



**INTERIM FINANCIAL STATEMENTS
FOR THE 03 MONTHS ENDED 31ST MARCH 2017**

COMPANY REGISTRATION NO : PQ 48

Pan Asia Bank's March quarter profit rises 16% to Rs.353Mn amid challenges

Bank expresses confidence in meeting Rs.10Bn core-capital by year end

- Return on equity still high around 19% albeit new rights
- Bank manages to maintain NIM around 3.80% amid margin pressure
- Interest income rises 36% to Rs.3.89 billion but cost rises faster as higher deposit rates
- Overall efficiency level improves as cost-to-income falls, return on asset rises

Sri Lanka's fastest growing bank, Pan Asia Banking Corporation PLC reported an after tax profit of Rs. 353.4 million for its January - March quarter (1Q'17) recording an increase of 16 percent from the same period last year.

The performance was largely supported by the significant increase in the fee and commission income, slightly lower tax liability and the closer tab kept on the costs but the core-banking performance became subdued in response to the tighter credit conditions remained throughout the period.

The bank's earnings per share was Rs.3.41 by the end of the 1Q'17, slightly less than Rs.3.91 reported in same period of 2016 as the bank pumped up with new equity by way of a Rs.2.0 billion rights issue in March 2017 which saw successfully being oversubscribed.

Meanwhile the income tax expense for the period came down by 12% to little under Rs.160 million for the quarter from a year ago as a result of effective tax management.

What is also notable is the fact that despite the new equity injection, the bank was able to maintain its Return on Equity (RoE) at 18.95%, among the few highest in the industry, albeit little down from 19.97% reported three months ago.

RoE is the mostly watched performance indicator to gauge the attractiveness of the banking sector and Pan Asia Bank during its last three years has consistently remained an outlier in the industry.

This demonstrates the bank's resiliency in continuously reporting higher quarterly earnings recording year-over-year growths ensuring consistently higher returns to its existing shareholders as well as attracting the potential new ones in to its share.

In spite of the mounting pressure on banking sector margins as a whole, the bank was largely able to maintain its Net Interest Margin (NIM) at 3.79%, higher than the industry average of around 3.4% although slightly down from its December's 3.87%.

Speaking on the bank's recent performance, the bank's newly appointed Director/ Chief Executive Officer, Nimal Tillekeratne said this performance was a true reflection of the bank's

ability and the resiliency in reporting consistently higher financial performance irrespective of the market condition.

“I am happy to announce our financial performance for the first quarter because the bank operated under extremely challenging conditions such as rising interest rates, slowdown in demand for new loans and risk of new addition to non-performing loans.

However the early identification of these developments, management foresight and the proactive and prudent decision making by the bank enabled us to showcase these financial performance even under these challenging times.

Now that we have proved that we could deliver even under these trying conditions, I am very much confident that Pan Asia Bank could continue to deliver exceptional performance exceeding the stakeholder expectations,” Tillekeratne said in an earnings release.

Commenting further on the recent issue of rights, he confided that the bank could meet the minimum core-capital requirement of Rs.10 billion by the end of 2017 with the strong earnings forecasted for the remainder of the year.

By the end of March 31, 2017, the bank had a core capital base of Rs.8.7 billion and a total capital base of Rs.10.5 billion.

Speaking on the future direction of the bank he said, “We have developed our new three year strategy with a clear focus on serving the diverse financial needs of Sri Lanka’s growing middle income class and also to uplift the Micro and Small and Medium Enterprises segment that are considered as the life blood of the Sri Lanka’s economy”.

“We are currently rolling out these strategies with the guidance of the Board of Directors, able management team and the fine execution by all the staff members across our 83 branches spread across all parts of the island and I am much confident Pan Asia Bank is now on its path to become a formidable mid-sized commercial bank in Sri Lanka in the not so distant future,” he added.

Core-banking performance

Bank’s core-banking performance was impacted by the tightening monetary and fiscal conditions because higher interest rates and higher indirect taxes dampened the demand for new loans.

Although the interest income rose by a strong 36 percent to Rs. 3.89 billion from a year ago, the corresponding interest expense grew by an even higher 54 percent year-on-year (yoy) to Rs.2.68 billion resulting in Net Interest Income (NII) of Rs. 1.21 billion, an increase of a modest 7.0 percent from a year earlier.

This is mainly due to the fact that the rise in deposit rates outweighed the rise in lending rates as the bank had to offer attractive interest rates to mobilize deposits.

The low cost deposit base measured by the Current and Savings Account (CASA) ratio also declined to 19.6 percent from 20.3 percent in December as the mid-term deposits grew much faster.

Other income acted as an anchor

Net fee and commission income acted as an important anchor to guard against the tightened NIIs as such income grew by a strong 63 percent yoy to Rs.339.95 million.

This is predominantly due to credit related fee income and partly due to the fee income from credit cards.

The bank will continue to explore all avenues to grow its fee and commission income base to remain as a strong buffer against tightening margins.

The bank is now driving its trade finance portfolio with a renewed focus leveraging its unmatched service quality to the importer and exporter fraternity in the country.

Continued improvement in efficiency

In a clear sign of continuous bias for productivity and efficiency enhancement activities pursued during the last four years, the bank was able to bring down its cost-to-income ratio – a key banking sector efficiency indicator – to 54.24% from 56.03% three months ago.

Meanwhile the return on assets also rose to 1.11% from 1.05% in December.

This is a significant achievement given the general increase in prices of the economy as well as the recent increase in value added tax.

The staff cost rose by little under 10% mainly due to the increased salaries and other emoluments while the other expenses rose by 16% due to the generally increase in price levels and indirect taxes.

The bank is now on an aggressive staff rationalization program which will see excess head office staff being re-deployed to the branch network which will be expanded up to 100 within the next 18 months.

Further the new management has also quite keen on streamlining the processes and work-flow automation to get rid of the slack in all processes to enhance speed of deliver, efficiency levels and service quality to deliver a better customer experience.

Stronger balance sheet

The bank's total assets remained largely unchanged at Rs. 129.12 billion during the January – March quarter as the growth in both loans and deposits slowed down in response to higher interest rates.

Both loans and advances and deposits grew by little above Rs.2.0 billion to Rs.100.5 billion and Rs.93.8 billion respectively.

Meanwhile the both the Tier I and Tier II capital adequacy ratios received a boost from the recent rights issue proceeds of Rs.2.0 billion and by the end of March 31, 2017, the two ratios stood at 11.07% and 13.83% respectively, significantly up from 8.37% and 11.40% in December 2016.

With the capital buffers becoming much stronger, the bank could now expand its asset base much faster than it used to grow.

The asset quality came under little pressure due to new additions to Non-Performing Loans (NPL) amid slow down in loans. Therefore the gross NPL ratio rose to 5.63% from 4.74% in December but the bank is confident that the ratio could be brought down with the proactive strategies are now in place.

With a fresh direction under its new CEO and the new strategic plan which is now in place, the Pan Asia Bank is now poised for a robust growth during the next three years.

In Rupee Thousands

Income Statement

	For the three months ended 31 st March		Change
	2 017	2 016	%
Interest Income	3,891,089	2,869,404	36
Interest Expense	(2,682,155)	(1,743,054)	54
Net Interest Income	1,208,934	1,126,350	7
Fees and Commission Income	358,580	221,978	62
Fees and Commission Expense	(18,628)	(13,319)	40
Net Fee and Commission Income	339,952	208,659	63
Net Gain from Trading	69,829	56,125	24
Other Operating Income	75,957	129,671	(41)
Total Operating Income	1,694,672	1,520,805	11
Impairment for Loans and Other (Losses) / Reversals			
Individual Impairment	(148,768)	(113,733)	31
Collective Impairment	38,316	5,003	666
Others	299	116	158
Net Operating Income	1,584,519	1,412,191	12
Operating Expenses			
Personnel Expenses	431,634	397,046	9
Depreciation and Amortisation	56,065	54,637	3
Other Expenses	422,908	365,313	16
Operating Profit before VAT and NBT on Financial Services	673,912	595,195	13
Value Added Tax and Nation Building Tax on Financial Services	160,993	110,704	45
Profit before Tax	512,919	484,491	6
Tax Expense	159,566	180,660	(12)
Profit for the Period	353,353	303,831	16
Earnings Per Share - Basic /Diluted (Annualised) (Rs)	3.41	3.91	

In Rupee Thousands

Statement of Comprehensive Income

	For the Three months ended 31 st March		Change
	2 017	2 016	%
Profit for the Period	353,353	303,831	16
Other Comprehensive Income for the Period	-	-	-
Total Comprehensive Income for the Period	353,353	303,831	16

In Rupee Thousands

Statement of Financial Position

	As at 31/03/2017	As at 31/12/2016	Change %
Assets			
Cash and Cash Equivalents	1,699,735	1,703,450	(0)
Balances with Central Bank of Sri Lanka	6,248,749	6,218,564	0
Placements with Banks	-	75,097	(100)
Derivative Financial Instruments	-	26,280	(100)
Other Financial Assets Held for Trading	11,971	629,745	(98)
Loans and Receivables to Banks	739,263	754,131	(2)
Loans and Receivables to Other Customers	97,745,634	95,833,759	2
Financial Investments - Available for Sale	6,158	6,158	-
Financial Investments - Held to Maturity	20,172,985	21,753,428	(7)
Property, Plant and Equipment	1,471,194	1,489,391	(1)
Intangible Assets	307,731	315,704	(3)
Other Assets	717,636	645,372	11
Total Assets	129,121,056	129,451,079	(0)
Liabilities			
Due to Banks	8,602,779	14,238,392	(40)
Derivative Financial Instruments	4,190	-	100
Due to Other Customers	93,752,648	91,456,410	3
Other Borrowings	7,840,792	6,762,948	16
Current Tax Liabilities	501,766	411,033	22
Deferred Tax Liabilities	476,484	445,769	7
Other Provisions and Accruals	194,128	170,399	14
Other Liabilities	1,347,949	1,143,812	18
Debentures	7,109,535	7,950,171	(11)
Total Liabilities	119,830,271	122,578,934	(2)
Equity			
Stated Capital	3,614,253	1,548,966	133
Statutory Reserve Fund	304,581	304,581	-
Retained Earnings	5,109,006	4,754,100	7
Revaluation Reserve	262,945	264,498	(1)
Total Equity	9,290,785	6,872,145	35
Total Equity and Liabilities	129,121,056	129,451,079	(0)
Commitments and Contingencies	30,053,123	28,003,930	7
Net Asset Value per Share (Rs.)	20.99	23.29	(10)
Memorandum Information			
Number of Employees	1,427	1,458	
Number of Branches	82	82	

In Rupee Thousands

Statement of Changes In Equity						
	Stated Capital*		Reserves			Total
	Ordinary Voting Shares	Ordinary Non-Voting Shares	Statutory Reserve Fund	Revaluation Reserve	Retained Earnings	
Balance as at 01/01/2016	1,548,966	-	241,996	270,706	3,711,605	5,773,273
Profit for the Period	-	-	-	-	303,831	303,831
Other Comprehensive Income for the Period	-	-	-	-	-	-
Total Comprehensive Income for the Period	-	-	-	-	303,831	303,831
Transactions with Equity Holders, Recognised Directly in Equity						
Final Cash Dividend - 2015	-	-	-	-	(147,521)	(147,521)
Realisation of Revaluation Reserve	-	-	-	(1,552)	1,552	-
Total Transactions with Equity Holders	-	-	-	(1,552)	(145,969)	(147,521)
Balance as at 31/03/2016	1,548,966	-	241,996	269,154	3,869,467	5,929,583
Balance as at 01/01/2017	1,548,966	-	304,581	264,498	4,754,100	6,872,145
Profit for the Period	-	-	-	-	353,353	353,353
Other Comprehensive Income for the Period	-	-	-	-	-	-
Total Comprehensive Income for the Period	-	-	-	-	353,353	353,353
Transactions with Equity Holders, Recognised Directly in Equity						
Rights Issue	2,065,287	-	-	-	-	2,065,287
Realisation of Revaluation Reserve	-	-	-	(1,553)	1,553	-
Total Transactions with Equity Holders	2,065,287	-	-	(1,553)	1,553	2,065,287
Balance as at 31/03/2017	3,614,253	-	304,581	262,945	5,109,006	9,290,785

* Number of Ordinary Shares (Voting) as at 31st March 2017 - 442,561,629

In Rupee Thousands

Statement of Cash Flows		
	Current Period From 01/01/17 To 31/03/17	Previous Period From 01/01/16 To 31/03/16
Cash Flows from Operating Activities		
Profit before Tax	512,919	484,491
<i>Adjustment for:</i>		
Non Cash Items Included in Profit before Tax	182,971	233,150
Change in Operating Assets	(1,465,554)	(4,771,809)
Change in Operating Liabilities	(2,121,674)	5,065,297
Interest Expense on Debentures and Other Term Debts	300,346	228,398
Gratuity Paid	(5,451)	(4,860)
Income Tax Paid	(37,600)	(27,735)
Net Cash Generated From / (Used) in Operating Activities	(2,634,043)	1,206,932
Cash Flows from Investing Activities		
Acquisition of Property, Plant and Equipment	(29,811)	(66,423)
Net Investment in Held to Maturity Investments	1,580,443	(821,977)
Acquisition of Intangible Assets	(373)	(11,915)
Net Cash Generated From / (Used) in Investing Activities	1,550,259	(900,315)
Cash Flows from Financing Activities		
Proceeds from the Right Issue	2,065,287	-
Redemption of Debentures	(750,000)	-
Interest Paid on Debentures and Other Term Debts	(310,315)	(204,308)
Net Cash Generated From / (Used) in Financing Activities	1,004,972	(204,308)
Net Increase/(Decrease) in Cash & Cash Equivalents	(78,812)	102,309
Cash and Cash Equivalents at the beginning of the Period	1,778,547	1,393,268
Cash and Cash Equivalents at the end of the Period	1,699,735	1,495,577

In Rupee Thousands

Measurement of Financial Instruments						
As at 31/03/2017	Held for Trading	Held to Maturity - At Amortised Cost	Loans & Receivables / Financial Liabilities- At Amortised Cost	Available for Sale	Derivative Financial Instruments	Total
Financial Assets						
Cash and Cash Equivalents	-	-	1,699,735	-	-	1,699,735
Balances with Central Bank of Sri Lanka	-	-	6,248,749	-	-	6,248,749
Derivative Financial Instruments	-	-	-	-	-	-
Other Financial Assets Held for Trading	11,971	-	-	-	-	11,971
Loans and Receivables to Banks	-	-	739,263	-	-	739,263
Loans and Receivables to Other Customers	-	-	97,745,634	-	-	97,745,634
Financial Investments	-	20,172,985	-	6,158	-	20,179,143
Total Financial Assets	11,971	20,172,985	106,433,381	6,158	-	126,624,495
Financial Liabilities						
Due to Banks	-	-	8,602,779	-	-	8,602,779
Derivative Financial Instruments	-	-	-	-	4,190	4,190
Due to Other Customers	-	-	93,752,648	-	-	93,752,648
Other Borrowings	-	-	7,840,792	-	-	7,840,792
Debentures	-	-	7,109,535	-	-	7,109,535
Total Financial Liabilities	-	-	117,305,754	-	4,190	117,309,944

In Rupee Thousands

Measurement of Financial Instruments						
As at 31/12/2016	Held for Trading	Held to Maturity - At Amortised Cost	Loans & Receivables / Financial Liabilities- At Amortised Cost	Available for Sale	Derivative Financial Instruments	Total
Financial Assets						
Cash and Cash Equivalents	-	-	1,703,450	-	-	1,703,450
Balances with Central Bank of Sri Lanka	-	-	6,218,564	-	-	6,218,564
Placements with Banks	-	-	75,097	-	-	75,097
Derivative Financial Instruments	-	-	-	-	26,280	26,280
Other Financial Assets Held for Trading	629,745	-	-	-	-	629,745
Loans and Receivables to Banks	-	-	754,131	-	-	754,131
Loans and Receivables to Other Customers	-	-	95,833,759	-	-	95,833,759
Financial Investments	-	21,753,428	-	6,158	-	21,759,586
Total Financial Assets	629,745	21,753,428	104,585,001	6,158	26,280	127,000,612
Financial Liabilities						
Due to Banks	-	-	14,238,392	-	-	14,238,392
Derivative Financial Instruments	-	-	-	-	-	-
Due to Other Customers	-	-	91,456,410	-	-	91,456,410
Other Borrowings	-	-	6,762,948	-	-	6,762,948
Debentures	-	-	7,950,171	-	-	7,950,171
Total Financial Liabilities	-	-	120,407,921	-	-	120,407,921

Notes to the Financial Statements

Loans and Receivables to Other Customers	In Rupee Thousands	
	As at 31/03/2017	As at 31/12/2016
Gross Loans and Receivables	100,522,082	98,509,786
Less: Individual Impairment	(1,831,641)	(1,693,536)
Collective Impairment	(944,807)	(982,491)
Net Loans and Receivables including those designated at fair value through profit or loss	97,745,634	95,833,759
Less: Loans and Receivables designated at fair value through profit or loss	-	-
Net Loans and Receivables	97,745,634	95,833,759

Loans and Receivables to Other Customers - By Product	In Rupee Thousands	
	As at 31/03/2017	As at 31/12/2016
By Product-Domestic Currency		
Overdrafts	17,315,552	17,861,979
Term Loans	46,226,531	45,781,814
Lease Rentals Receivable	8,818,035	8,792,506
Pawning & Ran Loans	2,359,840	2,646,972
Staff Loans	828,953	809,692
Trade Finance	2,288,282	2,214,430
Margin Trading	2,108,161	2,447,732
Securities Purchased under Resale Agreements	846,339	1,683,561
Debentures - Quoted	1,800,582	1,793,326
Others	4,079,114	3,729,260
Sub Total	86,671,389	87,761,272
By Product-Foreign Currency		
Overdrafts	584,669	584,900
Term Loans	3,193,638	2,691,811
Trade Finance	1,261,196	1,248,524
Sri Lanka Development Bonds	8,794,985	6,207,879
Others	16,205	15,400
Sub Total	13,850,693	10,748,514
Total	100,522,082	98,509,786

Movements in Individual and Collective Impairment during the Period for Loans and Receivables to Other Customers

	In Rupee Thousands	
	As at 31/03/2017	As at 31/12/2016
Individual Impairment		
Opening Balance	1,693,536	1,201,653
Charge to Profit or Loss	148,768	482,268
(Write off)/Recoveries during the Period	15,884	(18,274)
Interest Accrued on Impaired Loans and Receivables	(43,349)	(168,050)
Other Movements	16,802	195,939
Closing Balance	1,831,641	1,693,536
Collective Impairment		
Opening Balance	982,491	935,482
Charge/(Reversal) to Profit or Loss	(38,316)	47,009
(Write off)/Recoveries during the Period	632	-
Closing Balance	944,807	982,491
Total Impairment	2,776,448	2,676,027

Due to Other Customers - By Product	In Rupee Thousands	
	As at 31/03/2017	As at 31/12/2016
By Product-Domestic Currency		
Demand Deposits	4,679,911	4,484,703
Savings Deposits	11,757,290	12,289,358
Fixed Deposits	64,526,122	62,263,699
Certificates of Deposits	5,596,429	5,488,401
Margin Deposits	399,953	325,377
Sub Total	86,959,705	84,851,538
By Product- Foreign Currency		
Demand Deposits	481,566	657,288
Savings Deposits	1,450,524	1,163,446
Fixed Deposits	4,850,871	4,784,138
Margin Deposits	9,982	-
Sub Total	6,792,943	6,604,872
Total	93,752,648	91,456,410

Selected Performance Indicators		
	Bank	
	Current Period As at 31/03/2017	Previous Period As at 31/12/2016
Regulatory Capital Adequacy		
Core Capital , Rs. Mn	8,673	6,608
Total Capital Base, Rs. Mn	10,451	8,567
Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 5%)	11.07%	8.37%
Total Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 10%)	13.83%	11.40%
Assets Quality (Quality of Loan Portfolio)		
Gross Non - Performing Advances Ratio, % (Net of Interest in Suspense)	5.63%	4.74%
Net Non - Performing Advances Ratio, % (Net of Interest in Suspense and Provision)	3.78%	2.95%
Profitability (Annualised)		
Interest Margin, %	3.79%	3.87%
Return on Assets (After Tax). %	1.11%	1.05%
Return on Equity, %	18.95%	19.97%
Regulatory Liquidity		
Statutory Liquid Assets,-DBU Rs.Mn.	35,872	32,494
Statutory Liquid Assets,-Off Shore Banking Unit USD.Mn.	33.55	30.18
Statutory Liquid Assets Ratio,% (Minimum Requirement, 20%)		
Domestic Banking Unit	29.70%	28.03%
Off-Shore Banking Unit	37.96%	38.82%

CERTIFICATION:

I certify that the above Financial Statements comply with the requirements of the Companies Act No. 7 of 2007.

(Sgd)

L. R. Jayakody

Chief Financial Officer

We, the undersigned, being the Chairman and Director/ Chief Executive Officer of Pan Asia Banking Corporation PLC certify jointly that:-

- (a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka ;
- (b) the information contained in these statements have been extracted from the unaudited financials of the bank unless indicated as audited.

(Sgd)

R.E.U. De Silva

Chairman

26th April 2017

(Sgd)

N.R. Tillekeratne

Director/ Chief Executive Officer

EXPLANATORY NOTES

- These Interim Financial Statements have been prepared in accordance with LKAS 34 - Interim Financial Reporting and present information required by Listing Rules of Colombo Stock Exchange. These Financial Statements are drawn up from the unaudited Financial Statements of the Bank unless otherwise indicated. There are no significant changes in accounting policies, methods of computation and risk management policies since the publication of Audited Financial Statements for the year 2016. Previous period figures and phrases have been re-arranged wherever necessary to conform to the current presentation.
- There are no material changes in the composition of assets, liabilities, contingent liabilities and use of funds raised through shares and debentures during the period.
- All known expenses have been provided for in these Financial Statements.
- Post Balance Sheet Events**
There are no material events that took place after the Statement of Financial Position date which require adjustments to or disclosures in the Financial Statements.

5. Changes in Directorships

- Mr. G.L.H. Premaratne was appointed as an Independent Non Executive Director on the 19th of January 2017.
- Mr. G.A.R.D. Prasanna relinquished the position as 'Deputy Chairman' on the 25th of January 2017 while Mr. G.L.H. Premaratne was appointed to succeed him on the same date. However, Mr. G.A.R.D. Prasanna continues to serve the Board as a Non Executive Director.

6. Listed Debenture Information

i) Interest Rates and Market Prices

	Interest Rate (%)	Interest Rate of Comparable Govt.Security (%)	Last Traded Price (Rs.)	Yield as at Last Traded	Yield To Maturity as at Last Traded
Unsecured Subordinated Redeemable Debentures					
2014/2019					
Fixed Rate - Interest Semi Annually - 2014/2019	9.5233	13.32	Not Traded	Not Traded	Not Traded
Fixed Rate - Interest Annually - 2014/2019	9.75	13.32	Not Traded	Not Traded	Not Traded
Unsecured Senior Redeemable Debentures					
2015/2018					
Fixed Rate - Interest Semi Annually - 2015/2018	9.50	12.64	Not Traded	Not Traded	Not Traded
Floating Rate - Interest Semi Annually - 2015/2018 (2.5% Above the average of 06 months Net Treasury Bill Rate)	12.828	10.63	Not Traded	Not Traded	Not Traded
2015/2019					
Fixed Rate - Interest Semi Annually - 2015/2019	10.00	13.26	Not Traded	Not Traded	Not Traded
Floating Rate - Interest Semi Annually - 2015/2019 (3.0% Above the average of 06 months Net Treasury Bill Rate)	13.328	10.63	Not Traded	Not Traded	Not Traded

ii) Ratios

Debt to Equity (Times)	1.37
Interest Cover (Times)	2.71

7. Market Price of Ordinary Shares

Market Price Per Share	31/03/2017 (Rs.)		31/03/2016 (Rs.)	
	Voting	Non Voting	Voting	Non Voting
Last Traded Price	15.40	--	23.00	--
Highest Price for the Quarter	20.30	--	27.40	--
Lowest Price for the Quarter	14.80	--	21.00	--

8. Utilisation of Funds Raised via Debenture Issue (Allotted 29th September 2015)

Objective as per Prospectus	Amount allocated as per Prospectus in Rs.	Proposed date of utilisation as per Prospectus	Amount allocated from proceeds in Rs. (A)	% of total proceeds	Amounts utilised in Rs.(B)	% of utilisation against allocation (B/A)	Clarification if not fully utilised including where the funds are invested
To utilise for on-going lending activities of the Bank as a part of its normal course of business	4,000,000,000	31st December 2016	4,000,000,000	100%	4,000,000,000	100%	Not Applicable

Utilisation of Funds Raised via Rights Issue (Allotted on 3rd March 2017)

Objective as per Rights Issue Document	Amount allocated as per Right Issue Document in Rs.	Proposed date of utilisation as per Right Issue Document	Amount allocated from proceeds in Rs. (A)	% of total proceeds	Amounts utilised in Rs. (B)	% of utilisation against allocation (B/A)	Clarification if not fully utilised including where the funds are invested
To fund gross loans and advances in the normal course of business	2,065,287,602	2nd June 2017	2,065,287,602	100%	2,065,287,602	100%	Not Applicable

Shareholders' Information

Major Shareholders as at 31st March 2017

No	Name	No. of Shares	%
1	K. D. D. Perera	132,724,230	29.99
2	Bansei Securities Co., Ltd.	66,384,246	15.00
3	Seylan Bank PLC/Lanka Century Investments PLC	29,287,094	6.62
4	D. C. C. Joseph	25,998,531	5.87
5	K. D. H. Perera	23,305,998	5.27
6	P. J. Tay	21,917,994	4.95
7	K. D. A. Perera	19,200,000	4.34
8	Seylan Bank PLC/W. D. N. H. Perera	14,840,904	3.35
9	Lanka Century Investments PLC	14,643,547	3.31
10	Sri Lanka Samurdhi Authority	11,114,376	2.51
11	Sri Lanka Savings Bank Limited	10,298,499	2.33
12	N. P. Capital Ltd	10,290,904	2.33
13	R. E. U. De Silva	6,799,582	1.54
14	A. R. Molligoda	3,737,319	0.84
15	Capital Development & Investment Company PLC A/c No.2	2,221,813	0.50
16	Favourite Garments (Pvt) Ltd	1,850,000	0.42
17	M. F. Hashim	1,772,202	0.40
18	Bank of Ceylon A/c Ceybank Unit Trust	1,466,940	0.33
19	H. Beruwalage	1,311,648	0.30
20	Citizens Development Business Finance PLC/D M I Dissanayake	1,306,700	0.30
		400,472,527	90.50
	Others	42,089,102	9.50
	Total	442,561,629	100.00

Public holding as at 31st March 2017 is 53.33% in the hands of 4,185 shareholders.

Directors' and Chief Executive Officer's Holding in Shares as at 31st March 2017

No	Name of Director	No. of Shares
1	R.E.U. De Silva	6,799,582
2	G. L. H. Premaratne	-
3	M. A. Abeynaike	-
4	T. G. Thoradeniya	240,120
5	G. A. R. D. Prasanna	34,801
6	T. Igarashi	-
7	T. Murakami	-
8	S. B. Rangamuwa	-
9	A. A. Wijepala	-
10	H. N. J. Chandrasekera	100
11	J. D. N. Kekulawala	3,900
12	L. R. Jayakody (Acting Chief Executive Officer)	323,114