

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2019	Bank		Group (Audited)	
Item	2019 LKR	2018 LKR	2018 PKR	2017 PKR
Cash Flow from Operating Activities				
Profit before tax	41,201	(159,266)	21,584,829	53,203,965
(Gain)/Loss on disposal of Property, plant & equipment	(1)	-	(55,195)	(33,107)
(Gain)/Loss on sale of securities	-	-	-	-
Share of profit of associates & joint venture	-	-	(2,722,983)	(2,051,887)
Depreciation & Amortisation	14,543	21,371	3,549,808	4,008,753
Provision for gratuity	6,513	6,000	-	-
Impairment charge for Loans & advances & Investments	44,814	74,135	1,961,357	463,899
(Increase)/Decrease in Interest Receivable	(64,852)	11,558	-	-
Increase/(Decrease) in interest payable	2,189	(3,930)	-	-
Increase/(Decrease) in accrued expenses	(83)	(23,270)	-	-
Impairment charge for Unfunded facilities and Investments	(11,041)	-	3,599,570	601,848
Gratuity payments made	(5,327)	(2,185)	-	-
Other non cash items	-	-	-	(659,573)
Dividend income	-	-	(985,867)	(1,219,610)
Exchange loss on sub-ordinated loan/goodwill-net	-	-	(343,173)	(253,239)
Reversal against diminution in the value of investments	-	-	(10,788)	73,353
Workers Welfare Fund	-	-	(2,898,437)	1,039,582
Operating Profit before changes in Operating Assets & Liabilities	27,756	(75,587)	23,679,120	55,173,984
(Increase)/Decrease in Operating Assets and Liabilities				
(Increase)/Decrease in Operating Assets	(1,872,384)	180,555	(190,906,872)	(138,862,550)
(Increase)/Decrease in Operating Liabilities	71,278	(337,784)	319,075,254	187,367,091
Net Cash from Operating Activities before Income Tax	(1,801,105)	(157,228)	128,168,382	48,504,541
Income Tax (Paid) / Refunds	(1,188)	(2,593)	(22,255,778)	(27,250,907)
Net Cash from Operating Activities	(1,774,537)	(235,408)	129,631,724	76,427,618
Cash Flow from Investing Activities				
Dividends Received	-	-	1,021,434	1,259,924
Purchase of Property & Equipment	(1,752)	(1,078)	(12,265,288)	(19,722,107)
Proceeds from Sale of Property Plant & Equipment	15	-	81,042	83,110
Net cash flows from purchase of financial investments	-	-	(88,610,750)	(20,200,958)
Net cash flows on business combination	-	-	-	-
Effect of translation of net investment in foreign branches, subsidiaries & associates	-	-	10,740,626	3,781,696
Net Cash from Investing Activities	(1,737)	(1,078)	(89,032,937)	(34,798,335)
Cash Flow from Financing Activities				
Acquisition of additional interest in a subsidiary from a minority shareholder	-	-	-	(441,933)
Exchange adjustment on translation of non-controlling interest in subsidiary	-	-	186,605	143,989
Issuance/ (Repayment) of subordinated loan	-	-	(4,000)	(4,000)
Dividend paid	-	-	(5,525,981)	(15,160,303)
	-	-	(5,343,376)	(15,482,247)
Cash outflow for settlement payment to New York State Department of Financial Services	-	-	-	(23,717,115)
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,776,274)	(236,486)	35,255,411	2,449,921
Exchange difference in respect of cash & cash equivalent	(39,544)	82,229	23,120,051	11,341,165
Cash and Cash Equivalents at Beginning of the year	2,294,261	2,033,470	263,746,248	273,056,213
Cash and Cash Equivalents at end of the period	478,443	1,879,213	322,102,710	286,847,299

a. Bank - 2019				
In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	427,342	-	-	427,342
Balances with central banks	51,101	-	-	51,101
Placement with banks	1,338,253	-	-	1,338,253
Loans and Advances	3,118,988	-	-	3,118,988
Debt Instruments	2,625,184	-	-	2,625,184
Equity Instruments	-	-	376,804	376,804
Total financial assets	7,560,868	-	376,804	7,937,672
In Rupees Thousand	AC	FVPL	FVOCI	Total
LIABILITIES				
Due to banks	45,322	-	-	45,322
Due to other customers	1,846,113	-	-	1,846,113
Other borrowings	353,200	-	-	353,200
Total financial liabilities	2,244,635	-	-	2,244,635

c. Group -2018				
In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	165,119,955			165,119,955
Balances with central banks	156,982,755			156,982,755
Placement with banks	51,277,336			51,277,336
Loans and Advances	1,080,440,220			1,080,440,220
Debt Instruments	216,338,120	6,354,870	1,123,991,510	1,346,684,500
Equity Instruments			13,848,987	13,848,987
Total financial assets	1,670,156,386	6,354,870	1,137,840,497	2,814,353,753
In Rupees Thousand	AC	FVPL	FVOCI	Total
LIABILITIES				
Due to banks				
Due to other customers	2,137,293,065			2,137,293,065
Other borrowings	523,319,055			523,319,055
Total financial liabilities	2,660,612,120			2,660,612,120

In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	2,223,464	-	-	2,223,464
Balances with central banks	70,797	-	-	70,797
Placement with banks	1,126,898	-	-	1,126,898
Loans and Advances	3,515,348	-	-	3,515,348
Debt Instruments	1,047,577	-	-	1,047,577
Equity Instruments	0	-	580	580
Total financial assets	7,984,084	0	580	7,984,564
LIABILITIES				
Due to banks	46,649	-	-	46,649
Due to other customers	2,139,983	-	-	2,139,983
Other borrowings	-	-	-	-

d. Group -2017				
In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	130,203,020			130,203,020
Balances with central banks	156,644,279			156,644,279
Placement with banks	33,900,345			33,900,345
Debits and Advances	851,502,420			851,502,420
Debt Instruments	278,177,826	68,415,066	980,226,919	1,327,819,811
Equity Instruments		255,593	19,383,220	19,638,813
Total financial assets	1,451,427,890	68,670,659	999,610,139	2,519,708,688
In Rupees Thousand	AC	FVPL	FVOCI	Total
LIABILITIES				
Due to banks				
Due to other customers	1,998,935,057			1,998,935,057
Other borrowings	397,802,667			397,802,667

	2,186,633		2,186,633	Total financial liabilities	2,396,737,724		
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Item	Bank - LKR	
	6/30/2019	12/31/2018 (Audited)
Regulatory Capital Adequacy		
Common Equity Tier 1 Rs. '000	5,659,083	5,659,082
Core Capital (Tier 1 Capital), Rs. '000	5,516,661	5,578,402
Total Capital Base, Rs. '000	5,580,836	5,641,496
Regulatory Capital Ratios		
Common Equity Tier 1 Capital (%), (Minimum Requirement - 7%)	105.93%	85.96%
Tier 1 Capital Ratio (%), (Minimum Requirement - 8.5%)	107.16%	89.16%
Total Capital Ratio (%), (Minimum Requirement - 12.5%)	107.16%	86.93%
Leverage Ratio, (Minimum Requirement - 3%)	65%	58%
Regulatory Liquidity		
Statutory Liquid Assets, Rs. '000		
Domestic Banking unit	4,209,972	2,350,490
Off-Shore Banking Unit - USD	206	1,381
Statutory Liquid Assets Ratio (%), (Minimum Requirement - 20%)		
Domestic Banking unit	243%	113%
Off-Shore Banking Unit	181%	1170%
Total Stock of High Quality Liquidity Assets , Rs.'000	2,727,706	2,309,997
Liquidity Coverage Ratio (%), (Minimum Requirement - 100%)		
Rupee (%)	6396%	4945%
All Currency (%)	3418%	3646%
Net Stable Funding Ratio (%) - (Minimum Requirement - 90%)	163%	150%
Assets Quality (Quality of Loan Portfolio)		
Gross Non - Performing Advances Ratio (%) (net of interest in suspense)	16.97%	23.68%
Non - Performing Advances (%) (net of interest in suspense and provision)	9.51%	17.95%
Profitability		
Interest Margin (%)	3.28%	3.59%
Return on Assets (before Tax) (%)	0.49%	1.82%
Return on Equity (%)	0.67%	-1.91%

We, the undersigned, being the Regional General Manager Sri Lanka & Maldives and the Head of Finance of Habib Bank Limited 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 financial statements of the bank unless indicated as audited

(d) Habib Bank Limited, Rating by: ICR VIS 2019 'AAA / A-1' / 'Triple A / A One Plus' with a 'Stable' Outlook.

(d) Habib Bank Limited - Rating by JCR-VIS -2019 'AAA / A-1 + (TripleA/A-One Plus) with a 'Stable' Outlook.

Weid Ali Sheh

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