SEYLAN BANK PLC FINANCIAL STATEMENTS



Nine months ended 30th September, 2019

INCOME STATEMENT								(Amo	unts in Ruj	ees Thous	ands)	CASH FLOW STATEMENT			nounts in Rupee	
(In terms of Rule 7.4 of the Colombo Stock Exchange)		Ban	k		Bank			Group		Group			BAI		GRO	
	For th	ne Nine mor	nths	For the	e Quarter		For the	Nine months	For	he Quarter		For the period ended 30th September	2019	2018	2019	2018
	Endeo	d 30th Sept	ember	Ended	30th Septem	ıber	Ended	30th Septembe	r Ende	ed 30th Septen	ıber	Cash Flows from Operating Activities				
	2019	2018	B Growth	2019	2018	Growth	2019	2018 Gr	owth 2019	2018	Growth	Interest receipts	40.910.579	35.017.838	40.915.698	35.017.270
		(Restate	1) %		(Restated)	%		(Restated)	%	(Restated)	%	Interest payments	(25,355,626)	(21,066,561)	(25,352,323)	(21,042,937)
Interest Income	41,639,903	35,661,11	6 16.77	14,262,383	12,371,014	15.29	41,645,022	35,660,548 1	6.78 14,263,889	12,371,048	15.30	Net commission receipts Trading income	3,081,878 58,979	2,947,964 72,157	3,077,966 59.068	2,944,415 71,828
Less: Interest Expenses	27,652,700	22,613,87	1 22.28	9,161,048	7,979,949	14.80	27,637,808	22,576,611 2	2.42 9,156,674	7,974,684	14.82	Payments to employees	(4,680,955)	(4,136,596)	(4,709,597)	(4,164,945)
Net Interest Income	13,987,203	13,047,24	5 7.20	5,101,335	4,391,065	16.18	14,007,214	13,083,937	7.06 5,107,215	4,396,364	16.17	VAT & NBT on financial services & DRL Receipts from other operating activities	(1,950,155) 2,285,965	(1,504,271)	(1,950,155) 2,338,658	(1,491,992) 1,109,476
												Payments on other operating activities	(3,774,819)	(3,769,378)	(3,622,318)	(3,642,800)
Fee and Commission Income	3,240,303			1,182,618			3,240,098		4.85 1,182,595		13.48	Operating profit before changes in operating assets and liabilities	10,575,846	8,605,921	10,756,997	8,800,315
Less: Fee and Commission Expenses	158,425			54,157		8.73			1.27 55,474		8.56	(Increase)/decrease in operating assets :				
Net Fee and Commission Income	3,081,878	2,947,964	4 4.54	1,128,461	992,293	13.72	3,077,966	2,944,415	4.54 1,127,121	990,980	13.74	Balances with Central Bank of Sri Lanka	3,778,820	(1,077,534)	3,778,820	(1,077,534)
												Financial assets at amortized cost - loans & advances Other assets	(27,274,701) (2,396,441)	(34,012,722) 355,344	(27,274,701) (2,388,580)	(34,012,722) 421,727
Net Gains/(Losses) from Trading/Net Fair Value													(1,000,111)	000,011	(2,000,000)	121,727
Gains/(Losses) from Financial Instruments at Fair Value through Profit or Loss	(693.607	 617.48 	0 (212.33)	(61.350	501 440	(110.00)	(693,518)	617 151 /01	2.37) (60.780) 502.106	(112.11)	Increase/(decrease) in operating liabilities : Financial liabilities at amortized cost - due to depositors	18,809,881	26,701,367	18,809,881	26,701,367
Net Gains/(Losses) from Derecognition of	(693,607) 617,48	J (212.33)	(61,350) 501,440	(112.23)	(693,518)	617,151 (21	2.37) (60,780	0 502,106	(112.11)	Financial liabilities at amortized cost - due to debt securities holders	(7,209,387)	(4,268,215)	(7,209,387)	(4,268,215)
Financial Assets at Fair Value through												Financial liabilities at amortized cost - due to other borrowers	(7,188)	2,167	(7,188)	2,167
Other Comprehensive Income	180,387	56.47	2 219.43	29,889	20.940	42.74	180,387	56,472 21	9.43 29.889	20.940	40.74	Other liabilities Due to banks	1,051,936 98,876	(2,029,869) 2,620,906	1,079,852 98.876	(1,106,924) 2,620,906
												Cash used in operating activities before income tax	(2,572,358)	(3,102,635)	(2,355,430)	(1,918,913)
Net Other Operating Income	1,657,359	334,57 1,008,52		413,174 381,713	(1,620,327 1,107,196		4.76 431,803 2.02 400,912	(/		Income tax paid	(1,426,386)	(1,123,120)	(1,427,492)	(1,147,904)
Total Operating Income					5,782,504			988,397 1 17,016,749								
Total Operating Income	10,213,220	17,003,73	0 7.11	0,011,009	5,762,504	14.54	10,192,370	17,010,749	0.91 0,035,240	5,607,100	14.26	Net cash used in operating activities	(3,998,744)	(4,225,755)	(3,782,922)	(3,066,817)
Impairment Charges	3.147.575	3.021.44	9 4.17	1.419.440	792,531	70 10	3 1/7 550	3,021,449	4 17 1 419 440	792.531	79.10	Cash flows from investing activities				
impairment onarges	5,147,575	0,021,44	9 4.17	1,413,440	7 52,551	73.10	5,147,555	3,021,443	4.17 1,413,440	752,551	75.10	Purchase of property, plant & equipment	(374,858)	(577,594)	(413,293)	(577,718)
Net Operating Income	15 065 645	13.982.28	7 7 7 7 5	5 192 069	4.989.973	4 05	15 044 817	13.995.300	7 50 5 215 808	5 014 569	4.01	Improvements in Investment property Proceeds from sale of property , plant & equipment	15.090	21.539	(12,022) 15,090	(3,954) 21,539
not operating meene	10,000,010	10,002,20		0,102,000	4,000,010	1.00	10,011,011	10,000,000		0,011,000		Net proceeds from sale, maturity and purchase of financial investments of government of Sri Lanka	,			
Personnel Expenses	4.835.363	4.349.064	4 11.18	1,657,057	1,418,095	16.85	4,864,005	4.377.413 1	1.12 1.667,508	1.426.448	16.90	Treasury Bills/Bonds and Development Bonds maturing after 03 months Net proceeds from sale, maturity and purchase of financial investments of shares and debentures	(5,816,011) 1,459,910	(4,337,955) 244,700	(5,816,011) 1,459,971	(4,337,955) 193,468
Depreciation and Amortization Expenses	618,535	550,880		208,344		8.91			1.47 226,308		9.14	Reverse repurchase agreements maturing after 03 months	4,961	7,209	4,961	7,209
Other Expenses	4,202,810	3,985,46		1,393,491	1,279,281	8.93		3,869,643			9.05	Net purchase of intangible assets	(99,107)	(202,716)	(99,107)	(202,716)
	9,656,708	8,885,40	5 8.68	3,258,892	2,888,668	12.82	9,596,474	8,845,734	8.49 3,242,563	2,870,560	12.96	Dividend received from investment in subsidiaries Dividend received from other investments	89,725 20,467	84,509 42,046	20,467	42,046
Operating Profit before Taxes	5,408,937	5,096,88	2 6.12	1,933,177	2,101,305	(8.00)	5,448,343	5,149,566	5.80 1,973,245	2,144,009	(7.96)	Proceed from Sale of Assets Held-for-Sale		934,000		
												Net cash used in investing activities	(4,699,823)	(3,784,262)	(4,839,944)	(4,858,081)
Value Added Tax on Financial Services	1,205,005	1,174,069	9 2.63	418,491	441,438	(5.20)	1,205,005	1,161,790	3.72 418,491	441,438	(5.20)	Cash flows from financing activities				
Nation Building Tax on Financial Services	160,668			55,799		(5.20)			2.64 55,799		(5.20)	Net proceeds from the issue of subordinated debt	5,000,000	6.234.000	4,971,000	6,134,000
Debt Repayment Levy	705,902	2	- 100.00	245,094		100.00	705,902	- 10	0.00 245,094	-	100.00	Repayment of subordinated debt		(2,000,000)	-	(1,950,000)
										1.000		Interest paid on subordinated debt Interest paid on un-subordinated debt	(1,488,205)	(908,776) (125,885)	(1,476,616) (107,443)	(902,228) (118,798)
Profit before Income Tax	3,337,362	3,766,27	D (11.39)	1,213,793	1,601,008	(24.19)	3,376,768	3,831,233 (11	.86) 1,253,861	1,643,712	(23.72)	Dividend paid to non-controlling interest	(107,443)	(120,000)	(58,290)	(48,754)
	700 070	1 000 000	(00.10)	100.100	504 50 -	(07.(-)	0.40.005	1 005 470 10	0.001	001 005	(05 50)	Dividend paid to shareholders of the bank	(287,516)	(440,317)	(287,516)	(440,317)
Income Tax Expense	783,370	1,232,969	9 (36.46)	190,166	584,594	(67.47)	848,935	1,285,472 (3	3.96) 207,004	601,665	(65.59)	Net cash generated from financing activities	3,116,836	2,759,022	3,041,135	2,673,903
Profit for the Period	2 552 002	2.533.30	1 0.00	1 022 627	1,016,414	0.71	2 527 822	2,545,761 (0	70) 1 046 953	1 042 047	0.46			,,		
	2,000,992	2,000,30	I U.02	1,023,027	1,010,414	0.71	2,327,033	2,040,701 (0	.70/ 1,040,857	1,042,047	0.40	Net increase / (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of the year	(5,581,731) 25,401,673	(5,250,995) 16.073.851	(5,581,731) 25,401,713	(5,250,995) 16,073,891
Profit Attributable to:																.,
Equity Holders of the Bank	2,553,992	2.533.30	1 0.82	1,023,627	1.016.414	0.71	2,504,780	2 520 796	0.63) 1,040,007	1,034,489	0.53	Cash and cash equivalents at end of the Year	19,819,942	10,822,856	19,819,982	10,822,896
	2,553,992	2,033,30	0.82	1,023,627	1,010,414	0.71						Reconciliation of cash and cash equivalents				
Non-Controlling Interest	-	0 500 00		4 000 007	-	-	23,053		7.70) 6,850		(9.37)	Cash and cash equivalents	7,986,785 7,283,457	7,023,878 68.041	7,986,825 7,283,457	7,023,918 68.041
Profit for the period	2,553,992	2,533,30	I U.82	1,023,627	1,016,414	0.71	2,527,833	2,545,761	0.70) 1,046,857	1,042,047	0.46	Placements with banks and finance companies Government of Sri Lanka Treasury Bills/Bonds and Development Bonds maturing within 03 months	297,876	2,589,440	297,876	2,589,440
Basic/Diluted Earnings per Ordinary Share (in Rupees)	6.76	6.7	1 0.82	2.71	2.69	0.71	6.63	6.67 (0	.63) 2.75	2.74	0.53	Securities purchased under resale agreements maturing within 03 months	4,251,824	1,141,497	4,251,824	1,141,497
basic/biluted carnings per orumary snare (in Rupees)	0.70	0.7	0.62	2./1	2.09	0.71	0.03	0.07 (l	2.75	2.74	0.00		19.819.942	10.822.856	19.819.982	10,822,896
													19,819,942	10,822,856	19,819,982	10,822,896

(Amounts in Rupees Thousands)

(Amounts in Rupees Thousands)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(In terms of Rule 7.4 of the Colombo Stock Exchange)								-					
		Bank		_	Bank			Group		_	Group		
	For the Nine months Ended				For the Quarter Ended			For the Nine months Ended			For the Quarter Ended		
		30th Septembe		30th September			30th September			30th September			
	2019	2018	Growth %	2019	2018 0	irowth %	2019	2018	Growth %	2019	2018	Growth %	
		(Restated)			(Restated)			(Restated)			(Restated)		
Profit for the Period	2,553,992	2,533,301	0.82	1,023,627	1,016,414	0.71	2,527,833	2,545,761	(0.70)	1,046,857	1,042,047	0.46	
Items that will be reclassified to income statement													
Net Movement of Cash Flow Hedge Reserve	(61,143)	34,574	(276.85)	(12,946)	24,839	(152.12)	(61,143)	34,574	(276.85)	(12,946)	24,839	(152.12)	
Net Gains/(Losses) on Investments in Debt Instruments measured at Fair Value throug Other Comprehensive Income	1,574,271	(434,713)	462.14	70,773	(309,071)	122.90	1,578,882	(434,713)	463.20	70,726	(309,071)	122.88	
Items that will not be reclassified to income statement Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	170,768	394.867	(56.75)	55,756	210.847	(73.56)	170,768	394.867	(56.75)	55,756	210.847	(73.56)	
Other Comprehensive Income/(Loss) for the Period, Net of Taxes	1,683,896	(5,272)	32,040.36	113,583	(73,385)	254.78	1,688,507	(5,272)	32,127.83	113,536	(73,385)	254.71	
Total Comprehensive Income for the Period	4,237,888	2,528,029	67.64	1,137,210	943,029	20.59	4,216,340	2,540,489	65.97	1,160,393	968,662	19.79	
Total Comprehensive Attributable to: Equity Holders of the Bank Non-Controlling Interest	4,237,888	2,528,029	67.64	1,137,210	943,029	20.59	4,191,927 24,413	2,515,514 24,975	66.64 (2.25)	1,153,557 6,836	961,104 7,558	20.02 (9.55)	
Total Comprehensive Income for the Period	4,237,888	2,528,029	67.64	1,137,210	943,029	20.59	4,216,340	2,540,489	65.97	1,160,393	968,662	19.79	

STATEMENT OF FINANCIAL POSITION

As at 30.09.2019 7,980,905 14,693,455 7,247,040 79,470 7,782,971	As at 31.12.2018 12,573,611 18,472,275 - 1,676,958 4,918,336	Growth % (36.53) (20.46) 100.00 (95.26) 58.24	As at 30.09.2019 7,980,945 14,693,455 7,247,040 79,470	As at 31.12.2018 12.573.651 18.472.275 - 1.676.958	Growti % (36.53) (20.46) 100.00 (95.26)
7,980,905 14,693,455 7,247,040 79,470	12,573,611 18,472,275 - 1,676,958	(20.46) 100.00 (95.26)	7,980,945 14,693,455 7,247,040	12,573,651 18,472,275 -	(20.46) 100.00
14,693,455 7,247,040 79,470	18,472,275 - 1,676,958	(20.46) 100.00 (95.26)	14,693,455 7,247,040	18,472,275	(20.46) 100.00
7,247,040 79,470	1,676,958	100.00 (95.26)	7,247,040	-	100.00
79,470	1,676,958	(95.26)			
		. ,	79,470	1,676,958	(95.26)
7,782,971 -	4,918,336	59.24			
7,782,971	4,918,336	59.24			
-		30.24	7,789,310	4,923,487	58.21
		-		-	-
352,214,470	326,882,538	7.75	352,214,470	326,882,538	7.75
26,082,896	29,593,496	(11.86)	26,082,896	29,593,496	(11.86)
56,872,724	58,770,720	(3.23)	56,924,360	58,819,604	(3.22)
1,153,602	1,153,602	-		-	-
40,300	40,600	(0.74)		-	-
			6,228,744	6,357,092	(2.02)
	38,479			571,990	0.36
-	-	-			0.36
561.974	576.091	(2.45)			(2.45)
			-		(100.00)
			11 018 203		33.24
10,000,017	0,220,011	00.01	11,010,200	0,200,020	00.24
489,469,457	466,933,018	4.83	492,234,549	469,661,496	4.81
26 477 657	26 378 781	0.37	26 477 657	26 378 781	0.37
					52.31
221,000	140,000	52.51	221,000	143,009	52.51
276 729 166	257 560 197	5 26	276 729 166	257 560 197	5.36
					(34.23) (22.45)
			24,000	32,010	(22.43)
			01 465 950	16 220 400	21 46
					31.46
1,030,152	1,209,404	(14.33)		1,100,000	(16.40)
- 10.894.182	9.361.819	-		9.472.350	100.00 16.24
450,907,520	432,323,219	4.30	400,004,009	432,190,133	4.32
		5.24			5.24
1,768,944	1,768,944	-	1,768,944	1,768,944	-
(387,324)	(1,879,301)	79.39	(418,348)	(1,914,326)	78.15
21,695,542	19,798,647	9.58	22,266,162	20,419,229	9.05
2,829,482	2,895,714	(2.29)	3,881,032	3,947,264	(1.68)
38,562,129	34,609,799	11.42	40,153,275	36,246,906	10.78
			1,197,235	1,216,457	(1.58)
38 562 129	34 609 799	11 42	41 350 510	37 463 363	10.38
489,469,457	466,933,018	4.83	492,234,549	469,661,496	4.81
146,169,925	129,692,642	12.70	146,186,833	129,721,740	12.69
3,406	3,344	1.85	3,427	3,366	1.81
173	170	1.76	173	170	1.76
	4			99.01	7.36
	1,153,602 40,300 3,607,053 37,527 561,974 131,723 10,983,347 489,469,457 489,469,457 221,363 376,728,166 13,874,146 24,830 184,979 21,465,853 1,036,152 10,894,182 450,907,328 450,907,328 450,907,328 21,655,485 1,768,944 (387,324) 21,695,542 2,829,482 38,562,129 489,469,457 489,469,457 489,469,457	1,153,602 1,153,602 40,300 40,600 3,607,053 3,739,526 37,527 38,479 37,527 38,479 561,974 576,091 131,723 270,275 10,983,347 8,226,511 489,469,457 466,933,018 489,469,457 466,933,018 26,477,657 26,378,781 221,363 145,339 376,728,166 357,560,187 13,874,146 21,094,525 24,830 32,018 184,979 211,686 21,465,853 16,329,400 1,036,152 1,209,464 - - 10,894,182 9,361,819 450,907,328 432,323,219 450,907,328 432,323,219 12,655,485 12,025,795 1,768,944 1,768,944 (387,324) (1,879,301) 21,695,542 19,798,647 2,829,482 2,895,714 38,562,129 34,609,799 489,469,457 466,933,018 489,469,457 466	1,153,602 1,153,602 - 40,300 40,600 (0.74) 3,607,053 3,739,526 (3.54) 37,527 38,479 (2.47) 561,974 576,091 (2.45) 131,723 270,275 (51.26) 10,983,347 8,226,511 33.51 489,469,457 466,933,018 4.83 26,477,657 26,378,781 0.37 221,363 145,339 52.31 376,728,166 357,560,187 5.36 13,874,146 21,094,525 (34.23) 24,830 32,018 (22.45) 184,979 211,686 (12.62) 21,465,853 16,329,400 31.46 1,036,152 1,209,464 (14.33) - - - 10,894,182 9,361,819 16.37 450,907,328 432,323,219 4.30 12,655,485 12,025,795 5.24 1,768,944 1,768,944 - (387,324) (1,879,301) 79.39 21,695,542 19,798,647 9.58	1,153,602 1,153,602 - 40,300 40,600 (0.74) - 3,607,053 3,739,526 (3,54) 6,228,744 37,527 38,479 (2,47) 566,5481 561,974 576,091 (2,45) 561,974 131,723 270,275 (51,26) - 10,983,347 8,226,511 33,51 11,018,203 489,469,457 466,933,018 4.83 492,234,549 26,477,657 26,378,781 0.37 26,477,657 221,363 145,339 52,31 221,363 376,728,166 357,560,187 5.36 376,728,166 13,874,146 21,094,525 (34,23) 13,874,146 21,465,853 16,329,400 31.46 21,465,853 1,036,152 1,209,464 (14,33) 991,084 - - - 89,866 10,894,182 9,361,819 16.37 11,011,074 450,907,328 422,323,219 4.30 450,884,039 12,655,485 12,025,795 5.24 1,768,944 1,768,944	1,153,602 1,153,602 - - - 40,300 40,600 (0.74) - - - 3,607,053 3,739,526 (3.54) 6,228,744 6,357,092 571,990 37,527 38,479 (2.47) 565,481 571,990 848,201 845,138 561,974 576,091 (2.45) 561,974 576,091 - 99,648 10,983,347 8,226,511 33.51 11,018,203 8,269,528 489,469,457 466,933,018 4.83 492,234,549 469,661,496 26,477,657 26,378,781 0.37 26,477,657 26,378,781 221,363 145,339 52.31 221,363 145,339 376,728,166 357,560,187 5.36 376,728,166 357,560,187 13,874,146 21,094,525 (34.23) 24,830 32,018 24,483,03 32,018 (22.45) 24,830 32,018 148,979 211,686 (12.62) - - - 10,894,182 9,361,819 16.37 11,011,074 9,472,350

SEYLAN BANK PLC - DEBENTURES

	Current Period	Comparative Period
	01-July-19 to 30-September-19	01-July-18 to 30-September-18 (Restated)
Debt (Debentures)/Equity Ratio (Times) Debt (Debentures plus Long term Debt)/Equity Ratio (Times)	0.56 0.85	0.47 0.80
Interest Cover (Times)	2.90	3.92
Quick Asset Ratio (Times)	0.74	0.72
2014 Issue		
Market Prices during July to September (Ex Interest) 4 Year Fixed Semi Annual - 8.00% p.a. (Debenture matured on 22/12/2018) 5 Year Fixed Semi Annual - 8.35% p.a.		*
5 Year Fixed Annual - 8.60% p.a. 6 Year Fixed Semi Annual - 8.60% p.a.	*	*
6 Year Fixed Annual - 8.75% p.a.	*	*
Interest Yield as at Date of Last Trade	•	*
Yield to Maturity of Trade Done on	*	*
Interest Rate of Comparable Government Security - 4 Years (Debenture matured and redeemed on 22/12/2018)		8.38%
- 5 Years - 6 Years	7.81% 8.45%	9.55% 9.95%
2016 Issue		
Market Prices during July to September (Ex Interest) 5 Year Fixed Semi Annual - 13.00% p.a		*
- Highest Price - Lowest Price	100.00 100.00	*
- Last Traded Price (16/08/2019)/*	100.00	*
5 Year Floating Semi Annual - six months treasury bill rate + 1.5%	*	*
7 Year Fixed Semi Annual - 13.75% p.a - Highest Price	100.00	106.20
- Lowest Price - Last Traded Price (24/09/2019)/(17/08/2018)	100.00 100.00	106.20 106.20
Interest Yield as at Date of Last Trade 5 Year Fixed Semi Annual - 13.00% p.a (16/08/2019)/*	13.42%	*
5 Year Floating Semi Annual - six months treasury bill rate + 1.5% 7 Year Fixed Semi Annual - 13.75% p.a (24/09/2019)/(17/08/2018)	14.22%	* 13.39%
Yield to Maturity of Trade Done on	1 11 March 7 0	1010070
5 Year Fixed Semi Annual - 13.00% p.a (16/08/2019)/* 5 Year Floating Semi Annual - six months treasury bill rate + 1.5%	12.98%	*
7 Year Fixed Semi Annual - 13.75% p.a (24/09/2019)/(17/08/2018)	13.73%	12.03%
Interest Rate of Comparable Government Security - 5 Years	8.69%	10.30%
- 7 Years 2018 Issue	9.81%	10.70%
Market Prices during July to September (Ex Interest) 5 Year Fixed Semi Annual - 12.85% p.a	*	*
7 Year Fixed Semi Annual - 13.20% p.a.	*	*
10 Year Fixed Semi Annual - 13.50% p.a - Highest Price	100.00	*
- Lowest Price - Last Traded Price (17/09/2019)/*	100.00 100.00	*
Interest Yield as at Date of Last Trade		
5 Year Fixed Semi Annual - 12.85% p.a. 7 Year Fixed Semi Annual - 13.20% p.a.	*	*
10 Year Fixed Semi Annual - 13.50% p.a (17/09/2019)/* Yield to Maturity of Trade Done on	13.96%	
5 Year Fixed Semi Annual - 12.85% p.a 7 Year Fixed Semi Annual - 13.20% p.a.	*	*
10 Year Fixed Semi Annual - 13.50% p.a (17/09/2019)/*	13.50%	*
Interest Rate of Comparable Government Security - 5 Years	9.90%	10.81%
- 7 Years - 10 Years	10.43% 10.59%	10.94% 10.98%
2019 Issue (Debenture allotted on 18/04/2019)		
Market Prices during July to September (Ex Interest) 5 Year Fixed Annual - 15.00% p.a Highert Bring	106.40	
- Highest Price - Lowest Price - Last Traded Price (13/08/2019)	106.49 106.49 106.49	
5 Year Fixed Semi Annual - 14.50% p.a.	*	
Interest Yield as at Date of Last Trade		
5 Year Fixed Annual - 15.00% p.a 5 Year Fixed Semi Annual - 14.50% p.a.	14.09%	
Yield to Maturity of Trade Done on 5 Year Fixed Annual - 15.00% p.a 5 Year Fixed Semi Annual - 14.50% p.a.	13.00%	
Interest Rate of Comparable Government Security - 5 Years	10.20%	
* No trading during the period.		

SELECTED PERFORMANCE INDICATORS

	B	ANK	GROUP		
	30.09.2019	31.12.2018	30.09.2019	31.12.2018	
Regulatory Capital (LKR Mn.)					
Common Equity Tier I Total (Tier I) Capital Total Capital Base	34,647 34,647 48,006	33,486 33,486 43,682	35,485 35,485 48,715	34,325 34,325 44,370	
Regulatory Capital Ratios (%) Common Equity Tier I Capital Ratio (Minimum Requirement - 7.00%/2018 - 6.375%) Total Tier I Capital Ratio	9.55 9.55	10.20 10.20	9.71 9.71	10.37 10.37	
(Minimum Requirement - 8.50%/2018 - 7.875%) Total Capital Ratio (Minimum Requirement - 12.50%/2018 - 11.875%)	13.24	13.30	13.32	13.40	
Regulatory Liquidity Statutory Liquid Assets (LKR Mn.) Domestic Banking Unit (LKR Mn.) Offshore Banking Unit (USD '000)	95,602 90,997 31,175	86,367 80,722 31,468			
Statutory Liquid Assets Ratio (%) (Minimum Requirement 20 %) Domestic Banking Unit Offshore Banking Unit	21.80 21.58	21.44 22.08			
Total Stock of High-Quality Liquid Assets (LKR Mn.)	64,827	54,800			
Liquidity Coverage Ratio % Rupee - Minimum Requirement - 100%/2018 - 90%) All Currency - (Minimum Requirement - 100%/2018 - 90%)	175.14 127.42	128.76 92.15			
Net Stable Funding Ratio (%) (Minimum Requirement - 100% / Up to June 2019 - 90%)	109.46	110.00			
Assets Quality (Quality of Loan Portfolio) Gross Non-Performing Advances Ratio (%) (Net of Interest in Suspense) Net Non-Performing Advances Ratio (%) (Net of Interest in Suspense and Provision)	6.73 4.72	5.98 4.40			
Profitability Interest Margin (%) Return on Assets (before Tax) (%) Return on Equity (%)	4.18 0.93 9.30	4.24 1.07 9.27			

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SEYLAN BANK PLC FINANCIAL STATEMENTS



Nine months ended 30th September, 2019

CECI		DEDOD	TINC	CDOUD
SEGI	VENI	REPUR	TING -	GRUUP

(Amounts in Rupees Thousands)

1		
	1.	General

The Financial Statements of the Bank and Group have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRSs/LKASs) issued by The Institute of Chartered Accountants of Sri Lanka.

There are no changes to the accounting policies and methods of computation since the publication of the last Annual Report except the initial adoption of SLFRS 16 - Leases on 1 January 2019.

SLFRS 16 requires recognizing lease liabilities and right-of-use assets for certain leases classified as operating leases under LKAS 17 Leases. (Previous Standard)

Interim Financial Statements for the quarter ended 30/09/2018 has been restated by incorporating the impact on adopting SLFRS 9 on 1 January 2018. The Bank has previously prepared Interim Financial for the quarter ended 30/09/2018 based on "LKAS 39 - Financial Instruments: Recognition and Measurement" as permitted by the Statement of Alternative Treatment (SoAT), on the figures in the "Interim Financial Statements" issued by CA Sri Lanka.

The Interim Financial Statements of the Bank and the Group have been prepared & presented in accordance with the Sri Lanka Accounting Standards (LKAS/SLFRS) and provided necessary disclosure to comply with LKAS 34, Interim Financial Reporting.

The group financial statements comprise a consolidation of the Financial Statements of the Company and its subsidiary Seylan Developments PLC (70.51%).

2. Information on Ordinary Shares

EXPLANATORY NOTES

Market Price (Rs.)	30/09	/2019	30/09/2018		
	Voting	Non-Voting	Voting	Non-Voting	
Market Price Per Share	51.30	29.60	70.00	39.50	
Highest price per share during the quarter ended	78.00	42.90	85.00	50.00	
Lowest price per share during the quarter ended	49.50	28.20	66.50	38.50	

3. Sł	areholders'	Information
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3.1	Twenty Largest Ordinary Voting Shareholders as at September 30, 2019	No. of Shares	%
1	Sri Lanka Insurance Corporation Ltd.		
	[includes Sri Lanka Insurance Corporation Ltd (General Fund) and Sri Lanka Insurance Corporation Ltd (Life Fund)]	28,291,256	15.00
2	Brown & Company PLC A/C No. 1	26,169,291	13.87
3	Employees' Provident Fund	18,592,097	9.86
4	LOLC Investments Ltd.	18,014,952	9.55
5	National Development Bank PLC A/C No. 02	16,455,821	8.72
6	Bank of Ceylon No.1 Account	14,145,629	7.50
7	Mr. R S Captain	11,733,847	6.22
8	Employees' Trust Fund Board	4,010,640	2.13
9	Mr. S E Captain	3,813,079	2.02
10	Seyfest (Private) Limited	3,234,555	1.71
11	Ms. L A Captain	2,801,826	1.49
12	Sesot (Private) Limited	2,442,622	1.30
13	Seyshop (Private) Limited	2,320,860	1.23
14	Seybest (Private) Limited	2,320,860	1.23
15	Esots (Private) Limited	2,302,315	1.22
16	Ambeon Holdings PLC	2,228,394	1.18
17	NDB Capital Holdings Limited A/C No. 02	1,910,362	1.01
18	AIA Insurance Lanka PLC A/C No. 07	1,734,891	0.92
19	Mr. K R B Fernando	1,088,123	0.58
20	Sotse (Pvt) Ltd.	1,047,134	0.56
	Twenty Largest Ordinary Non-Voting Shareholders as at September 30, 2019	No. of Shares	%
1	LOLC Holdings PLC	83,080,731	43.93
2	Employees' Provident Fund	10,087,023	5.33
3	Peoples Leasing & Finance PLC/Don and Don Holdings (Pvt) Ltd.	4,226,104	2.23
4	Akbar Brothers Pvt Ltd A/C No. 1	4,061,408	2.15
5	Deutsche Bank AG As Trustee For JB Vantage Value Equity Fund	3,492,766	1.85
6	Pershing LLC S/A Averbach Grauson & Co	3,205,414	1.70
7	Mr. E Thavagnanasooriyam & Mr. E Thawagnasundaram	3,204,103	1.69
8	Employees' Trust Fund Board	3,008,630	1.59
9	First Capital Ltd.	2,384,831	1.26
10	J B Cocoshell (Pvt) Ltd.	2,370,237	1.25
11	Merrill J Fernando & Sons(Pvt) Ltd.	2,100,619	1.11
12	Mr. N Balasingam	1,972,634	1.04
13	Mr. R R Leon	1,667,337	0.88
14	LOLC Technology Services Ltd.	1,646,856	0.87
15	Mrs. P Thavarajah	1,250,000	0.66
16	Dr. S Yaddehige	1,185,982	0.63
17	Mr.R. Gautam	1,102,124	0.58
18	Mr. D N N Lokuge	1,008,337	0.53
19	Mr. E. Thavagnanasooriyam	1,000,011	0.53
20	Mr. A P Somasiri	959,992	0.51

3.3 Public Holdings as at September 30, 2019

The Bank is compliant under Option 3 of the Section 7.13.1 (Minimum Public Holding requirement) of the Rules of the Colombo Stock Exchange.

Float adjusted market capitalization	- LKR 5.253Bn.
Public Holding Percentage	- 54.30 %
Number of Public Shareholders	- 9,341

 Directors' and Chief Executive Officer's Shareholdings as at September 30, 2019 Name of Director 	No. of Shares (Ordinary Voting)	No. of Shares (Ordinary Non- voting)
Mr. W M R S Dias, Non-Executive Director/Chairman	Nil	Nil
Mr. W D K Jayawardena, Non-Executive Director/Deputy Chairman	Nil	Nil
Ms. M C Pietersz, Independent Director/Senior Director	Nil	Nil
Mr. K P Ariyaratne, Director/Chief Executive Officer	39,140	151,078
Mr. P L S K Perera, Independent Director	Nil	Nil
Mr. S V Corea, Non-Executive Director	97	Nil
Mr. A S Wijesinha, Independent Director	Nil	Nil
Mrs. S K Salgado, Independent Director	Nil	Nil
Mr. D M D K Thilakaratne, Non-Executive Director	Nil	Nil
Mr. D R Abeysuriya, Independent Director	Nil	Nil

BANK	ING

	BAN	(ING	TREAS	URY	PROPERTY/II	IVESTMENTS	UNALLOCATED	ELIMINATIONS	TOT	AL
	30.09.2019	30.09.2018 (Restated)								
Interest Income	34,126,572	29,123,375	5,530,180	4,832,576	20,519	38,492	1,967,751	1,666,105	41,645,022	35,660,548
Interest Expense	23,758,082	19,604,011	3,880,287	3,006,823	508	1,800	(1,069)	(36,023)	27,637,808	22,576,611
Net Interest Income	10,368,490	9,519,364	1,649,893	1,825,753	20,011	36,692	1,968,820	1,702,128	14,007,214	13,083,937
Fee and Commission Income	3,238,879	3,087,865		354	-	-	1,219	1,907	3,240,098	3,090,126
Fee and Commission Expense	140,555	120,279	17,870	22,126	3,707	3,306	-		162,132	145,711
Net Fee and Commission Income	3,098,324	2,967,586	(17,870)	(21,772)	(3,707)	(3,306)	1,219	1,907	3,077,966	2,944,415
Net gains/(losses) from Trading/Net fair value gains/(losses) from Financial Instruments at Fair Value through Profit or Loss			(693,607)	617,480	89	(329)			(693,518)	617,151
Net Gains/(Losses) from Derecognition of Financial Assets at Fair Value through Other Comprehensive Income			180,387	56,472				-	180,387	56,472
Net Other Operating Income	210,272	639,725	1,335,233	(731,910)	223,693	210,429	(148,871)	196,530	1,620,327	314,774
Inter Segment Revenue	(132,002)	(179,001)	71,574	121,602	-	-	60,428	57,399		-
Total Operating Income	13,545,084	12,947,674	2,525,610	1,867,625	240,086	243,486	1,881,596	1,957,964	18,192,376	17,016,749
Depreciation and Amortisation Charge	277,416	332,786	8,136	1,704	683	654	381,126	263,534	667,361	598,678
Impairment Charge for the Period	3,116,273	3,033,072	31,302	(10,118)	(16)	-	-	(1,505)	3,147,559	3,021,449
Operating Expenses, VAT, NBT & DRL	8,645,534	7,485,406	670,108	112,157	62,144	58,495	1,622,902	1,909,331	11,000,688	9,565,389
Reportable Segment Profit Before Income Tax	1,505,861	2,096,410	1,816,064	1,763,882	177,275	184,337	(122,432)	(213,396)	3,376,768	3,831,233
Income Tax Expense									848,935	1,285,472
Profit For The Period									2,527,833	2,545,761
Profit Attributable To:										
Equity Holders of The Bank									2,504,780	2.520.786
Non-Controlling Interests									2,304,700	24,975
Profit For The Period									2,527,833	2,545,761
Other Comprehensive Income, Net of Income Tax									1,688,507	(5,272)
Other Information									1,000,007	(3,272)
Total Assets	344,009,250	305,785,647	116,971,777	109,110,523	5,686,884	5,548,753	25,566,638	21,037,541	492,234,549	441,482,464
Total Liabilities & Equity	395,472,320	355,136,205	61,215,278	53,531,191	5,686,884	5,548,753	29,860,067	27,266,315	492,234,549	441,482,464
Cash Flows from Operating Activities	(6,202,666)	(6,089,827)	1,824,200	1,743,209	144,909	123,692	450,635	1,156,109	(3,782,922)	(3,066,817)
Cash Flows from Investing Activities	(494,385)	(0,003,027)	(4,431,460)	(4,160,933)	(56,172)	(1,009,774)	142,073	379,745	(4,839,944)	(4,858,081)
Cash Flows from Financing Activities	-	-	3,404,352	3,199,339	(147,965)	(1,003,174)	(215,252)	(392,268)	3,041,135	2.673,903
Capital Expenditure	(340,136)	(649,673)	(6,362)	(2,074)	(50,457)	(4,078)	(127,467)	(128,563)	(524,422)	(784,388)

\$	TATEMENT OF CHANGES IN EQUITY - BA	ANK					(Amounts in	n Rupees Th	ousands)
		State	d Capital	Statutory	Retained		Other Reserves		
Fo	r the 09 Months ended 30th September	Ordinary	Ordinary	Reserve Fund	Earnings	Revaluation	FVOCI	Other	Total
		Shares	Shares	*		Reserve	Reserve	Reserves	
		-Voting	-Non-Voting				**		
1	Balance as at 01st January 2018	7,319,076	3,909,193	1,609,484	17,178,024	1,242,493	945,408	2,002,245	34,205,923
_									
	Adjustment on Initial Application of SLFRS 9, net of tax	-	-	-	(155,362)	-	(1,570,187)	-	(1,725,549)
2	Restated Balance as at 01st January 2018	7,319,076	3,909,193	1,609,484	17,022,662	1,242,493	(624,779)	2,002,245	32,480,374
	Total Comprehensive Income for the Period								
	Profit for the Period	-	-	-	2,533,301	-	-	-	2,533,301
	Other Comprehensive Income (net of tax)								
	- Net Gains/(Losses) on Investments in Debt Instruments measured at Fair Value								
	through Other Comprehensive Income	-	-	-	-	-	(434,713)	-	(434,713)
	- Net Gains/(Losses) on Investments in Equity Instruments measured at Fair								
	Value through Other Comprehensive Income		-	-	-	-	394,867	-	394,867
	- Net Movement of Cash Flow Hedge Reserve	-	-	-	-	-	-	34,574	34,574
3	Total Comprehensive Income for the Period		•	-	2,533,301	-	(39,846)	34,574	2,528,029
	Transactions with Equity Holders, Recognized Directly In Equity								
	Cash/Scrip Dividends to Equity Holders	404,131	393,395	-	(1,240,596)	-	-	-	(443,070)
	Reversal of Revaluation Reserve on Disposed Property, Plant and Equipment	-	-	-	376,202	(376,202)	-	-	-
	Transferred from Investment Fund Reserve	-	-	-	4,363	-	-	(4,363)	-
	Net Gain on Disposal of Equity Investments measured at Fair Value through								
_	Other Comprehensive Income	-	-	-	517,579	-	(517,579)	-	-
4	Total Transactions with Equity Holders	404,131	393,395	•	(342,452)	(376,202)	(517,579)	(4,363)	(443,070)
	Balance as at 30th September 2018 (2 + 3 + 4)	7,723,207	4,302,588	1,609,484	19,213,511	866,291	(1,182,204)	2,032,456	34,565,333
1	Balance as at 01st January 2019	7,723,207	4,302,588	1,768,944	19,798,647	866,290	(1,879,301)	2,029,424	34,609,799
	Total Comprehensive Income for the Period								
	Profit for the Period	-	-	-	2,553,992	-	-	-	2,553,992
	Other Comprehensive Income (net of tax)								
	- Net Gains/(Losses) on Investments in Debt Instruments measured at Fair Value								
	through Other Comprehensive Income	-	-	-	-	-	1,574,271	-	1,574,271
	- Net Gains/(Losses) on Investments in Equity Instruments measured at Fair								
	Value through Other Comprehensive Income	-	-	-	-	-	170,768	-	170,768
_	- Net Movement of Cash Flow Hedge Reserve	-	-	-	-	-	-	(61,143)	(61,143)
2	Total Comprehensive Income for the Period		-	-	2,553,992	-	1,745,039	(61,143)	4,237,888
	Transactions with Equity Holders, Recognized Directly In Equity								
	Cash/Scrip Dividends to Equity Holders	316,659	313,031	-	(915,248)	-	-	-	(285,558)
	Transferred from Investment Fund Reserve	-	-	-	5,089	-	-	(5,089)	-
	Net Gain on Disposal of Equity Investments measured at Fair Value through								
_	Other Comprehensive Income		-	-	253,062	-	(253,062)	-	-
3	Total Transactions with Equity Holders	316,659	313,031		(657,097)	-	(253,062)	(5,089)	(285,558)
_									

nce as at soth september 2019	1+2+3	0,039,000 4,01	10.019 1.7	00.944 ZI	.093.342 0	00.290 (*	307.324) I	.903.192	30.302.129

* Statutory Reserve Fund represents the statutory requirement in terms of the Section 20(1) and (2) of the Banking Act No. 30 of 1988 (5% of net profit after tax).

** FVOCI Reserve - Fair Value through Other Comprehensive Income Reserve.

TATEMENT OF CHANGES IN EQUITY -	GROUP						(Amou	nts in Ruj	pees Thou	isands
	State	d Capital			0	ther Reserves				
r the Nine Months ended 30th September	Ordinary	Ordinary	Statutory	Retained	Revaluation	FVOCI	Other	Total	Non-	т
	Shares -	Shares -	Reserve	Earnings	Reserve	Reserve	Reserves		Controlling	Eq
	Voting	Non-Voting	Fund			**			Interest	
			*							
Balance as at 01st January 2018	7,319,076	3,909,193	1,609,484	17,818,539	1,967,727	945,496	2,257,458	35,826,973	1,213,666	37,040
Adjustment on Initial Application of SLFRS 9, net of tax			-	(121,806)		(1,603,743)	-	(1,725,549)		(1,725
Rstated Balance as at 01st January 2018	7,319,076	3,909,193	1,609,484	17,696,733	1,967,727	(658,247)	2,257,458	34,101,424	1,213,666	35,315
Total Comprehensive Income for the Period										
Profit for the Period	_			2,520,786	_			2,520,786	24.975	2,54
	-	-	-	2,320,700	-	-	-	2,320,700	24,970	2,04
Other Comprehensive Income (net of tax)										
- Net Gains/(Losses) on Investments in Debt Instruments						(101 710)		(101 710)		(10
measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	(434,713)	-	(434,713)	-	(43
- Net Gains/(Losses) on Investments in Equity Instruments										
measured at Fair Value through Other Comprehensive Income	-	-	-		-	394,867	-	394,867	-	39
- Net Movement of Cash Flow Hedge Reserve		-	-	-		-	34,574	34,574	-	3
Total Comprehensive Income for the Period			-	2,520,786		(39,846)	34,574	2,515,514	24,975	2,54
Transactions with Equity Holders, Recognized Directly In Equity										
Cash/Scrip Dividends to Equity Holders	404,131	393,395	-	(1,240,596)	-	-	-	(443,070)	(39,271)	(48
Reversal of Revaluation Reserve on Disposed Property, Plant and Equipment	,	,		376,202	(376,202)	-	-	-	-	(
Transferred from Investment Fund Reserve	-	-	-	4,363	(010,202)	-	(4,363)			
Net Gain on Disposal of Equity Investments measured at Fair Value through				4,000			(4,000)			
Other Comprehensive Income				517,579		(517,579)				
Total Transactions with Equity Holders	404,131	393,395		(342,452)	(376,202)	(517,579)	(4,363)	(443,070)	(39,271)	(48
		,		(, , , ,	(* * * * *)	(* /* */	()	(-,,	(,)	
Balance as at 30th September 2018 (2 + 3 + 4)	7,723,207	4,302,588	1,609,484	19,875,067	1,591,525	(1,215,672)	2,287,669	36,173,868	1,199,370	37,37
Balance as at 01st January 2019	7.723.207	4.302.588	1,768,944	20.419.229	1.662.627	(1,914,326)	2 224 637	26 246 006	1,216,457	37.46
	1,120,201	4,002,000	1,700,344	20,413,223	1,002,027	(1,314,320)	2,204,001	30,240,300	1,210,407	07,40
Total Comprehensive Income for the Period										
Profit for the Period	-	-	-	2,504,780	-	-	-	2,504,780	23,053	2,52
Other Comprehensive Income (net of tax)										
- Net Gains/(Losses) on Investments in Debt Instruments										
measured at Fair Value through Other Comprehensive Income	-	-	-		-	1,577,522	-	1,577,522	1,360	1,57
- Net Gains/(Losses) on Investments in Equity Instruments										
measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	170,768	-	170,768	-	17
		-	-		-	-	(61,143)	(61,143)	-	(6
- Net Movement of Cash Flow Hedge Reserve	-			0 504 700	-	1,748,290	(61,143)	4,191,927	24,413	4,21
	-	-	-	2,504,780						
- Net Movement of Cash Flow Hedge Reserve	-	-	-	2,304,780						
- Net Movement of Cash Flow Hedge Reserve Total Comprehensive Income for the Period Transactions with Equity Holders, Recognized Directly In Equity	-		-							
- Net Movement of Cash Flow Hedge Reserve Total Comprehensive Income for the Period Transactions with Equity Holders, Recognized Directly In Equity Cash/Scrip Dividends to Equity Holders	316,659	- 313,031	-	(915,248)	-	-	-	(285,558)	(43,635)	(32
- Net Movement of Cash Flow Hedge Reserve Total Comprehensive Income for the Period Transactions with Equity Holders, Recognized Directly In Equity Cash/Scrip Dividends to Equity Holders Transferred from Investment Fund Reserve	316,659	- 313,031 -			-	-	- (5,089)	(285,558) -	(43,635) -	(32
- Net Movement of Cash Flow Hedge Reserve Total Comprehensive Income for the Period Transactions with Equity Holders, Recognized Directly In Equity Cash/Scrip Dividends to Equity Holders	- - 316,659 -	- 313,031 -	-	(915,248)	-	-	- (5,089)	(285,558) -	(43,635) -	(32
- Net Movement of Cash Flow Hedge Reserve Total Comprehensive Income for the Period Transactions with Equity Holders, Recognized Directly In Equity Cash/Scrip Dividends to Equity Holders Transferred from Investment Fund Reserve	- - 316,659 - -	- 313,031 -	-	(915,248)	- -	(252,312)	- (5,089) -	(285,558) -	(43,635) - -	(32
- Net Movement of Cash Flow Hedge Reserve Total Comprehensive Income for the Period Transactions with Equity Holders, Recognized Directly In Equity Cash/Scrip Dividends to Equity Holders Transferred from Investment Fund Reserve Net Gain on Disposal of Equity Investments measured at Fair Value through	- - 316,659 - - - 316,659	- 313,031 - - 313,031		(915,248) 5,089	- - -	(252,312) (252,312)	- (5,089) - (5,089)	(285,558) - - (285,558)	(43,635) - - (43,635)	

* Statutory Reserve Fund represents the statutory requirement in terms of the Section 20(1) and (2) of the Banking Act No. 30 of 1988 (5% of net profit after tax).

** FVOCI Reserve - Fair Value through Other Comprehensive Income Reserve.

Mr. R D Tissera, Alternate Director to Non-Executive Director Mr W D K Jayawardena

33,560,000 Voting Ordinary Shares @ Rs. 10/- each	335,600
4,000,000 Voting Ordinary Shares @ Rs. 25/- each	100,000
92,440,000 Voting Ordinary Shares @ Rs. 35/- each	3,235,400
2,644,068 Voting Ordinary Shares @ Rs. 59/- each	156,000
43,333,333 Voting Ordinary Shares @ Rs. 75/- each	3,250,000
3,636,268 Voting Ordinary Shares @ Rs. 98/- each	356,354
4,490,341 Voting Ordinary Shares @ Rs. 90/- each	404,131
4,504,394 Voting Ordinary Shares @ Rs. 70/30 each	316,659
83,560,000 Non-Voting Ordinary Shares @ Rs. 12/50 each	1,044,500
40,000,000 Non-Voting Ordinary Shares @ Rs. 25/- each	1,000,000
45,423,009 Non-Voting Ordinary Shares @ Rs. 35/- each	1,589,805
5,859,428 Non-Voting Ordinary Shares @ Rs. 58/40 each	342,191
7,152,645 Non-Voting Ordinary Shares @ Rs. 55/- each	393,395
7,114,354 Non-Voting Ordinary Shares @ Rs. 44/- each	313,031
Less: Issue Expenses	(181,581)
	12,655,485

6. Basic/Diluted Earnings per Share

Basic Earnings per share has been calculated by dividing profit after tax attributable to the equity holders of the Bank by the weighted average number of shares in issue (both Voting & Non-voting) during the nine months ended September 30, 2019. Diluted Earnings per Share and the Basic Earnings per Share is the same due to non-availability of potentially dilutive ordinary shares. Weighted average number of ordinary shares as at 30th September 2018 has been restated based on the no of shares issued for scrip dividend 2018.

7. Events after the Reporting Date

The Bank received the principle approval from the Colombo Stock Exchange to proceed with a Rights Issue of 62,869,468 new ordinary voting shares at a consideration of Rs. 45.25 per share (proportion of one (01) new ordinary voting share for every existing three (03) ordinary voting shares) and 63,036,478 new ordinary non-voting shares at a consideration of Rs. 24.50 per share {proportion of one (01) new ordinary non-voting share for every existing three (03) ordinary non-voting shares]. The Right Issue is subject to the approval of the ordinary voting shareholders at the Extraordinary General Meeting scheduled to be held on 4th November 2019.

8. Other Matters

The Bank has not recognized an additional gratuity liability in the financial statements for ex-employees who have not entered into the "Memorandum of settlement (MOS)" with the Bank, giving the right to settle the said liability by utilizing proceeds expected from disposal of shares held by share trust companies, as the establishment of the liability is contingent upon the date of signing the "Memorandum of Settlement" and the prevailing share prices as at that date of signing, If the above uncertainties are resolved, the Bank estimates an additional cash outflow of Rs.153 Mn. (net of tax) as at 30.09.2019.

9. Comparative Figures

Comparative figures have been re-stated/re-classified where necessary, to conform to the current period presentation.

The following line item of the Interim Financial Statements for the nine months ended 30.09.2018 were restated due to the adoption of SLFRS 9 and the circular No. 02 of 2019 issued by the Bank Supervision Department of the Central Bank of Sri Lanka.

For the Nine Months Ended 30.09.2018 - Bank	(Amounts in Rupees Thousands) As Reported				
	Restated	Previously			
Interest Income	35,661,116	35,626,586			
Net Exchange Income		76,984			
Net Other Operating income	334,575	246,946			
Impairment Charges	3,021,449	1,923,474			
Value Added Tax on Financial Services	1,174,069	1,309,043			
Nation Building Tax on Financial Services	156,543	174,540			
Profit before Tax	3,766,270	4,666,099			
Tax Expenses	1,232,969	1,527,753			
Profit for the Period	2,533,301	3,138,346			
Other Comprehensive Income for the Period Net of Taxes	(5,272)	(512,206)			
Total Comprehensive Income for the Period	2,528,029	2,626,140			

* Group Financial Statements also have been restated accordingly

During the quarter there were no material changes in Contingent Liabilities, composition of Assets and Liabilities and use of funds raised by the Bank.

All known expenditure items have been provided for in these Interim Accounts.