

# Annexes

## Annex 1: Investor Relations

As providers of equity and debt capital, our investors expect optimal returns through the Bank's sustained and prudent growth. Presenting them with a timely, relevant, and balanced view of the Bank's fundamentals in terms of operational results, financial position, and cash flows is of paramount importance to us. Helping investors to comprehend the Bank's underlying strengths helps to bolster confidence and loyalty, bringing together a group of investors with a long-term view in investment.

Besides ensuring the rights conferred on the investors by various statutes, the Bank strives to maintain effective two-way communication between investors and the investees contributing towards building mutual trust and confidence. The Bank is keen to ensure that all its investors are sufficiently informed so that they are able to make informed decisions.

The Bank has a strong reputation for actively engaging with its investors in a consistent, comprehensive and accurate manner, often going beyond the minimum regulatory requirements. In addition to our Annual Report, which is the Bank's main investor communications tool, the Annual General Meeting is a valued opportunity for the Bank to engage in dialogue with the investor community. These engagements will certainly help our investors to gain insight into the Bank's performance, strategic direction, approach to governance, risk management strategies adopted and future business strategies. During the year, we also invited shareholders to provide us with their views on the future direction of our Annual Reports, which feedback was taken into account in structuring and developing content of the Annual Report 2018. We also enclose a stakeholder feedback form in this Annual Report. Our stakeholders' comments and opinions are of great value to us. Many are taken on board and incorporated into our strategies for long-term value creation. The investor relations section of our website is another popular channel for stakeholders and the Bank continues to ensure that its pages are updated in a timely fashion along with the rest of the site.

### Investor relations tools

Figure – 36



Effective communication and active engagement with this important stakeholder group have made the Bank's shares a credible investment proposition. As a result of a challenging economic environment, the stock market too witnessed a decline, with the ASPI and S&P SL20 dropping by 5% and 15%, respectively. This contributed to the decline in the Bank's share price which traded at a discount of 0.98 to book value at the end of December 2018. However, it still remained the highest among peers in the Banking, Finance and Insurance sector, and is a testament to our policy of sharing relevant information about our future prospects in addition to our current performance.

The Bank's public holding (free float) is 99.77% in voting shares and 84.41% in non-voting shares against the regulatory

minimum of 10%. With its shares actively traded in the CSE, investors are provided with a convenient "enter and exit" mechanism.

### Compliance report on the contents of Annual Report in terms of the Listing Rules of the CSE

The Bank has fully complied with all applicable requirements of Section 7.6 of the Listing Rules of the CSE on the contents of the Annual Report and Accounts of a listed entity. Please refer Table 38 on page 355 for references to the relevant sections of this Annual Report where specific information is disclosed together with the relevant page numbers.

**Compliance with requirements of the Section 7.6 of the Listing Rules of the CSE** Table – 38

Rule No.	Disclosure requirement	Section/reference	Page/s
7.6 (i)	Names of persons who during the financial year were Directors of the Bank	Corporate Governance Report	78
7.6 (ii)	Principal activities of the Bank and its subsidiaries during the year and any changes therein	Note 1.3 of the Accounting Policies Group Structure	169 430
7.6 (iii)	The names and the number of shares held by the 20 largest holders of voting and non-voting shares and the percentage of such shares held	Item 5.3 of the “Investor Relations”	364 & 365
7.6 (iv)	The float adjusted market capitalisation Public holding percentage (%), number of public shareholders and under which option the listed entity complies with the minimum public holding requirement	Not applicable since the Bank has complied with the minimum Public Holding requirement Item 5.3 of the “Investor Relations”	364 & 365
7.6 (v)	A statement of each Directors’ holding and Chief Executive Officer’s holding in shares of the entity at the beginning and end of each financial year	Item 5.4 of the “Investor Relations”	365
7.6 (vi)	Information pertaining to material foreseeable risk factors of the Bank	Item 7 of the “Investor Relations”	366
7.6 (vii)	Details of material issues pertaining to employees and industrial relations of the Bank	Item 8 of the “Investor Relations”	366
7.6 (viii)	Extents, locations, valuations and the number of buildings of the entity’s land holdings and investment properties	Note 40.5 (a) and (b) to the Financial Statements on “Property, Plant and Equipment”	264 & 265
7.6 (ix)	Number of shares representing the Bank’s stated capital	Note 53 to the Financial Statements on “Stated Capital” Item 3 of the “Investor Relations”	293-295 360 & 361
7.6 (x)	A distribution schedule of the number of holders in each class of equity securities, and the percentage of their total holdings as at the end of the year	Item 5.2 of the “Investor Relations”	363
7.6 (xi)	Ratios and market price information: Equity – Dividend per share, dividend payout ratio, net asset value per share, market value per share Debt – Interest rate of comparable Government Securities, debt/equity ratio, interest cover and quick asset ratio, market prices and yield during the year Any changes in credit rating	Items 2, 4 and 10.2 of the “Investor Relations” Items 10.1 and 10.2 of the “Investor Relations” Items 10.3 and 10.4 of the “Investor Relations”	357, 362 & 367 366 & 367 367
7.6 (xii)	Significant changes in the Bank’s or its subsidiaries’ fixed assets and the market value of land, if the value differs substantially from the book value	Note 40.5 (b) to the Financial Statements on “Property, plant and equipment”	265

Rule No.	Disclosure requirement	Section/reference	Page/s
7.6 (xiii)	Details of funds raised through Public Issues, Rights Issues, and Private Placements during the year	Note 53 to the Financial Statements on "Stated Capital" Not applicable since the Bank did not raise funds through a share issue during the year	293-295
7.6 (xiv)	<p>a. Information in respect of Employee Share Option Schemes</p> <p>The number of options granted to each category of employees during the financial year.</p> <p>Total number of options vested but not exercised by each category of employees during the financial year.</p> <p>Total number of options exercised by each category of employees and the total number of shares arising therefrom during the financial year.</p> <p>Options cancelled during the financial year and the reasons for such cancellation.</p> <p>The exercise price.</p> <p>A declaration by the directors of the entity confirming that the Entity or any of its subsidiaries has not, directly or indirectly, provided funds for the ESOS.</p> <p>b. Information in respect of Employee Share Purchase Schemes</p> <p>The total number of shares issued under the ESPS during the financial year</p> <p>The number of shares issued to each category of employees during the financial year</p> <p>The price at which the shares were issued to the employees</p> <p>A declaration by the Directors of the entity confirming that the entity or any of its subsidiaries has not, directly or indirectly, provided funds for the ESPS</p>	<p>Note 53.2 and 54 to the Financial Statements on "Employee Share Option Plans"</p> <p>Not applicable as the Bank does not have Employee share purchase schemes</p>	294 & 295
7.6 (xv)	Disclosures pertaining to Corporate Governance practices in terms of Rules 7.10.3, 7.10.5 (c) and 7.10.6 (c) of Section 7 of the Rules.	Not applicable since the Bank received an exemption in terms of Section 7.10 (c) of the Listing Rules	
7.6 (xvi)	<p>Related party transactions exceeding 10% of the equity or 5% of the total assets of the entity as per Audited Financial Statements, whichever is lower</p> <p>Details of investments in a related party and/or amounts due from a related party to be set out separately</p> <p>The details shall include, as a minimum:</p> <ol style="list-style-type: none"> <li>The date of the transaction;</li> <li>The name of the related party;</li> <li>The relationship between the entity and the related party;</li> <li>The amount of the transaction and terms of the transaction;</li> <li>The rationale for entering into the transaction</li> </ol>	<p>The Bank did not have any related party transactions exceeding this threshold as at end 2018</p> <p>Item 20.3 of Annual Report of Board of Directors</p>	104

The pages that follow contain information on the performance of the Bank's listed securities.

## 1. Our Listed Securities

The Bank's ordinary shares (both voting and non-voting) are listed on the Main Board of the Colombo Stock Exchange (CSE) under the ticker symbol "COMB". All debentures issued are also listed on the CSE. (Refer Table 39 for a summary of listed securities of the Bank).

Most daily newspapers, including the Daily News, Daily FT, The Island and Daily Mirror carry a summary of trading activity and daily prices of shares and debentures using the abbreviation of Commercial Bank or COMB.

## 2. Performance of Securities and Returns to Shareholders

Despite the lackluster performance of the bourse, there was strong investor interest in the shares of the Bank during the year, as depicted in the increased number of transactions compared to the previous year with turnover of shares traded recording an increase (Refer Table 44 on page 359). Both ASPI and S&P SL 20 indices decreased by 5.06% and 15.32% from 6,411 and 3,702 in 2017 to 6,052 and 3,135 respectively by the year end, primarily due to rising US interest rates and the depreciation of the Sri Lankan rupee. Foreign activities recorded a net outflow of USD 125 Mn. yet the total market capitalisation of the CSE remained almost at the end 2017 level at USD 2.839 Tn. Foreign companies were net sellers, while local companies and foreign and local individuals were net buyers. The Banks, Finance and Insurance sector index reflected a marginal drop during the year.

The market price of an ordinary voting share of the Bank decreased by 15.32% from Rs. 135.80 at the end of 2017 to Rs. 115 at the end of 2018 (Table 40). The Bank maintained its policy of issuing scrip dividends and continued with its Employee Share Option Plans. Market capitalisation for both voting and non-voting shares in turn decreased from Rs. 133 Bn. (USD 867.670 Mn.) in 2017 to Rs. 115 Bn. (USD 628.415 Mn.) in 2018, accounting for 4.05% of the total market capitalisation. Yet, the Bank's shares ranked third among all listed entities and first among the listed corporates in the Banking, Finance and Insurance sector.

During most of 2018, the movement of the non-voting share price followed the trend of the voting shares.

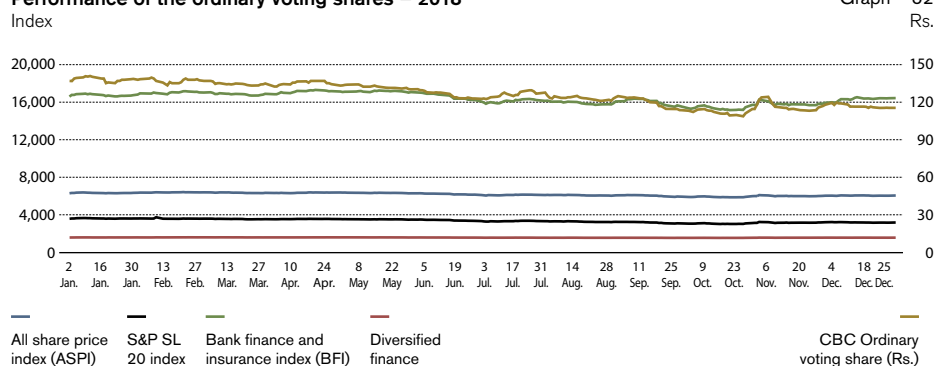
## Summary of listed securities of the Bank

Table – 39

	Number in issue as at		Stock symbol
	December 31, 2018	December 31, 2017	
<b>Equity</b>			
Ordinary shares – Voting	945,709,403	931,971,691	COMB-N0000
Ordinary shares – Non-voting	65,013,174	63,927,611	COMB-X0000
<b>Debt</b>			
Fixed rate debentures March 2016/21	44,303,400	44,303,400	COMB/BD/08/03/21-C2341-10.75%
Fixed rate debentures March 2016/26	17,490,900	17,490,900	COMB/BD/08/03/26-C2342-11.25%
Fixed rate debentures March 2016/21	50,718,000	50,718,000	COMB/BD/27/10/21-C2360-12.00%
Fixed rate debentures March 2016/26	19,282,000	19,282,000	COMB/BD/27/10/26-C2359-12.25%
Fixed rate debentures March 2018/23	83,938,400	N/A	COMB/BD/22/07/23-C2404-12.00%
Fixed rate debentures March 2018/28	16,061,600	N/A	COMB/BD/22/07/28-C2405-12.50%

## Performance of the ordinary voting shares – 2018

Graph – 52



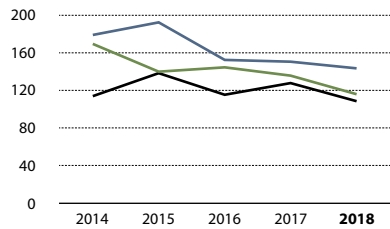
## Share price of last five years

Table – 40


	2018	2017	2016	2015	2014
<b>Ordinary shares – Voting</b>					
Highest price (Rs.)	142.50	150.00	151.90	194.00	179.90
Lowest price (Rs.)	107.50	128.50	115.00	139.90	113.50
Last traded price (Rs.)	115.00	135.80	145.00	140.20	171.00
<b>Ordinary shares – Non-voting</b>					
Highest price (Rs.)	110.00	118.50	123.00	149.00	125.50
Lowest price (Rs.)	88.00	102.30	101.50	122.10	91.30
Last traded price (Rs.)	95.00	105.00	115.00	123.00	125.10

**Share price trend – Voting**  Graph – 53

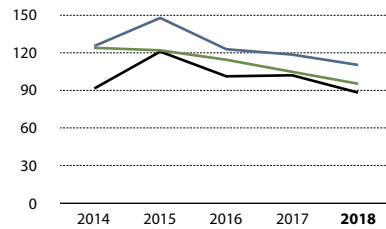
Rs.



— Highest price — Lowest price — Last traded

**Share price trend – Non-voting**  Graph – 54

Rs.



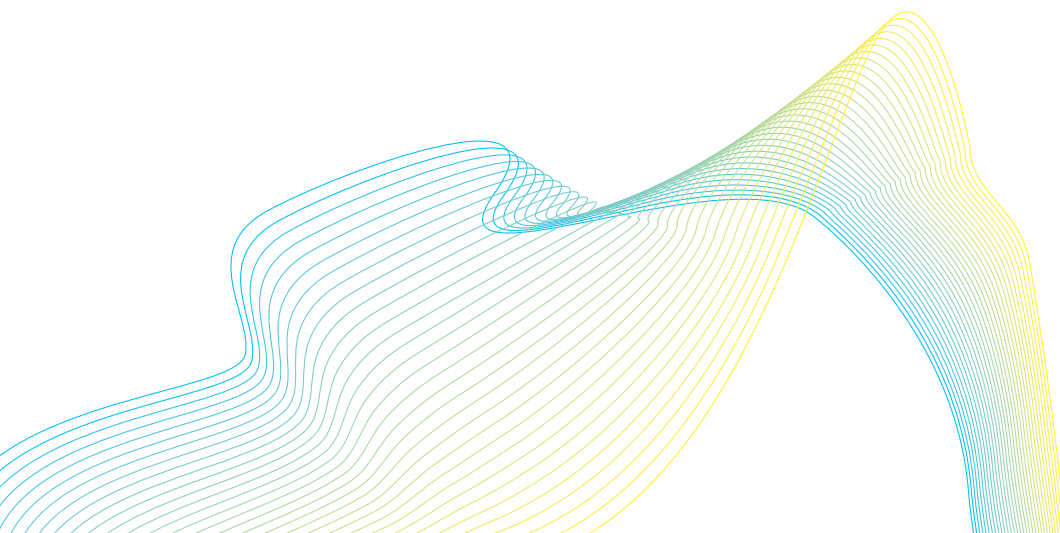
— Highest price — Lowest price — Last traded

**Sustainable value for investors****Ordinary shares – Voting**  Table – 41

<i>For the year ended December 31,</i>		2018	2017
		Rs.	Rs.
<b>Highest price</b>			
(10.01.2018 and 11.01.2018)		<b>142.50</b>	
(31.10.2017)			150.00
<b>Lowest price</b>			
(25.10.2018)		<b>107.50</b>	
(30.03.2017)			128.50
<b>Year end price</b>		<b>115.00</b>	135.80

**Ordinary shares – Non-voting**  Table – 42

<i>For the year ended December 31,</i>		2018	2017
		Rs.	Rs.
<b>Highest price</b>			
(12.01.2018)		<b>110.00</b>	
(16.05.2017)			118.50
<b>Lowest price</b>			
(01.10.2018 and 02.10.2018)		<b>88.00</b>	
(31.03.2017)			102.30
<b>Year end price</b>		<b>95.00</b>	105.00



**Information on shareholders' funds and Bank's market capitalisation**

Table – 43

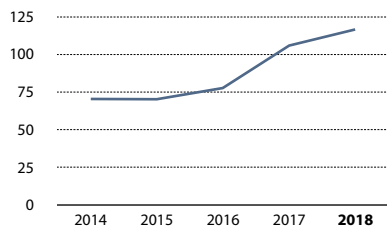
As at December 31,	Shareholders' funds	Commercial Bank's market capitalisation (*)	Total market capitalisation of the CSE	Commercial Bank's market capitalisation as a % of CSE market capitalisation	Commercial Bank's market capitalisation ranking	Commercial Bank's market capitalisation (*)
	Rs. Bn.	Rs. Bn.	Rs. Bn.	%	Rank	USD Mn.
<b>2018</b>	<b>118</b>	<b>115</b>	<b>2,839</b>	<b>4.05</b>	<b>3</b>	<b>628.415</b>
2017	107	133	2,899	4.60	4	867.670
2016	78	127	2,745	4.64	3	851.019
2015	70	115	2,938	3.92	3	798.009
2014	71	139	3,105	4.46	3	1,048.483

\*Market capitalisation as at December 31, 2018 and 2017 includes both voting and non-voting shares.

**Shareholders' funds**

Graph – 55

Rs. Bn.

**Bank's market capitalisation**

Graph – 56

Rs. Bn.

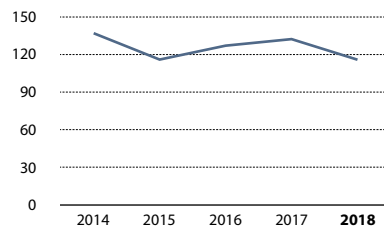
**Number of transactions (No.)**

Table – 44

	2018	2017	2016	2015	2014
Shares voting	<b>13,364</b>	11,811	15,189	15,575	17,846
Shares non-voting	<b>4,553</b>	4,432	3,721	5,073	7,382

**Number of shares traded (No. '000)**

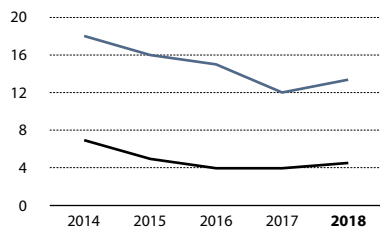
Table – 45

	2018	2017	2016	2015	2014
Shares voting	<b>95,286</b>	144,205	96,146	117,373	129,328
Shares non-voting	<b>10,637</b>	6,717	5,396	9,553	19,649

**Number of transactions**

Graph – 57

No. '000

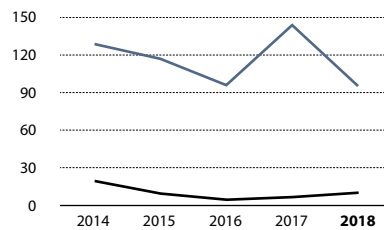


— Shares voting — Shares non-voting

**Number of shares traded**

Graph – 58

No. Mn.



— Shares voting — Shares non-voting

### 3. Information on movement in number of shares represented by the stated capital (As per rule No. 7.6 (ix) of the Listing Rules of CSE)

Table – 46

Year		Basis	Number of shares issued/ (redeemed)	Number of shares			
				Ordinary shares voting	Ordinary shares non-voting	Cumulative redeemable preference shares	
1987	As at December 31, 1987			3,000,000	–	–	
1988	Bonus issue	Voting	2 for 3	2,000,000	5,000,000	–	
1990	Bonus issue	Voting	1 for 1	5,000,000	10,000,000	–	
1993	Rights issue	Voting	1 for 4	2,500,000	12,500,000	–	
1996	Bonus issue	Voting	3 for 5	7,500,000	20,000,000	–	
	Rights issue	Voting	1 for 4	5,000,000	25,000,000	–	
	Share swap	Non-voting		894,275	25,000,000	894,275	
	Bonus issue	Non-voting	3 for 5	536,565	25,000,000	1,430,840	
	Rights issue	Non-voting	1 for 4	357,710	25,000,000	1,788,550	
1998	Bonus issue	Voting	3 for 10	7,500,000	32,500,000	1,788,550	
	Bonus issue	Non-voting	3 for 10	536,565	32,500,000	2,325,115	
2001	Bonus issue	Voting	1 for 5	6,500,000	39,000,000	2,325,115	
	Bonus issue	Non-voting	1 for 5	465,023	39,000,000	2,790,138	
	Issue of cumulative redeemable preference shares			90,655,500	39,000,000	2,790,138	90,655,500
2003	Bonus issue	Voting	1 for 3	13,000,000	52,000,000	2,790,138	90,655,500
	Rights issue	Voting	1 for 4	13,000,000	65,000,000	2,790,138	90,655,500
	Bonus issue	Non-voting	1 for 3	930,046	65,000,000	3,720,184	90,655,500
	Rights issue	Non-voting	1 for 4	930,046	65,000,000	4,650,230	90,655,500
	Issue of cumulative redeemable preference shares			100,000,000	65,000,000	4,650,230	190,655,500
2004	ESOP	Voting		29,769	65,029,769	4,650,230	190,655,500
2005	ESOP	Voting		1,361,591	66,391,360	4,650,230	190,655,500
	Bonus issue	Voting	1 for 1	66,389,162	132,780,522	4,650,230	190,655,500
	Bonus issue	Non-voting	1 for 1	4,650,230	132,780,522	9,300,460	190,655,500
2006	ESOP	Voting		737,742	133,518,264	9,300,460	190,655,500
	Redemption of cumulative redeemable preference shares			(90,655,500)	133,518,264	9,300,460	100,000,000
2007	Rights issue	Voting	3 for 10	40,288,996	173,807,260	9,300,460	100,000,000
	Bonus issue	Voting	1 for 3	58,204,268	232,011,528	9,300,460	100,000,000
	ESOP	Voting		919,649	232,931,177	9,300,460	100,000,000
	Rights issue	Non-voting	3 for 10	2,790,138	232,931,177	12,090,598	100,000,000
	Bonus issue	Non-voting	1 for 3	4,030,199	232,931,177	16,120,797	100,000,000
2008	Redemption of cumulative redeemable preference Shares			(100,000,000)	232,931,177	16,120,797	–
	ESOP	Voting		350,049	233,281,226	16,120,797	–
2009	ESOP	Voting		540,045	233,821,271	16,120,797	–

Year		Basis	Number of shares issued/ (redeemed)	Number of shares			
				Ordinary shares voting	Ordinary shares non-voting	Cumulative redeemable preference shares	
2010	Share split	Voting	1 for 2	117,402,608	351,223,879	16,120,797	-
	Share split	Non-voting	1 for 2	8,060,398	351,223,879	24,181,195	-
	ESOP	Voting		2,081,508	353,305,387	24,181,195	-
2011	Scrip issue for final dividend 2010	Voting	} Rs. 2.00 per share	2,277,195	355,582,582	24,181,195	-
	Scrip issue for final dividend 2010	Non-voting		255,734	355,582,582	24,436,929	-
	ESOP	Voting		1,457,645	357,040,227	24,436,929	-
	Rights issue	Voting	1 for 14	25,502,433	382,542,660	24,436,929	-
	Rights issue	Non-voting	1 for 14	1,745,494	382,542,660	26,182,423	-
	Share split	Voting	1 for 1	382,542,660	765,085,320	26,182,423	-
	Share split	Non-voting	1 for 1	26,182,423	765,085,320	52,364,846	-
2012	Scrip issue for final dividend 2011	Voting	} Rs. 2.00 per share	13,587,144	778,672,464	52,364,846	-
	Scrip issue for final dividend 2011	Non-voting		1,108,902	778,672,464	53,473,748	-
	ESOP	Voting		1,341,768	780,014,232	53,473,748	-
2013	Scrip issue for final dividend 2012	Voting	} Rs. 2.00 per share	13,076,189	793,090,421	53,473,748	-
	Scrip issue for final dividend 2012	Non-voting		1,069,474	793,090,421	54,543,222	-
	ESOP	Voting		1,445,398	794,535,819	54,543,222	-
2014	Scrip issue for final dividend 2013	Voting	} Rs. 2.00 per share	12,504,344	807,040,163	54,543,222	-
	Scrip issue for final dividend 2013	Non-voting		1,036,724	807,040,163	55,579,946	-
	ESOP	Voting		3,237,566	810,277,729	55,579,946	-
2015	Scrip issue for final dividend 2014	Voting	} Rs. 2.00 per share	8,118,773	818,396,502	55,579,946	-
	Scrip issue for final dividend 2014	Non-voting		719,740	818,396,502	56,299,686	-
	ESOP	Voting		2,170,613	820,567,115	56,299,686	-
2016	Scrip issue for final dividend 2015	Voting	} Rs. 2.00 per share	11,818,040	832,385,155	56,299,686	-
	Scrip issue for final dividend 2015	Non-voting		912,967	832,385,155	57,212,653	-
	ESOP	Voting		1,136,732	833,521,887	57,212,653	-
2017	Scrip issue for final dividend 2016	Voting	} Rs. 2.00 per share	10,521,802	844,043,689	57,212,653	-
	Scrip issue for final dividend 2016	Non-voting		903,357	844,043,689	58,116,010	-
	Rights issue	Voting	1 for 10	84,649,465	928,693,154	58,116,010	-
	Rights issue	Non-voting	1 for 10	5,811,601	928,693,154	63,927,611	-
	ESOP	Voting		3,278,537	931,971,691	63,927,611	-
2018	Scrip issue for final dividend 2017	Voting	} Rs. 2.00 per share	11,998,388	943,970,079	63,927,611	-
	Scrip issue for final dividend 2017	Non-voting		1,085,563	943,970,079	65,013,174	-
	ESOP	Voting		1,739,324	945,709,403	65,013,174	-

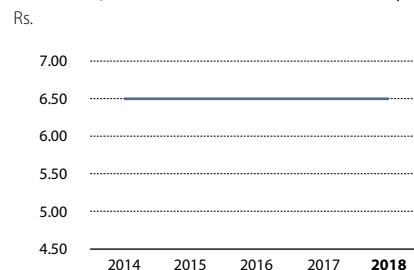



## 4. Dividends

The declaration of a dividend should always ensure that a balance between the shareholders' needs and the business needs of the Bank. For the year under review, the Bank paid two interim dividends totalling to Rs. 4.50 per share in cash. A final dividend of Rs. 2.00 per ordinary share has now been recommended by the Bank's Board of Directors. This will be met in the form of the issue and allotment of new shares for both voting and non-voting shareholders of the Bank for the year ended December 31, 2018. It will be submitted for the approval of the shareholders at the 50th AGM, to be held on March 28, 2019.

(A dividend of Rs. 6.50 per share was declared and paid by the Bank for the year ended December 31, 2017. It consisted of a cash dividend of Rs. 4.50 per share and balance entitlement of Rs. 2.00 per share satisfied in the form of issue and allotment of new shares).

Dividend per share  Graph – 59



Dividend information  Table – 47

Dividends	2018	2017	2016	2015	2014
<b>Cash – Rs. Per share</b>					
First interim paid	1.50	1.50	1.50	1.50	1.50
Second interim paid	3.00	3.00	3.00	–	1.00
Final proposed/paid	–	–	–	3.00	2.00
<b>Total</b>	<b>4.50</b>	<b>4.50</b>	<b>4.50</b>	<b>4.50</b>	<b>4.50</b>
<b>Scrip – Rs. Per share</b>					
Final proposed/allotted	2.00	2.00	2.00	2.00	2.00
<b>Total</b>	<b>6.50</b>	<b>6.50</b>	<b>6.50</b>	<b>6.50</b>	<b>6.50</b>
<b>Dividend payout ratio (%)</b>					
Cash	25.92	26.42	27.64	33.15	34.86
Total (cash and shares)	37.44	38.17	39.94	47.89	50.36

## 5. Shareholders

The Bank had 10,615 ordinary voting shareholders and 4,437 ordinary non-voting shareholders as at December 31, 2018 compared to 9,812 and 4,320 voting and non-voting shareholders as at December 31, 2017 (Tables 5.1 and 5.2 on page 363). With three new investors joining ranks, the percentage of ordinary voting shares held by the 20 largest shareholders increased to 70.23% from 67.32% in 2017. A rise was also recorded in the non-voting ordinary shares held by the 20 largest shareholders from 34.83% in 2017 to 46.90% in 2018.

Number of ordinary shareholders  Table – 48

	2018	2017
<b>Voting shareholders</b>	<b>10,615</b>	<b>9,812</b>
<b>Non-voting shareholders</b>	<b>4,437</b>	<b>4,320</b>
<b>Total</b>	<b>15,052</b>	<b>14,132</b>

## 5.1 Composition of shareholders

Table – 49

	As at December 31, 2018				As at December 31, 2017			
	No. of shareholders	%	No. of shares	%	No. of shareholders	%	No. of shares	%
<b>Ordinary shares – Voting</b>								
Resident	10,336	97.37	640,513,129	67.73	9,524	97.06	614,635,782	65.95
Non-resident	279	2.63	305,196,274	32.27	288	2.94	317,335,909	34.05
<b>Total</b>	<b>10,615</b>	<b>100.00</b>	<b>945,709,403</b>	<b>100.00</b>	<b>9,812</b>	<b>100.00</b>	<b>931,971,691</b>	<b>100.00</b>
Individuals	10,055	94.72	203,708,919	21.54	9,260	94.37	186,657,813	20.03
Institutions	560	5.28	742,000,484	78.46	552	5.63	745,313,878	79.97
<b>Total</b>	<b>10,615</b>	<b>100.00</b>	<b>945,709,403</b>	<b>100.00</b>	<b>9,812</b>	<b>100.00</b>	<b>931,971,691</b>	<b>100.00</b>
<b>Ordinary shares – Non-voting</b>								
Resident	4,360	98.26	49,852,293	76.68	4,243	98.22	47,078,661	73.64
Non-resident	77	1.74	15,160,881	23.32	77	1.78	16,848,950	26.36
<b>Total</b>	<b>4,437</b>	<b>100.00</b>	<b>65,013,174</b>	<b>100.00</b>	<b>4,320</b>	<b>100.00</b>	<b>63,927,611</b>	<b>100.00</b>
Individuals	4,221	95.13	34,430,243	52.96	4,102	94.95	34,197,527	53.49
Institutions	216	4.87	30,582,931	47.04	218	5.05	29,730,084	46.51
<b>Total</b>	<b>4,437</b>	<b>100.00</b>	<b>65,013,174</b>	<b>100.00</b>	<b>4,320</b>	<b>100.00</b>	<b>63,927,611</b>	<b>100.00</b>

## 5.2 Distribution schedule of number of holders and percentage of holding in each class of equity securities

(As per Rule No. 7.6 (x) of the Listing Rules of CSE)

Table – 50

	As at December 31, 2018				As at December 31, 2017			
	Number of shareholders	%	Number of shares	%	Number of shareholders	%	Number of shares	%
<b>Ordinary shares – Voting</b>								
1 – 1,000	5,619	52.93	1,269,681	0.13	5,003	50.99	1,118,801	0.12
1,001 – 10,000	3,241	30.53	11,833,928	1.25	3,091	31.50	11,273,062	1.21
10,001 – 100,000	1,435	13.52	41,064,271	4.34	1,411	14.38	40,094,004	4.30
100,001 – 1,000,000	244	2.30	68,631,856	7.26	233	2.38	65,888,648	7.07
Over – 1,000,000	76	0.72	822,909,667	87.02	74	0.75	813,597,176	87.30
<b>Total</b>	<b>10,615</b>	<b>100.00</b>	<b>945,709,403</b>	<b>100.00</b>	<b>9,812</b>	<b>100.00</b>	<b>931,971,691</b>	<b>100.00</b>
<b>Ordinary shares – Non-voting</b>								
1 – 1,000	2,462	55.49	580,673	0.89	2,349	54.38	557,060	0.87
1,001 – 10,000	1,363	30.72	4,597,203	7.07	1,354	31.34	4,608,957	7.21
10,001 – 100,000	514	11.58	14,812,051	22.78	518	11.99	14,886,791	23.29
100,001 – 1,000,000	92	2.07	23,303,602	35.84	91	2.11	22,204,420	34.74
Over – 1,000,000	6	0.14	21,719,645	33.42	8	0.18	21,670,383	33.89
<b>Total</b>	<b>4,437</b>	<b>100.00</b>	<b>65,013,174</b>	<b>100.00</b>	<b>4,320</b>	<b>100.00</b>	<b>63,927,611</b>	<b>100.00</b>

### 5.3 The names, number and percentage of shares held by the twenty largest shareholders (As per Rule No. 7.6 (iii) of the Listing Rules of CSE)

#### Voting shareholders

Table – 51

As at December 31,		2018		2017*	
Ordinary shares voting		Number of shares	%	Number of shares	%
1.	DFCC Bank PLC A/C 1	128,215,649	13.56	126,930,224	13.62
2.	Employees' Provident Fund	91,090,278	9.63	89,933,984	9.65
3.	Mr Y S H I Silva	76,373,675	8.08	70,742,605	7.59
4.	Deutsche Bank AG Singapore – DSS A/C NT Asian Discovery Master Fund	53,948,136	5.70	53,263,322	5.72
5.	Melstacorp PLC	43,550,677	4.61	41,516,889	4.45
6.	Sri Lanka Insurance Corporation Ltd. – Life Fund	42,927,124	4.54	46,620,431	5.00
7.	CB NY S/A International Finance Corporation	41,974,991	4.44	41,442,164	4.45
8.	Sri Lanka Insurance Corporation Ltd. – General Fund	36,911,420	3.90	40,087,155	4.30
9.	Citibank New York S/A Norges Bank A/C 2	18,395,709	1.95	–	–
10.	Employee's Trust Fund Board	16,783,623	1.77	15,579,452	1.67
11.	BNYMSANV RE-LF Ruffer Absolute Return Fund	16,625,393	1.76	16,414,352	1.76
12.	Mrs L E M Yaseen	15,765,606	1.67	17,008,550	1.83
13.	HSBC International Nominees Ltd. – JPMCB T ROWE New Asia Fund	14,922,939	1.58	14,990,626	1.61
14.	BNYMSANV RE – First State Investments ICVC – Stewart Investors Indian Subcontinent Fund	12,243,878	1.29	9,897,978	1.06
15.	HSBC International Nominees Ltd. – SSBT – BMO Investments II (Ireland) Public Limited Company	9,989,558	1.06	9,862,752	1.06
16.	HSBC International Nominees Ltd. – BPSS LUX – Aberdeen Global Asia Pacific Equity Fund	9,566,382	1.01	9,444,947	1.01
17.	Mr M J Fernando	9,036,300	0.96	–	–
18.	HSBC International Nominees Ltd. – SSBT – Morgan Stanley Asset Management SA – Galaxy Fund	8,904,006	0.94	14,181,819	1.52
19.	Renuka Hotels Limited	8,513,584	0.90	–	–
20.	HSBC International Nominees Ltd. – JPMLU – T ROWE price SICAV	8,465,919	0.90	9,503,641	1.02
<b>Sub total</b>		<b>664,204,847</b>	<b>70.23</b>	<b>627,420,891</b>	<b>67.32</b>
<b>Other shareholders</b>		<b>281,504,556</b>	<b>29.77</b>	<b>304,550,800</b>	<b>32.68</b>
<b>Total</b>		<b>945,709,403</b>	<b>100.00</b>	<b>931,971,691</b>	<b>100.00</b>

\* Comparative shareholdings as at December 31, 2017 of the twenty largest shareholders as at December 31, 2018.

Percentage of public holding of voting shares as at December 31, 2018 was 99.77% (99.71% as at December 31, 2017).  
(As per Rule No. 7.6 (iv) of the Listing Rules of the CSE).

Number of shareholders representing public holding as at December 31, 2018 – 10,580 (9,780 as at December 31, 2017).  
(As per Rule No. 7.13.1 of the Listing Rules of the CSE).

**Non-voting shareholders**

Table – 52

<i>As at December 31,</i>		2018		2017*	
Ordinary shares non-voting		Number of shares	%	Number of shares	%
1.	Citi Bank Newyork S/A Norges Bank Account No. 02	9,990,652	15.37	6,428,323	10.06
2.	Employees' Trust Fund Board	5,057,600	7.78	4,656,784	7.28
3.	Akbar Brothers (Pvt) Ltd. A/C No.01	2,411,894	3.71	689,509	1.08
4.	GF Capital Global Limited	1,680,841	2.59	1,627,959	2.55
5.	BNYMSANV RE-Butterfield Trust (Bermuda) Limited	1,466,494	2.26	1,442,008	2.26
6.	M J F Exports (Pvt) Ltd.	1,112,164	1.71	1,093,594	1.71
7.	Mr M F Hashim	920,197	1.42	904,832	1.42
8.	Saboor Chatoor (Pvt) Ltd.	887,700	1.37	872,800	1.37
9.	Mrs L V C Samarasingha	874,514	1.35	750,000	1.17
10.	Union Assurance PLC/No – 01A/C	661,016	1.02	649,979	1.02
11.	Mr T W A Wickramasinghe	645,000	0.99	522,000	0.82
12.	Mr J D Bandaranayake, Ms N Bandaranayake & Dr V Bandaranayake (Joint)	618,135	0.95	–	–
13.	Mr J D Bandaranayake, Dr V Bandaranayake & Ms I Bandaranayake (Joint)	615,863	0.95	–	–
14.	Mr R Gautam	574,560	0.88	495,200	0.77
15.	Mr G R Mallawaarachy & Mrs B G P Mallawaarachy (Joint)	545,175	0.84	536,072	0.84
16.	Northern Trust Company S/A Polar Capital Funds PLC	527,557	0.81	718,286	1.12
17.	Mr K S M De Silva	520,176	0.80	442,974	0.69
18.	Mr J G De Mel	473,519	0.73	–	–
19.	Mr A P Somasiri	455,000	0.70	–	–
20.	Mr A L Gooneratne	437,717	0.67	430,409	0.67
	<b>Sub total</b>	<b>30,475,774</b>	<b>46.90</b>	<b>22,260,729</b>	<b>34.83</b>
	<b>Other shareholders</b>	<b>34,537,400</b>	<b>53.10</b>	<b>41,666,882</b>	<b>65.17</b>
	<b>Total</b>	<b>65,013,174</b>	<b>100.00</b>	<b>63,927,611</b>	<b>100.00</b>

\* Comparative shareholdings as at December 31, 2017 of the twenty largest shareholders as at December 31, 2018.

Percentage of public holding of non-voting shares as at December 31, 2018 was 84.41% (89.66% as at December 31, 2017). (As per Rule No. 7.6 (iv) of the Listing Rules of the CSE).

Number of shareholders representing public holding as at December 31, 2018 – 4,427 (4,309 as at December 31, 2017). (As per Rule No. 7.13.1 of the Listing Rules of the CSE).

#### 5.4 Directors' shareholding including the Chief Executive Officer's shareholding (As per Rule No. 7.6 (v) of the Listing Rules of CSE)

Table – 53

	Ordinary shares – Voting		Ordinary shares – Non-voting	
	2018	2017	2018	2017
Mr K G D D Dheerasinghe – <i>Chairman</i>	23,870	23,567	Nil	Nil
Mr M P Jayawardena – <i>Deputy Chairman</i>	Nil	Nil	Nil	Nil
Mr. S Renganathan – <i>Managing Director/ Chief Executive Officer*</i>	323,903	319,792	11,916	11,718
Mr S Swarnajothi	Nil	Nil	10,944	10,762
Prof A K W Jayawardane	Nil	Nil	Nil	Nil
Mr K Dharmasiri	Nil	Nil	Nil	Nil
Mr L D Niyangoda	Nil	Nil	Nil	Nil
Ms N T M S Cooray	190,000	Nil	50,575	49,731
Mr G S Jadeja	Nil	Nil	Nil	Nil
Mr T L B Hurulle	Nil	Nil	Nil	Nil
Justice K Sripavan	Nil	Nil	Nil	Nil
Mr S C U Manatunga**	57,553	144,693	Nil	Nil

\*Appointed as MD/CEO w.e.f. July 27, 2018

\*\*Appointed as Executive Director w.e.f. July 27, 2018

## 6. Engaging with shareholders

During the year, the Bank has complied with its shareholder communication policy. This policy outlines the various formal channels through which it engages with shareholders. It covers the timely communication of quarterly performance as set out on pages 32 and 368 to 373. It also records significant events that may reasonably be expected to impact the share price. (More details are given in Financial Calendar on page 151.)

## 7. Material foreseeable risk factors (As per Rule No. 7.6 (VI) of the Listing Rules of the CSE)

Information pertaining to the material foreseeable risk factors, that require disclosures as per the Rule No. 7.6 (vi) of the Listing Rules of the CSE is discussed in the Section on "Risk Management" on pages 115 to 139.

## 8. Material issues pertaining to employees and industrial relations pertaining to the Bank

(As per Rule No. 7.6 (VII) of the Listing Rules of the CSE)

During the year under review there were no material issues relating to employees and industrial relations pertaining to the Bank which warrant disclosure.

## 9. Quarterly performance in 2018 compared to 2017

(As per Rule No. 7.4 (a) (i) of the Listing Rules of the CSE)

The Bank duly submitted the Interim Financial Statements for the year 2018 to the CSE within applicable statutory deadlines. (The Bank duly complied with this requirement for 2017).

The Audited Income Statement for the year ended December 31, 2018 and the Audited Statement of Financial Position as at December 31, 2018 will be submitted to the CSE within three months from the year end, which is well within the required deadline as required by Rule No. 7.5 (a) of the Listing Rules of the CSE. (The Bank duly complied with this requirement for 2017).

This Annual Report in its entirety is available on the Bank's website (<http://www.combank.lk/newweb/en/investors>). Shareholders may also elect to receive a hard copy of the Annual Report via mail on request. The Company Secretary of the Bank will respond to individual letters received from shareholders.

## 10. Debt securities

During the year the Bank issued two types of Tier II, listed, rated, unsecured, subordinated, redeemable debentures as shown below:

### 10.1 Debenture Composition

Table – 54

	Fixed Interest Rate					
	2018					
Type of Issue	Public	Public	Public	Public	Public	Public
Debenture Type	Type "A"	Type "B"	Type "A"	Type "B"	Type "A"	Type "B"
CSE Listing	Listed	Listed	Listed	Listed	Listed	Listed
Issue Date	March 9, 2016	March 9, 2016	October 28, 2016	October 28, 2016	July 23, 2018	July 23, 2018
Maturity Date	March 8, 2021	March 8, 2026	October 27, 2021	October 27, 2026	July 22, 2023	July 22, 2028
Interest Payable Frequency	Bi-Annually	Bi-Annually	Bi-Annually	Bi-Annually	Bi-Annually	Bi-Annually
Offered Interest Rate	10.75% p.a.	11.25% p.a.	12.00% p.a.	12.25% p.a.	12.00% p.a.	12.50% p.a.
Amount (Rs. Mn.)	4,430.34	1,749.09	5,071.80	1,928.20	8,393.84	1,606.16
<b>Market Values</b>						
– Highest (Rs.)		100.00	102.66			
– Lowest (Rs.)	Not traded during the year	90	99.96	Not traded during the year	Not traded during the year	Not traded during the year
– Year-end (Rs.)		90.00	102.66			
<b>Interest Rates</b>						
– Coupon Rate (%)	10.75	11.25	12.00	12.25	12.00	12.50
– Effective Annual Yield (%)	11.04	11.57	12.36	12.63	12.36	12.89
Interest rate of comparable Government Security	10.25	10.80	10.45	10.90	10.75	10.95
<b>Other Ratios as at date of last trade</b>						
– Interest Yield (%)	N/A	13.45	11.02	N/A	N/A	N/A
– Yield to Maturity (%)	N/A	13.30	11.06	N/A	N/A	N/A

**10.2 Other ratios** Table – 55

	2018	2017
Debt equity ratio (%)	45.39	38.61
Net assets value per share (Rs.)	117.15	107.54
Interest cover (Times)	10.00	11.56
Liquid assets ratio (%) (Minimum 20%)		
Domestic Banking Unit (DBU)	24.47	27.28
Off-shore Banking Unit (OBU)	30.20	30.95

**10.3 Credit ratings**

- The Bank's credit rating, AA (Ika) was reaffirmed by Fitch Ratings Lanka Ltd. in September 2018.
- The Bank's Bangladesh Operation's credit rating was reaffirmed at AAA by Credit Rating Information Services Ltd. in June 2018.

**10.4 Credit ratings – Debentures**

- The credit rating of the Bank's Subordinated Debentures affirmed in July 2018 at AA-(Ika) by Fitch Ratings Lanka Ltd.

Fixed Interest Rate				Fixed Interest Rate			
2017				2016			
Public	Public	Public	Public	Public	Public	Public	Public
Type "A"	Type "B"	Type "A"	Type "B"	Type "A"	Type "B"	Type "A"	Type "B"
Listed	Listed	Listed	Listed	Listed	Listed	Listed	Listed
March 9, 2016	March 9, 2016	October 28, 2016	October 28, 2016	March 9, 2016	March 9, 2016	October 28, 2016	October 28, 2016
March 8, 2021	March 8, 2026	October 27, 2021	October 27, 2026	March 8, 2021	March 8, 2026	October 27, 2021	October 27, 2026
Bi-Annually	Bi-Annually	Bi-Annually	Bi-Annually	Bi-Annually	Bi-Annually	Bi-Annually	Bi-Annually
10.75% p.a.	11.25% p.a.	12.00% p.a.	12.25% p.a.	10.75% p.a.	11.25% p.a.	12.00% p.a.	12.25% p.a.
4,430.34	1,749.09	5,071.80	1,928.20	4,430.34	1,749.09	5,071.80	1,928.20
85.33		96.00					
81.40	Not traded during the year	87.17	Not traded during the year	Not traded during the year	Not traded during the year	Not traded during the year	Not traded during the year
81.40		87.17					
10.75	11.25	12.00	12.25	10.75	11.25	12.00	12.25
11.04	11.57	12.36	12.63	11.04	11.57	12.36	12.63
9.70	10.10	9.80	10.10	12.05	12.45	12.15	12.50
17.96	- N/A -	15.98	- N/A -	- N/A -	- N/A -	- N/A -	- N/A -
17.52	- N/A -	15.74	- N/A -	- N/A -	- N/A -	- N/A -	- N/A -

## Summary of the Income Statements – Group and Bank – 2018

Table – 56

	1st Quarter March 31 Rs. Mn.	2nd Quarter June 30 Rs. Mn.	3rd Quarter September 30 Rs. Mn.	4th Quarter December 31 Rs. Mn.	Total (Audited) Rs. Mn.
<b>Group</b>					
Net interest income	11,728.5	12,142.3	12,290.5	9,456.9	45,618.2
Net fee and commission income	2,446.4	2,545.7	2,594.6	3,047.7	10,634.4
Other operating income (Net)	715.1	1,444.4	3,394.0	3,058.4	8,611.9
Less: Impairment charges and other losses	1,622.2	2,406.2	3,405.4	1,399.6	8,833.4
<b>Net operating income</b>	<b>13,267.8</b>	<b>13,726.2</b>	<b>14,873.7</b>	<b>14,163.4</b>	<b>56,031.1</b>
Less: expenses	6,937.8	7,202.0	7,635.5	8,163.3	29,938.6
<b>Operating profit</b>	<b>6,330</b>	<b>6,524.2</b>	<b>7,238.2</b>	<b>6,000.1</b>	<b>26,092.5</b>
Add: share of profits/(losses) of associate companies	1.5	3.6	0.7	0.2	6.0
Profit before income tax	6,331.5	6,527.8	7,238.9	6,000.3	26,098.5
Less: income tax expense	1,965.7	2,288.2	2,077.3	1,904.5	8,235.7
<b>Profit for the period</b>	<b>4,365.8</b>	<b>4,239.6</b>	<b>5,161.6</b>	<b>4,095.8</b>	<b>17,862.8</b>
<b>Quarterly profit as a percentage of the profit after tax</b>	<b>24.4</b>	<b>23.8</b>	<b>28.9</b>	<b>22.9</b>	<b>100.0</b>
<b>Cumulative quarterly profit as a percentage of the profit after tax</b>	<b>24.4</b>	<b>48.2</b>	<b>77.1</b>	<b>100.0</b>	<b>-</b>

	1st Quarter March 31 Rs. Mn.	2nd Quarter June 30 Rs. Mn.	3rd Quarter September 30 Rs. Mn.	4th Quarter December 31 Rs. Mn.	Total (Audited) Rs. Mn.
<b>Bank</b>					
Net interest income	11,567.6	11,981.9	12,116.4	9,275.9	44,941.8
Net fee and commission income	2,342.4	2,437.3	2,469.1	2,901.4	10,150.2
Other operating income (net)	732.3	1,384.7	3,289.0	3,189.5	8,595.5
Less: impairment charges and other losses	1,463.6	2,171.8	3,228.9	1,710.9	8,575.2
<b>Net operating income</b>	<b>13,178.7</b>	<b>13,632.1</b>	<b>14,645.6</b>	<b>13,655.9</b>	<b>55,112.3</b>
Less: expenses	6,841.5	7,071.0	7,489.8	8,118.8	29,521.1
<b>Profit before income tax</b>	<b>6,337.2</b>	<b>6,561.1</b>	<b>7,155.8</b>	<b>5,537.1</b>	<b>25,591.2</b>
Less: income tax expense	1,956.1	2,296.0	2,040.9	1,754.4	8,047.4
<b>Profit for the period</b>	<b>4,381.1</b>	<b>4,265.1</b>	<b>5,114.9</b>	<b>3,782.7</b>	<b>17,543.8</b>
<b>Quarterly profit as a percentage of the profit after tax</b>	<b>25.0</b>	<b>24.3</b>	<b>29.1</b>	<b>21.6</b>	<b>100.0</b>
<b>Cumulative quarterly profit as a percentage of the profit after tax</b>	<b>25.0</b>	<b>49.3</b>	<b>78.4</b>	<b>100.0</b>	<b>-</b>

## Summary of the Income Statements – Group and Bank – 2017

Table – 57

	1st Quarter March 31 Rs. Mn.	2nd Quarter June 30 Rs. Mn.	3rd Quarter September 30 Rs. Mn.	4th Quarter December 31 Rs. Mn.	Total (Audited) Rs. Mn.
<b>Group</b>					
Net interest income	8,786.8	9,303.0	10,553.9	10,923.6	39,567.3
Net fees and commission income	2,060.9	2,021.6	2,235.5	2,606.5	8,924.5
Other operating income (Net)	845.8	766.3	(56.7)	(510.2)	1,045.2
Less: Impairment charges for loans and other losses	251.9	708.6	658.5	(629.7)	989.3
<b>Net operating income</b>	<b>11,441.6</b>	<b>11,382.3</b>	<b>12,074.2</b>	<b>13,649.6</b>	<b>48,547.7</b>
Less: expenses	6,137.1	6,082.2	6,277.8	6,774.0	25,271.1
<b>Operating profit</b>	<b>5,304.5</b>	<b>5,300.1</b>	<b>5,796.4</b>	<b>6,875.6</b>	<b>23,276.6</b>
Add: share of profits/(losses) of associate companies	2.2	2.2	0.4	(1.1)	3.7
Profit before income tax	5,306.7	5,302.3	5,796.8	6,874.5	23,280.3
Less: income tax expense	1,493.0	1,461.8	1,677.4	2,021.6	6,653.8
<b>Profit for the period</b>	<b>3,813.7</b>	<b>3,840.5</b>	<b>4,119.4</b>	<b>4,852.9</b>	<b>16,626.5</b>
<b>Quarterly profit as a percentage of the profit after tax</b>	<b>22.9</b>	<b>23.1</b>	<b>24.8</b>	<b>29.2</b>	<b>100.0</b>
<b>Cumulative quarterly profit as a percentage of the profit after tax</b>	<b>22.9</b>	<b>46.0</b>	<b>70.8</b>	<b>100.0</b>	<b>–</b>

	1st Quarter March 31 Rs. Mn.	2nd Quarter June 30 Rs. Mn.	3rd Quarter September 30 Rs. Mn.	4th Quarter December 31 Rs. Mn.	Total (Audited) Rs. Mn.
<b>Bank</b>					
Net interest income	8,661.4	9,159.8	10,420.6	10,781.6	39,023.4
Net fees and commission income	2,021.2	1,956.2	2,173.7	2,451.3	8,602.4
Other operating income (net)	848.5	756.7	(36.3)	(415.2)	1,153.7
Less: impairment charges for loans and other losses	241.7	695.3	557.4	(816.8)	677.6
<b>Net operating income</b>	<b>11,289.4</b>	<b>11,177.4</b>	<b>12,000.6</b>	<b>13,634.5</b>	<b>48,101.9</b>
Less: expenses	6,067.6	5,974.2	6,193.6	6,683.6	24,919.0
<b>Profit before income tax</b>	<b>5,221.8</b>	<b>5,203.2</b>	<b>5,807.0</b>	<b>6,950.9</b>	<b>23,182.9</b>
Less: income tax expense	1,446.4	1,438.6	1,672.2	2,044.5	6,601.7
<b>Profit for the period</b>	<b>3,775.4</b>	<b>3,764.6</b>	<b>4,134.8</b>	<b>4,906.4</b>	<b>16,581.2</b>
<b>Quarterly profit as a percentage of the profit after tax</b>	<b>22.8</b>	<b>22.7</b>	<b>24.9</b>	<b>29.6</b>	<b>100.0</b>
<b>Cumulative quarterly profit as a percentage of the profit after tax</b>	<b>22.8</b>	<b>45.5</b>	<b>70.4</b>	<b>100.0</b>	<b>–</b>



## Statement of Financial Position – Group – 2018

Table – 58

As at	March 31	June 30	September 30	December 31 (Audited)
	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn
<b>Assets</b>				
Cash and cash equivalents	53,879	31,059	30,983	44,356
Balances with central banks	49,972	52,268	55,917	55,407
Placements with banks	5,832	13,116	10,487	19,899
Securities purchased under resale agreements	6,042	–	3,002	9,514
Derivative financial assets	2,302	1,215	4,949	7,910
Financial assets recognised through profit or loss/Held for trading – Measured at fair value	4,654	6,657	8,455	5,520
Financial assets at amortised cost – Loans and advances to banks	650	661	706	763
Financial assets at amortised cost – Loans and advances to other customers	784,976	813,726	840,068	867,612
Financial assets measured at fair value through other comprehensive income/financial investments Available for sale	140,771	117,700	117,833	176,761
Financial assets at amortised cost – Debt and other financial instruments/financial investments – Held to maturity and loans and receivables	143,334	139,530	142,720	89,274
Investments in subsidiaries	–	–	–	–
Investments in associates	108	108	104	105
Property, plant and equipment	16,250	16,302	16,682	17,015
Intangible assets	1,248	1,267	1,411	1,434
Leasehold property	104	104	103	103
Deferred tax assets	–	–	–	188
Other assets	20,600	19,772	21,866	24,051
<b>Total assets</b>	<b>1,230,722</b>	<b>1,213,485</b>	<b>1,255,286</b>	<b>1,319,912</b>
<b>Liabilities</b>				
Due to banks	49,388	44,661	46,633	52,362
Derivative financial liabilities	1,971	1,706	4,915	8,022
Securities sold under repurchase agreements	75,886	53,526	35,032	48,951
Financial liabilities at amortised cost – due to depositors	913,144	920,078	952,332	994,371
Financial liabilities at amortised cost – other borrowings	24,301	23,769	24,886	25,362
Debt securities issued	–	–	–	–
Current tax liabilities	4,722	5,617	5,915	6,736
Deferred tax liabilities	3,458	3,188	3,067	971
Other provisions	–	–	–	–
Other liabilities	21,988	20,230	24,053	24,548
Due to subsidiaries	–	–	–	–
Subordinated liabilities	25,601	25,565	36,950	37,992
<b>Total Liabilities</b>	<b>1,120,459</b>	<b>1,098,340</b>	<b>1,133,783</b>	<b>1,199,315</b>
<b>Equity</b>				
Stated capital	39,086	39,144	39,148	39,148
Statutory reserves	6,493	6,493	6,493	7,444
Retained earnings	4,441	8,657	13,772	4,950
Other reserves	59,343	59,924	61,091	67,856
<b>Total equity attributable to equity holders of the Bank</b>	<b>109,363</b>	<b>114,218</b>	<b>120,504</b>	<b>119,398</b>
Non-controlling interest	900	927	999	1,199
<b>Total Equity</b>	<b>110,263</b>	<b>115,145</b>	<b>121,503</b>	<b>120,597</b>
<b>Total liabilities and equity</b>	<b>1,230,722</b>	<b>1,213,485</b>	<b>1,255,286</b>	<b>1,319,912</b>
Contingent liabilities and commitments	552,479	618,594	656,791	658,860
Net assets value per ordinary share (Rs.)	108.26	113.01	119.22	118.13
<b>Quarterly growth (%)</b>				
Financial assets at amortised cost – Loans and advances to banks and loans and advances to other customers	5.72	3.66	3.24	3.28
Financial liabilities at amortised cost – due to depositors	6.52	0.76	3.51	4.41
Total assets	6.48	-1.40	3.44	5.15

## Statement of Financial Position – Group – 2017

Table – 59

As at	March 31	June 30	September 30	December 31 (Audited)
	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn
<b>Assets</b>				
Cash and cash equivalents	31,194	38,761	27,738	34,673
Balances with central banks	39,676	50,210	46,747	45,546
Placements with banks	11,332	9,333	12,379	17,633
Securities purchased under resale agreements	42	42	–	–
Derivative financial assets	1,143	1,396	2,363	2,335
Financial assets recognised through profit or loss/Held for trading – Measured at fair value	13,091	6,284	5,246	4,411
Financial assets at amortised cost – Loans and advances to banks	634	640	638	641
Financial assets at amortised cost – Loans and advances to other customers	646,839	673,250	712,066	742,444
Financial assets measured at fair value through other comprehensive income/financial investments Available for sale	171,489	162,539	156,346	154,914
Financial assets at amortised cost – Debt and other financial instruments/financial investments – Held to maturity and loans and receivables	109,395	122,197	116,574	118,078
Investments in subsidiaries	–	–	–	–
Investments in associates	105	108	108	110
Property, plant and equipment	11,604	11,757	11,948	16,317
Intangible assets	1,132	1,094	1,060	1,251
Leasehold property	106	105	105	105
Deferred tax assets	712	–	–	–
Other assets	19,484	17,408	17,135	17,363
<b>Total assets</b>	<b>1,057,978</b>	<b>1,095,124</b>	<b>1,110,453</b>	<b>1,155,821</b>
<b>Liabilities</b>				
Due to banks	52,951	58,503	45,185	60,245
Derivative financial liabilities	920	975	3,490	3,678
Securities sold under repurchase agreements	78,220	77,902	59,990	49,532
Financial liabilities at amortised cost – due to depositors	784,778	804,554	824,860	857,270
Financial liabilities at amortised cost – other borrowings	9,331	8,936	24,424	23,786
Debt securities issued	–	–	–	–
Current tax liabilities	3,805	3,747	3,733	4,203
Deferred tax liabilities	–	117	1,157	3,565
Other provisions	2	2	2	–
Other liabilities	21,449	17,564	18,128	19,508
Due to subsidiaries	–	–	–	–
Subordinated liabilities	25,273	25,142	25,371	25,166
<b>Total Liabilities</b>	<b>976,729</b>	<b>997,442</b>	<b>1,006,340</b>	<b>1,046,953</b>
<b>Equity</b>				
Stated capital	26,806	37,033	37,042	37,144
Statutory reserves	5,648	5,654	5,654	6,493
Retained earnings	3,913	7,759	11,870	5,087
Other reserves	44,062	46,411	48,714	59,272
<b>Total equity attributable to equity holders of the Bank</b>	<b>80,429</b>	<b>96,857</b>	<b>103,280</b>	<b>107,996</b>
Non-controlling interest	820	825	833	872
<b>Total Equity</b>	<b>81,249</b>	<b>97,682</b>	<b>104,113</b>	<b>108,868</b>
<b>Total liabilities and equity</b>	<b>1,057,978</b>	<b>1,095,124</b>	<b>1,110,453</b>	<b>1,155,821</b>
Contingent liabilities and commitments	511,791	527,618	562,482	565,278
Net assets value per ordinary share (Rs.)	88.98	97.34	103.79	108.44
<b>Quarterly growth (%)</b>				
Financial assets at amortised cost – Loans and advances to banks and loans and advances to other customers	4.30	4.08	5.76	4.26
Financial liabilities at amortised cost – due to depositors	5.58	2.52	2.52	3.93
Total assets	3.62	3.51	1.40	4.09

## Statement of Financial Position – Bank – 2018

Table – 60

As at	March 31	June 30 (Audited)	September 30	December 31 (Audited)
	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn
<b>Assets</b>				
Cash and cash equivalents	52,044	26,619	28,362	39,534
Balances with central banks	49,174	51,381	54,989	54,385
Placements with banks	5,832	13,116	10,250	19,899
Securities purchased under re-sale agreements	6,042	–	3,002	9,514
Derivative financial assets	2,302	1,215	4,949	7,910
Financial assets recognised through profit or loss/Held for trading – measured at fair value	4,654	6,657	8,455	5,520
Financial assets at amortised cost – Loans and advances to banks	650	661	706	763
Financial assets at amortised cost – Loans and advances to other customers	779,615	808,394	834,290	861,100
Financial assets measured at fair value through other comprehensive income/financial investments Available for sale	140,577	117,461	117,594	176,507
Financial assets at amortised cost – Debt and other financial instruments/financial investments – Held to maturity and loans and receivables	138,133	135,484	138,002	83,855
Investments in subsidiaries	3,082	3,557	3,650	4,264
Investments in associates	44	44	44	44
Property, plant and equipment	14,585	14,638	14,988	15,301
Intangible assets	766	776	884	906
Leasehold property	72	72	72	72
Deferred tax assets	–	–	–	–
Other assets	20,503	19,640	21,394	23,911
<b>Total Assets</b>	<b>1,218,075</b>	<b>1,199,715</b>	<b>1,241,631</b>	<b>1,303,485</b>
<b>Liabilities</b>				
Due to banks	46,513	41,971	44,183	50,101
Derivative financial liabilities	1,971	1,706	4,915	8,022
Securities sold under repurchase agreements	76,031	53,672	35,179	49,104
Financial liabilities at amortised cost – due to depositors	905,634	911,180	943,615	983,037
Financial liabilities at amortised cost – other borrowings	24,301	23,769	24,886	25,362
Debt securities issued	–	–	–	–
Current tax liabilities	4,625	5,443	5,781	6,566
Deferred tax liabilities	3,192	3,008	2,898	646
Other provisions	–	–	–	–
Other liabilities	21,687	19,956	23,470	24,208
Due to subsidiaries	20	33	52	41
Subordinated liabilities	25,601	25,565	36,950	37,992
<b>Total Liabilities</b>	<b>1,109,575</b>	<b>1,086,303</b>	<b>1,121,929</b>	<b>1,185,079</b>
<b>Equity</b>				
Stated capital	39,086	39,144	39,148	39,148
Statutory reserves	6,477	6,477	6,477	7,354
Retained earnings	4,384	8,651	13,766	5,063
Other reserves	58,553	59,140	60,311	66,841
<b>Total equity attributable to equity holders of the Bank</b>	<b>108,500</b>	<b>113,412</b>	<b>119,702</b>	<b>118,406</b>
Non-controlling Interest	–	–	–	–
<b>Total Equity</b>	<b>108,500</b>	<b>113,412</b>	<b>119,702</b>	<b>118,406</b>
<b>Total Liabilities and Equity</b>	<b>1,218,075</b>	<b>1,199,715</b>	<b>1,241,631</b>	<b>1,303,485</b>
Contingent Liabilities and Commitments	552,216	618,495	656,592	658,722
Net Assets Value per Ordinary Share (Rs.)	107.40	112.21	118.43	117.15
<b>Quarterly Growth (%)</b>				
Financial assets at amortised cost – Loans and advances to banks & Loans and advances to other customers	5.71	3.69	3.21	3.22
Financial Liabilities at amortised cost – due to depositors	6.53	0.61	3.56	4.18
Total assets	6.53	-1.51	3.49	4.98

## Statement of Financial Position – Bank – 2017

Table – 61

As at	March 31	June 30 (Audited)	September 30	December 31 (Audited)
	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn
<b>Assets</b>				
Cash and cash equivalents	29,312	36,755	25,896	33,225
Balances with central banks	39,252	49,731	46,164	44,801
Placements with banks	11,332	9,333	12,379	17,633
Securities purchased under re-sale agreements	42	42	–	–
Derivative financial assets	1,143	1,396	2,363	2,335
Financial assets recognised through profit or loss/Held for trading – measured at fair value	13,091	6,284	5,246	4,411
Financial assets at amortised cost – Loans and advances to banks	634	640	638	641
Financial assets at amortised cost – Loans and advances to other customers	642,171	668,687	707,431	737,447
Financial assets measured at fair value through other comprehensive income/financial investments Available for sale	171,420	162,344	156,151	154,714
Financial assets at amortised cost – Debt and other financial instruments/financial investments – Held to maturity and loans and receivables	106,478	118,735	111,773	112,275
Investments in subsidiaries	2,493	2,503	2,565	3,066
Investments in associates	44	44	44	44
Property, plant and equipment	10,351	10,456	10,628	14,635
Intangible assets	635	609	580	777
Leasehold property	73	73	73	73
Deferred tax assets	971	136	–	–
Other assets	19,372	17,348	17,054	17,297
<b>Total Assets</b>	<b>1,048,814</b>	<b>1,085,116</b>	<b>1,098,985</b>	<b>1,143,374</b>
<b>Liabilities</b>				
Due to banks	49,243	54,876	41,847	57,121
Derivative financial liabilities	920	975	3,490	3,678
Securities sold under repurchase agreements	78,463	78,121	60,213	49,677
Financial liabilities at amortised cost – due to depositors	780,813	799,902	818,564	850,128
Financial liabilities at amortised cost – other borrowings	9,331	8,936	24,424	23,786
Debt securities issued	–	–	–	–
Current tax liabilities	3,750	3,696	3,677	4,144
Deferred tax liabilities	–	–	921	3,275
Other provisions	2	2	2	–
Other liabilities	21,245	17,363	17,922	19,225
Due to subsidiaries	31	29	35	75
Subordinated liabilities	25,273	25,142	25,371	25,166
<b>Total Liabilities</b>	<b>969,071</b>	<b>989,042</b>	<b>996,466</b>	<b>1,036,275</b>
<b>Equity</b>				
Stated capital	26,806	37,033	37,042	37,144
Statutory reserves	5,648	5,648	5,648	6,477
Retained earnings	3,780	7,558	11,692	4,987
Other reserves	43,509	45,835	48,137	58,491
<b>Total equity attributable to equity holders of the Bank</b>	<b>79,743</b>	<b>96,074</b>	<b>102,519</b>	<b>107,099</b>
Non-controlling Interest	–	–	–	–
<b>Total Equity</b>	<b>79,743</b>	<b>96,074</b>	<b>102,519</b>	<b>107,099</b>
<b>Total Liabilities and Equity</b>	<b>1,048,814</b>	<b>1,085,116</b>	<b>1,098,985</b>	<b>1,143,374</b>
Contingent Liabilities and Commitments	511,791	527,618	562,482	564,795
Net Assets Value per Ordinary Share (Rs.)	88.22	96.55	103.02	107.54
<b>Quarterly Growth (%)</b>				
Financial assets at amortised cost – Loans and advances to banks & Loans and advances to other customers	4.24	4.13	5.79	4.24
Financial Liabilities at amortised cost – due to depositors	5.58	2.44	2.43	3.86
Total assets	3.62	3.46	1.28	4.06