5,762	35.02%
Number of shareholders representing the public holding (Non Voting)	273	10.46%
Compliant under Option 3 - Float Adjusted Market Capitalization	Rs. 7.4 Bn	

Directors' holding in shares as at 30 September 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. A. Jafferjee	422,283	-
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	-	-

NATIONS TRUST BANK PLC



Explanatory Notes:

- (1) The Group figures include those of the Subsidiaries, Waldock Mackenzie Limited, Allied Properties Limited and Nations Insurance Brokers Limited.
- (2) These Financial Statements are prepared in accordance with Sri Lanka Accounting Standards (SLFRS / LKASs) and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange and the Directions issued by the Central Bank of Sri Lanka. Comparative figures have been remeasured / reclassified where necessary to comply with the Central Bank guidelines and SLFRS / LKASs.
- (3) These Interim financial statements are presented in accordance with LKAS 34 - Interim Financial Reporting and there are no changes to the accounting policies and methods of computation as against those disclosed in the Annual Report for the year ended 31 December 2017.
- (4) There are no material changes to contingent assets and liabilities since 30 September 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 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.
- (7) No other material events have taken place since 30 September 2018 that require disclosure or/and adjustments in these accounts and all known expenditure have been provided for in these financial statements.
- (8) The above figures are provisional & subject to audit.

Nations Trust Bank PLC ("The Company") – Utilization of funds raised via Capital Market as at 30.09.2018

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%	2.0Bn	100%	N/A
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 nd Quarter 2018	3.5Bn	100%	3.5Bn	100%	