

Template 1 Key Regulatory Ratios - Capital and Liquidity

	2019	2018
	As at 31 December	As at 31 December
Regulatory Capital Adequacy *		
Common Equity Tier 1, Rs. '000	57,269,332	51,903,569
Tier 1 Capital, Rs. '000	57,269,332	51,903,569
Total Capital, Rs. '000	59,488,702	52,953,334
Common Equity Tier 1 Capital Ratio, as % of Risk Weighted Assets (Minimum Requirement, 7.00%)	16.85%	15.16%
Tier 1 Capital Ratio, as % of Risk Weighted Assets (Minimum Requirement, 8.50%)	16.85%	15.16%
Total Capital Ratio, as % of Risk Weighted Assets (Minimum Requirement, 12.50%)	17.51%	15.47%

	2019	2018
	As at 31 December	As at 31 December
Regulatory Liquidity		
Statutory Liquid Assets, Rs. '000		
Domestic Banking Unit	107,235,873	115,206,461
Off-Shore Banking Unit	77,675,082	70,115,622
Statutory Liquid Assets Ratio, % (Minimum Requirement, 20%)		
Domestic Banking Unit	50.14%	54.33%
Off-Shore Banking Unit	44.69%	39.38%
Total Stock of High-Quality Liquid Assets		
Rupee	78,954,845	57,248,247
All currency	79,078,821	57,360,923
Liquidity Coverage Ratio (%) - Rupee (Minimum Requirement 2019 - 100%; 2018 - 90%)	231.15%	150.18%
Liquidity Coverage Ratio (%) - All currency (Minimum Requirement 2019 - 100%; 2018 - 90%)	360.57%	275.03%
Leverage Ratio (%) (Minimum Requirement 3%)	9.53%	8.45%
Net Stable Funding Ratio (%) (Minimum Requirement 100%)	121.44%	119.09%

Template 2 Computation of capital adequacy ratio

Item	Amount as at Dec 2019 (LKR '000)
Common Equity Tier 1 (CET1) Capital after Adjustments	57,269,332
Total Common Equity Tier 1 (CET1) Capital	57,233,678
Equity capital or stated capital/assigned capital	3,152,358
Reserve fund	2,598,157
Published retained earnings/(accumulated retained losses)	43,141,527
Accumulated other comprehensive income (OCI)	5,203,062
General and other disclosed reserves	3,138,576
Total Adjustments to CET1 Capital	(35,654)
Amount due to head office & branches outside Sri Lanka in Sri Lanka Rupees	(35,654)
Tier 2 Capital after Adjustments	2,219,370
Total Tier 2 Capital	2,219,370
Revaluation gains	1,040,765
General provisions	1,169,605
Total Adjustments to Tier 2 Capital	-
Total Tier 1 Capital	57,269,332
Total Capital	59,488,702
Total Risk Weighted Assets (RWA)	339,835,332
RWAs for Credit Risk	296,511,881
RWAs for Market Risk	15,671,112
RWAs for Operational Risk	27,652,339
CET1 Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	16.85%
of which: Capital Conservation Buffer (%)	1.25%
of which: Countercyclical Buffer (%)	-
of which: Capital Surcharge on D-SIBs (%)	-
Total Tier 1 Capital Ratio (%)	16.85%
Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	17.51%
of which: Capital Conservation Buffer (%)	1.25%
of which: Countercyclical Buffer (%)	-
of which: Capital Surcharge on D-SIBs (%)	-

Template 3 Computation of Leverage Ratio

Item	Amount in LKR '000's	
	As at Dec 2019	As at Dec 2018
Tier 1 Capital	50,097,072	44,114,425
Total Exposures	525,634,765	521,986,088
On Balance Sheet Items (Excluding Derivatives and Securities Financing Transactions, but including Collateral)	468,152,506	467,979,731
Derivative Exposures	2,434,714	8,570,101
Securities Financing Transaction Exposures	-	-
Other Off-Balance Sheet Exposures	55,047,544	45,436,256
Basel III Leverage Ratio	9.53%	8.45%

Template 4 Computation of Liquidity Coverage Ratio (All Currency)

Item	Amount (LKR'000)		Amount (LKR'000)	
	31-Dec-19		31-Dec-18	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)	79,343,979	79,078,821	57,360,923	57,360,923
Total Adjusted Level 1A Assets	79,343,979	79,343,979	57,307,146	57,307,146
Level 1 Assets	79,078,821	79,078,821	57,360,923	57,360,923
Total Adjusted Level 2A Assets	-	-	-	-
Level 2A Assets	-	-	-	-
Total Adjusted Level 2B Assets	-	-	-	-
Level 2B Assets	-	-	-	-
Total Cash Outflows	361,498,492	87,727,646	537,749,918	83,424,510
Deposits	107,351,212	10,735,121	104,820,995	10,482,100
Unsecured Wholesale Funding	124,316,603	58,174,109	140,386,559	54,754,820
Secured Funding Transactions	4,000,000	-	8,686,934	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	114,631,185	7,618,924	268,946,657	3,278,817
Additional Requirements	11,199,492	11,199,492	14,908,773	14,908,773
Total Cash Inflows	74,931,778	72,594,388	121,215,816	74,219,611
Maturing Secured Lending Transactions Backed by Collateral	-	-	-	-
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing within 30 Days	51,249,544	66,247,142	82,923,001	66,154,351
Operational Deposits	11,293,272	-	22,970,952	-
Other Cash Inflows	12,388,962	6,347,246	15,321,863	8,065,260
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days) *	100	360.57%	100	275.03%

Template 7 Credit Risk under standardised approach - credit risk exposures and credit risk mitigation (CRM) effects

Asset Class	Amount (LKR'000) as at 31 December 2019					
	Exposures before Credit Conversion		Exposures post CCF and CRM		RWA and RWA Density (%)	
	On-Balance Sheet Amount	Off-Balance Sheet Amount	On-Balance Sheet Amount	Off-Balance Sheet Amount	RWA	RWA Density(i)
Claims on Central Government and CBSL	125,445,644	12,700,100	125,445,644	471,718	6,332,842	5.03%
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-
Claims on Public Sector Entities	-	-	-	-	-	-
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	-
Claims on Banks Exposures	6,650,451	110,106,582	6,650,451	27,546,774	13,823,145	40.42%
Claims on Financial Institutions	2,300,000	1,725,044	2,300,000	53,518	1,176,759	50.00%
Claims on Corporates	210,613,409	198,352,071	210,310,636	30,104,141	231,398,836	96.25%
Retail Claims	45,796,209	48,971,840	38,700,889	69,704	29,311,904	75.60%
Claims Secured by Residential Property	2,871,793	-	2,871,793	-	2,871,793	100.00%
Claims Secured by Commercial Real Estate	-	-	-	-	-	-
Non-Performing Assets (NPAs)	358,639	-	358,639	-	366,112	102.08%
Higher-risk Categories	-	-	-	-	-	-
Cash Items and Other Assets	13,338,198	-	13,338,198	-	11,230,493	84.20%
Total	407,374,342	371,855,636	399,976,249	58,245,855	296,511,881	

Note : RWA Density = Total RWA/Exposures post CCF and CRM

Template 8 Credit risk under standardised approach exposures by asset classes and risk weights

Description	Amount (LKR'000) as at 31 December 2019 (Post CCF & CRM)							Total Credit Exposures Amount		
	Weight	Risk Asset classes	0%	20%	50%	75%	100%		150%	>150%
Claims on Central Government and Central Bank of Sri Lanka			94,253,154	31,664,208	-	-	-	-	-	125,917,362
Claims on Foreign Sovereigns and their Central Banks			-	-	-	-	-	-	-	-
Claims on Public Sector Entities			-	-	-	-	-	-	-	-
Claims on Official Entities and Multilateral Development Banks			-	-	-	-	-	-	-	-
Claims on Banks Exposures			-	15,033,099	16,695,202	-	2,468,924	-	-	34,197,225
Claims on Financial Institutions			-	-	2,353,518	-	-	-	-	2,353,518
Claims on Corporates			-	9,946,707	2,117,152	-	-	-	-	240,414,777
Retail Claims			-	-	-	37,834,759	-	-	-	38,770,594
Claims Secured by Residential Property			-	-	-	-	2,871,793	-	-	2,871,793
Claims Secured by Commercial Real Estate			-	-	-	-	-	-	-	-
Non-Performing Assets (NPAs)			-	-	26,488	-	-	290,716	41,434	358,639
Higher-risk Categories			-	-	-	-	-	-	-	-
Cash Items and Other Assets			1,177,287	1,163,023	-	-	10,997,888	-	-	13,338,198
Total			95,430,441	57,807,036	21,192,360	37,834,759	245,916,073	41,434	-	458,222,104

Template 9 Market risk under standardised measurement method

Item	RWA amount (LKR'000) as at 31 December 2019
(a) RWA for Interest Rate Risk	1,920,318
General Interest Rate Risk	-
(i) Net Long or Short Position	1,920,318
(ii) Horizontal Disallowance	-
(iii) Vertical Disallowance	-
(iv) Options	-
Specific Interest Rate Risk	-
(b) RWA for Equity	
(i) General Equity Risk	-
(ii) Specific Equity Risk	-
(c) RWA for Foreign Exchange & Gold	38,571
Capital Charge for Market Risk [(a) + (b) + (c)] * CAR	15,671,112

Template 10 Operational risk under basic indicator approach

	Capital Charge	Gross Income (LKR'000) as at 31-Dec-19		
		1st Year	2nd Year	3rd Year
The Basic Indicator Approach	Factor	22,996,635	23,305,097	22,829,116
Capital Charges for Operational Risk (LKR'000)				
The Basic Indicator Approach	3,456,542			
Risk Weighted Amount for Operational Risk (LKR'000)				
The Basic Indicator Approach	27,652,339			

Template 11 Differences between accounting and regulatory scopes and mapping of financial statement categories with regulatory risk categories - bank only

Item	Amount (LKR'000) as at 31 December 2019				
	a	b	c	d	e
	Carrying Values as Reported in Published Financial Statements	Carrying Values under Scope of Regulatory Reporting	Subject to Credit Risk Framework	Subject to Market Risk Framework	Not subject to Capital Requirements or Subject to Deduction from Capital
Assets					
Cash and Cash Equivalents	33,986,286	11,307,536	7,182,163	3,653,774	4,125,373
Balances with Central Banks	7,940,145	7,940,145	7,940,145	-	-
Placements with Banks	27,214,500	49,893,250	-	21,771,600	28,121,650
Derivative Financial Instruments	812,121	812,121	655,074	-	157,047
Other Financial Assets Held-Fair-Value	4,751,028	112,605,582	112,605,582	112,605,582	-
Financial Assets Designated at Fair Value through Profit or Loss	-	-	-	-	-
Loans and Receivables to Banks	1,800,000	1,800,000	1,800,000	-	-
Loans and Receivables to Other Customers	260,155,126	261,470,942	261,852,838	16,175,632	(1,368,196)
Financial Investments - Available-For-Sale	107,854,554	-	-	-	0
Financial Investments - Held-To-Maturity	3,088,314	3,102,047	3,102,047	3,102,047	-
Investments in Subsidiaries	-	-	-	-	-
Investments in Associates and Joint Ventures	-	-	-	-	-
Property, Plant and Equipment	5,212,836	5,212,867	5,212,836	-	-
Investment Properties	-	-	-	-	-
Goodwill and Intangible Assets	-	-	-	-	-
Deferred Tax Assets	-	-	-	-	-
Other Assets	14,517,472	7,023,625	7,023,625	932,233	-
Liabilities					
Due to Banks	170,599,897	170,599,896	-	28,733,939	141,865,957
Derivative Financial Instruments	1,052,576	1,052,576	-	945,784	106,792
Other Financial Liabilities Held-Fair-Value	-	-	-	-	-
Financial Liabilities Designated at Fair Value Through Profit or Loss	-	-	-	-	-
Due to Other Customers	209,805,122	209,805,122	-	45,029,603	164,775,519
Other Borrowings	-	-	-	-	-
Retirement Benefit Obligations	79,212	-	-	-	-
Current Tax Liabilities	357,774	523,367	-	-	523,367
Deferred Tax Liabilities	366,422	-	-	-	-
Other Provisions	-	-	-	-	-
Other Liabilities	18,445,106	13,160,220	-	689,656	12,470,564
Due to Subsidiaries	-	-	-	-	-
Subordinated Term Debts	-	-	-	-	-
Off-Balance Sheet Liabilities					
Guarantees	75,178,198	75,178,198	75,178,198	-	-
Performance Bonds	15,827,296	15,827,296	15,827,296	-	-
Letters of Credit	10,797,359	10,797,359	10,797,359	-	-
Other Contingent Items	-	6,349,354	6,349,354	2,228,597	-
Undrawn Loan Commitments	171,421,356	171,421,356	171,421,356	-	-
Other Commitments	220,397,450	147,929,932	92,282,074	33,212,432	27,408,162
Shareholders' Equity					
Equity Capital (Stated Capital)/Assigned Capital of which Amount Eligible for CET1	3,152,358	3,152,358	3,152,358	-	-
of which Amount Eligible for AT1	-	-	-	-	-
Retained Earnings	45,105,357	46,845,999	43,141,527	-	-
Accumulated Other Comprehensive Income	10,169,730	5,203,062	5,203,062	-	-
Statutory reserve fund	2,598,158	2,473,287	2,598,157	-	-
Other Reserves	5,600,660	13,600,730	3,138,575	-	-
Total Shareholders' Equity	66,626,271	66,072,375	57,233,678		

Notes :
 - Items subject to both credit risk and market risk are reported in both columns, therefore in such instances sum of column c to e may be greater than column b
 - Amounts reported in column 'Subject to credit risk framework' under Shareholders' Equity represent the position of regulatory capital as at 31 December 2019 computed based on Banking Act Direction No. 01 of 2016 - Capital requirements under Basel III