



Basel III - Pillar 3 Disclosures

as at 30 September 2017



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Key Regulatory Ratios - Capital and Liquidity

Item	As at 30 Sep 2017	As at 30 Jun 2017
Regulatory Capital (LKR '000)		
Common Equity Tier 1	10,006,094	
Tier 1 Capital	9,468,366	
Total Capital	10,239,514	N/A
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 5.75%)	19.3%	
Tier 1 Capital Ratio (Minimum Requirement - 7.25%)	19.3%	
Total Capital Ratio (Minimum Requirement - 11.25%)	20.8%	
Leverage Ratio (Minimum Requirement)	N/A	N/A
Regulatory Liquidity		
Statutory Liquid Assets (LKR'000) - Domestic Banking Unit	10,815,223	11,170,575
Statutory Liquid Assets (USD'000) - Off-Shore Banking Unit	1,355	1,307
Statutory Liquid Assets Ratio (Minimum Requirement - 20%)		
Domestic Banking Unit (%)	21.21%	22.36%
Off-Shore Banking Unit (%)	34.55%	27.07%
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 80%)	113.26%	127.76%
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement -80%)	96.47%	111.91%

Basel III Computation of Capital Ratios

Item	Amount (LKR '000) As at	
	30-Sep-17	30-Jun-17
Common Equity Tier 1 (CET1) Capital after Adjustments	9,468,366	N/A
Common Equity Tier 1 (CET1) Capital	10,006,094	
Equity Capital (Stated Capital)/Assigned Capital	10,619,451	
Reserve Fund	17,263	
Published Retained Earnings/(Accumulated Retained Losses)	(379,140)	
Published Accumulated Other Comprehensive Income (OCI)	(26,869)	
General and other Disclosed Reserves	(218,882)	
Unpublished Current Year's Profit/Loss and Gains reflected in OCI	(5,729)	
Ordinary Shares issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	
Total Adjustments to CET1 Capital	537,728	
Goodwill (net)	-	
Intangible Assets (net)	240,381	
Others (Net Deferred Tax Asset & Significant investments in the capital of financial institutions where the bank owns more than 10 per cent of the issued ordinary share capital of the entity)	297,347	
Additional Tier 1 (AT1) Capital after Adjustments	-	
Additional Tier 1 (AT1) Capital	-	
Qualifying Additional Tier 1 Capital Instruments	-	
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	
Total Adjustments to AT1 Capital	-	
Investment in Own Shares	-	
Others (specify)	-	
Tier 2 Capital after Adjustments	771,148	
Tier 2 Capital	771,148	
Qualifying Tier 2 Capital Instruments	-	
Revaluation Gains	570,270	
Loan Loss Provisions	200,878	
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	
Total Adjustments to Tier 2	-	
Investment in Own Shares	-	
Others (specify)	-	
CET1 Capital	10,006,094	
Total Tier 1 Capital	9,468,366	
Total Capital	10,239,514	
Total Risk Weighted Assets (RWA)	49,142,927	
RWAs for Credit Risk	45,414,498	
RWAs for Market Risk	575,629	
RWAs for Operational Risk	3,152,800	
CET1 Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	19.27%	
of which: Capital Conservation Buffer (%)	1.25%	
of which: Countercyclical Buffer (%)	-	
of which: Capital Surcharge on D-SIBs (%)	-	
Total Tier 1 Capital Ratio (%)	20.84%	
Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	N/A	
of which: Capital Conservation Buffer (%)	1.25%	
of which: Countercyclical Buffer (%)	-	
of which: Capital Surcharge on D-SIBs (%)	-	



Computation of Leverage Ratio

Item	Amount (LKR '000)	
	As at 30 Sep 2017	As at 30 Jun 2017
Tier 1 Capital	N/A	
Total Exposures		
On-Balance Sheet Items (excluding Derivatives and Securities Financing Transactions, but including Collateral)		
Derivative Exposures		
Securities Financing Transaction Exposures		
Other Off-Balance Sheet Exposures		
Basel III Leverage Ratio (%) (Tier 1/Total Exposure)		

Note

Finalized Regulatory guidelines pertaining to computation of Leverage Ratio are to be issued

Basel III Computation of Liquidity Coverage Ratio

Item	Amount (LKR'000)			
	As at 30 Sep 2017		As at 30 Jun 2017	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)	1,679,621	1,601,722	1,807,342	1,726,645
Total Adjusted Level 1A Assets	-	-	-	-
Level 1 Assets	1,523,824	1,523,824	1,645,948	1,645,948
Total Adjusted Level 2A Assets	-	-	-	-
Level 2A Assets	-	-	-	-
Total Adjusted Level 2B Assets	-	-	-	-
Level 2B Assets	155,797	77,899	161,394	80,697
Total Cash Outflows	60,189,379	6,641,135	54,508,068	6,171,409
Deposits	47,041,273	4,704,127	46,722,372	4,672,237
Unsecured Wholesale Funding	2,744,974	1,307,840	2,806,119	1,173,440
Secured Funding Transactions	-	-	-	-
Undrawn Portion of Committed (Irrevocable)	-	-	-	-
Facilities and Other Contingent Funding Obligations	10,399,721	625,757	4,978,785	324,939
Additional Requirements	3,410	3,410	793	793
Total Cash Inflows	10,964,422	7,045,897	13,346,572	8,565,929
Maturing Secured Lending Transactions Backed by Collateral Committed Facilities	4,366,881	4,366,881	4,012,671	4,012,671
Other Inflows by Counterparty which are Maturing within 30 Days	3,058,018	2,679,017	5,016,635	4,553,258
Operational Deposits	3,539,523	-	4,317,266	-
Other Cash Inflows	-	-	-	-
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days) * 100	N/A	96.47	N/A	111.91

Main Features of Regulatory Capital Instruments

Description of the Capital Instrument	Ordinary Shares
Issuer	Amana Bank PLC
CSE Security Code	ABL.N0000
Original Date of Issuance	Multiple
Par Value of Instrument	N/A
Perpetual or Dated	Perpetual
Original Maturity Date, if Applicable	N/A
Amount Recognised in Regulatory Capital (in LKR '000 as at 30 Sep 2017)	10,619,451
Accounting Classification (Equity/Liability)	Shareholders' Equity
Issuer Call subject to Prior Supervisory Approval	
Optional Call Date, Contingent Call Dates and Redemption Amount (LKR '000)	N/A
Subsequent Call Dates, if Applicable	N/A
Coupons/Dividends	
Fixed or Floating Dividend/Coupon	Discretionary, subject to fulfilling applicable Regulatory requirements
Coupon Rate and any Related Index	N/A
Non-Cumulative or Cumulative	Non Cumulative
Convertible or Non-Convertible	
If Convertible, Conversion Trigger (s)	Non Convertible
If Convertible, Fully or Partially	
If Convertible, Mandatory or Optional	
If Convertible, Conversion Rate	

**Credit Risk under Standardised Approach –
Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects**

Asset Class	Amount (LKR'000) as at 30 Sep 2017					
	Exposures before Credit Conversion Factor (CCF) and CRM		Exposures Post CCF and CRM		RWA and RWA Density (%)	
	On-Balance Sheet Amount	Off-Balance Sheet Amount	On-Balance Sheet Amount	Off-Balance Sheet Amount	RWA	RWA Density (ii)
Claims on Central Government and CBSL	3,198,923	-	3,198,923	-	-	0%
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	0%
Claims on Public Sector Entities	165,719	-	165,719	-	165,719	100%
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	0%
Claims on Banks Exposures	9,882,117	319,467	9,882,117	124,782	2,876,986	29%
Claims on Financial Institutions	4,621,915	-	4,621,915	-	1,716,920	37%
Claims on Corporates	10,554,554	1,828,816	10,554,554	1,828,816	12,349,926	100%
Retail Claims	27,476,919	1,641,229	27,211,699	1,327,185	22,843,443	80%
Claims Secured by Residential Property	2,852,770	-	2,852,770	-	2,089,273	73%
Claims Secured by Commercial Real Estate	10,640	-	10,640	-	10,640	100%
Non-Performing Assets (NPAs) (i)	411,735	6,874	411,735	8,658	543,306	129%
Higher-risk Categories	96,194	-	96,194	-	240,484	250%
Cash Items and Other Assets	3,859,579	219,124	3,859,579	219,124	2,577,800	63%
Total	63,131,065	4,015,511	62,865,845	3,508,566	45,414,498	68%

Notes:

- (i) As per Banking Act Directions on classification of Loans and Advances, income recognition and provisioning
(ii) RWA Density - Total RWA/Exposures post CCF and CRM.

Market Risk under Standardised Measurement Method

Item	RWA Amount (LKR'000) as at 30 Sep 2017
(a) RWA for Interest Rate Risk	64,758
General Interest Rate Risk	-
(i) Net Long or Short Position	-
(ii) Horizontal Disallowance	-
(iii) Vertical Disallowance	-
(iv) Options	-
Specific Interest Rate Risk	-
(b) RWA for Equity	32,976
(i) General Equity Risk	17,527
(ii) Specific Equity Risk	15,449
(c) RWA for Foreign Exchange & Gold	31,782
Capital Charge for Market Risk [(a) + (b) + (c)] * CAR	575,629

Operational Risk under Basic Indicator Approach/The Standardised Approach/The Alternative Standardised Approach

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 30 Sep 2017		
			1st Year	2nd Year	3rd Year
The Basic Indicator Approach	15%		1,812,626	2,263,407	3,017,773
The Standardised Approach					
Corporate Finance	18%		N/A		
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%				
Commercial Banking	15%				
The Alternative Standardised Approach					
Corporate Finance	18%		N/A		
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%	0.035			
Commercial Banking	15%	0.035			
Capital Charges for Operational Risk (LKR'000)					
The Basic Indicator Approach			354,690		
The Standardised Approach			N/A		
The Alternative Standardised Approach			N/A		
Risk Weighted Amount for Operational Risk (LKR'000)					
The Basic Indicator Approach			3,152,800		
The Standardised Approach			N/A		
The Alternative Standardised Approach			N/A		

**Differences between Accounting and Regulatory Scopes and
Mapping of Financial Statement Categories with Regulatory Risk Categories – Bank Only**

Item	Amount (LKR '000) as at 30 Sep 2017				
	a	b	c	d	e
	Carrying Values as Reported in Published Financial Statements	Carrying Values as under Scope of Regulatory Reporting	Subject to Credit Risk	Subject to Market Risk Framework	Not Subject to Capital Requirements or Subject to Deduction From Capital
Assets	63,628,446	63,623,710	62,865,846	155,797	602,068
Cash and Cash Equivalents	5,090,882	5,091,024	5,091,024	-	-
Balances with Central Banks	3,084,399	3,084,399	3,084,399	-	-
Placements with Banks	10,676,783	10,633,529	10,633,529	-	-
Derivative Financial Instruments	115,574	-	-	-	-
Other Financial Assets Held-For-Trading	43,596	402,950	-	43,596	-
Financial Assets Designated at Fair Value through Profit or Loss	-	-	-	-	-
Loans and Receivables to Banks	-	-	-	-	-
Loans and Receivables to Other Customers	41,281,689	41,502,528	41,438,187	-	64,341
Financial Investments - Available-For-Sale	362,347	-	99,156	112,201	150,991
Financial Investments - Held-To-Maturity	-	2,993	(2,993)	-	-
Investments in Subsidiaries	-	-	-	-	-
Investments in Associates and Joint Ventures	-	-	-	-	-
Property, Plant and Equipment	1,791,107	1,787,106	1,791,106	-	-
Investment Properties	-	-	-	-	-
Goodwill and Intangible Assets	240,381	244,381	-	-	240,381
Deferred Tax Assets	144,568	146,356	-	-	146,356
Other Assets	797,120	728,445	728,445	-	-
Liabilities	52,221,841	52,115,205	-	-	52,115,205
Due to Banks	1,377,896	1,377,000	-	-	1,377,000
Derivative Financial Instruments	78,516	-	-	-	-
Other Financial Liabilities Held-For-Trading	-	-	-	-	-
Financial Liabilities Designated at Fair Value Through Profit or Loss	-	-	-	-	-
Due to Other Customers	49,730,314	49,308,209	-	-	49,308,209
Other Borrowings	-	-	-	-	-
Debt Securities Issued	-	-	-	-	-
Current Tax Liabilities	-	-	-	-	-
Deferred Tax Liabilities	-	-	-	-	-
Other Provisions	99,636	99,636	-	-	99,636
Other Liabilities	935,479	1,330,360	-	-	1,330,360
Due to Subsidiaries	-	-	-	-	-
Subordinated Term Debts	-	-	-	-	-
Off-Balance Sheet Liabilities	22,498,890	22,498,890	22,498,890	-	-
Guarantees	1,771,542	1,771,542	1,771,542	-	-
Performance Bonds	430,169	430,169	430,169	-	-
Letters of Credit	983,384	983,384	983,384	-	-
Other Contingent Items	14,161,721	14,161,721	14,161,721	-	-
Undrawn Loan Commitments	5,152,074	5,152,074	5,152,074	-	-
Other Commitments	-	-	-	-	-
Shareholders' Equity	-	-	-	-	-
Equity Capital (Stated Capital)/Assigned Capital	10,619,451	10,619,451	-	-	-

Item	Amount (LKR '000) as at 30 Sep 2017				
	a	b	c	d	e
	Carrying Values as Reported in Published Financial Statements	Carrying Values as under Scope of Regulatory Reporting	Subject to Credit Risk	Subject to Market Risk Framework	Not Subject to Capital Requirements or Subject to Deduction From Capital
of which Amount Eligible for CET1	10,619,451	10,619,451	-	-	-
of which Amount Eligible for AT1	-	-	-	-	-
Retained Earnings	(112,287)	(51,205)	-	-	317,069 (i)
Accumulated Other Comprehensive Income	(32,598)	-	-	-	-
Other Reserves	932,039	940,259	-	-	563,387
Total Shareholders' Equity	11,406,605	11,508,505	-	-	880,456

Notes

(i) Unpublished current year profits