



AMÃNA BANK PLC (PB 3618 PQ)

FINANCIAL STATEMENTS

30 JUNE 2015

AMANA BANK PLC (PB 3618 PQ)
STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED 30 JUNE 2015

	RUPEES IN THOUSANDS			RUPEES IN THOUSANDS		
	FOR THE SIX MONTHS ENDED 30 JUNE		Change %	FOR THE QUARTER ENDED 30 JUNE		Change %
	2015	2014		2015	2014	
Financing Income	1,337,208	1,187,652	12.6	676,013	587,209	15.1
Financing Expenses	(635,674)	(599,615)	(6.0)	(330,198)	(307,872)	(7.3)
Net Financing Income	701,533	588,037	19.3	345,815	279,337	23.8
Net Fee and Commission Income	72,778	61,663	18.0	38,357	32,938	16.4
Net Gain/(Loss) from Trading	183,533	131,898	39.1	109,398	99,724	9.7
Net Gain/(Loss) from Financial instruments designated at fair value through profit or loss	-	-	0.0	-	-	0.0
Net Gain/(Loss) from Financial Investments	-	-	0.0	-	-	0.0
Net Other Operating Income	3,994	14,093	(71.7)	4,199	5,051	(16.9)
Total Operating Income	961,839	795,690	20.9	497,769	417,051	19.4
Impairment Reversal / (Charge) for Financing and Receivables to Other Customers and Other Losses						
Individual Impairment	3,264	(25,480)	112.8	487	(9,100)	105.4
Collective Impairment	(14,420)	(52,293)	72.4	3,349	(35,809)	109.4
Others	-	-	0.0	-	-	0.0
Net Operating Income	950,683	717,917	32.4	501,605	372,142	34.8
Personnel Expenses	445,893	460,045	3.1	225,238	249,887	9.9
Depreciation of Property, Plant and Equipment	75,773	82,161	7.8	38,454	42,164	8.8
Amortisation of Intangible Assets	20,336	19,262	(5.6)	10,220	9,829	(4.0)
Other Operating Expenses	266,241	268,682	0.9	139,508	140,738	0.9
Total Operating Expenses	808,244	830,149	2.6	413,419	442,618	6.6
Operating Profit/(Loss) Before Value Added Tax	142,439	(112,232)	226.9	88,186	(70,476)	225.1
Value Added Tax on Financial Services	(71,832)	(22,716)	(216.2)	(40,645)	(15,147)	(168.3)
Profit/(Loss) Before Tax	70,607	(134,948)	152.3	47,541	(85,624)	155.5
Tax (Expenses)/Reversal	-	-	0.0	-	-	0.0
Profit/(Loss) for the Period	70,607	(134,948)	152.3	47,541	(85,624)	155.5
Earnings/(Loss) Per Share - Basic / Diluted	0.06	(0.11)	152.3	0.04	(0.07)	155.5

AMANA BANK PLC (PB 3618 PQ)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2015

	RUPEES IN THOUSANDS			RUPEES IN THOUSANDS		
	FOR THE SIX MONTHS ENDED 30 JUNE		Change %	FOR THE QUARTER ENDED 30 JUNE		Change %
	2015	2014		2015	2014	
Profit/(Loss) for the Period	70,607	(134,948)	152.3	47,541	(85,624)	155.5
Other Comprehensive Income/(Loss)						
Other Comprehensive Income to be reclassified to Profit or Loss :						
Financial Investment - Available for Sale:						
Net Gain/(Loss) on Financial Investments - Available for sale	(14,299)	46,065	131.0	(3,043)	73,349	104.1
Net Other Comprehensive Income to be reclassified to Profit or Loss	(14,299)	46,065	131.0	(3,043)	73,349	104.1
Other Comprehensive Income not to be reclassified to Profit or Loss :						
Re-measurement gain /(loss) on defined benefit plans	-	-	0.0	-	-	0.0
Deferred tax effect on defined benefit plans	-	-	0.0	-	-	0.0
Net Other Comprehensive Income not to be reclassified to Profit or Loss	-	-	0.0	-	-	0.0
Other Comprehensive Income/(Loss) for the Period Net of Tax	(14,299)	46,065	131.0	(3,043)	73,349	104.1
Total Comprehensive Income/(Loss) for the Period Net of Tax	56,307	(88,883)	163.3	44,498	(12,275)	462.5

AMANA BANK LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	RUPEES IN THOUSANDS		Change %
	AS AT 30.06.2015	AS AT 31.12.2014 (AUDITED)	
Assets			
Cash and Cash Equivalents	2,945,667	1,627,384	81.0
Balances with Central Bank of Sri Lanka	1,750,746	1,036,426	68.9
Derivative Financial Assets	92,840	23,269	299.0
Placements with Banks	3,353,358	3,306,210	1.4
Placements with Licensed Finance Companies	1,303,029	1,172,213	11.2
Financial Investments - Held for Trading	43,078	48,999	(12.1)
Financial Assets designated at Fair Value through Profit or Loss	-	-	0.0
Financing and Receivables to Banks	-	-	0.0
Financing and Receivables to Other Customers	28,177,168	25,426,942	10.8
Financial Investments - Available for Sale	457,596	427,583	7.0
Financial Investments - Held to Maturity	-	-	0.0
Other Financial Assets	595,948	295,502	101.7
Other Non Financial Assets	327,917	306,190	7.1
Property, Plant and Equipment	751,560	794,829	(5.4)
Intangible Assets	253,729	270,615	(6.2)
Deferred Tax Assets	161,426	161,426	0.0
Total Assets	40,214,062	34,897,589	15.2
Liabilities			
Due to Banks	1,470,700	-	0.0
Derivative Financial Liabilities	8,380	7,845	6.8
Other Financial Liabilities - Held for Trading	-	-	0.0
Financial Liabilities designated at Fair Value through Profit or Loss	-	-	0.0
Due to Other Customers	33,080,512	29,224,331	13.2
Other Financing	-	-	0.0
Securities issued	-	-	0.0
Other Financial Liabilities	416,787	557,364	(25.2)
Other Non Financial Liabilities	88,059	23,608	273.0
Subordinated Term Financing	-	-	0.0
Retirement Benefit Liability	67,077	58,203	15.2
Total Liabilities	35,131,515	29,871,350	17.6
Shareholders' Fund			
Stated Capital	5,866,808	5,866,808	0.0
Statutory Reserve Fund	7,300	7,300	(0.0)
Other Reserves	(286,007)	(271,707)	(5.3)
Retained Earnings	(505,555)	(576,162)	12.3
Total Equity	5,082,546	5,026,239	1.1
Total Liabilities and Shareholders' Fund	40,214,062	34,897,589	15.2
Net Asset Value per Ordinary Share	4.06	4.02	
Commitments and Contingencies	16,324,273	14,978,856	
Memorandum Information			
Number of Employees	602	583	
Number of Branches	24	24	

CERTIFICATION:

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

Sgd.
M. Ali Wahid
Chief Financial Officer
11 August 2015

We, the undersigned, being the Chief Executive Officer, Deputy Chairman and Director of Amana Bank 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 and Rule 7.4 of Colombo Stock Exchange.

(b) the information contained in these statements have been extracted from the unaudited Financial Statements of the Bank unless indicated as audited.

Sgd.
Mohamed Azmeer
Chief Executive Officer
11 August 2015

Sgd.
Tyeab Akbarally
Deputy Chairman
11 August 2015

Sgd.
Jazri Magdon Ismail
Director
11 August 2015

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2015

	Stated Capital		Statutory Reserve Fund	Other Reserve			RUPEES IN THOUSANDS	
	Stated Capital	Capital Funds Raised Pending Allotment of Shares		Investment Fund	Revenue Reserve	Available for Sale Reserve	Retained Earnings	Total
	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	Rs.
As at 1 January 2014	4,216,821	1,649,987	7,300	39,417	(216,926)	(104,580)	(529,985)	5,062,033
IPO Share Issue - Allotment	1,649,987	(1,649,987)	-	-	-	-	-	-
Profit/(Loss) for the six months ended 30.06.2014	-	-	-	-	-	-	(134,948)	(134,948)
Total Comprehensive Income for the six months ended 30.06.2014	-	-	-	-	-	46,065	-	46,065
As at 30 June 2014	5,866,808	-	7,300	39,417	(216,926)	(58,515)	(664,933)	4,973,150
Profit/(Loss) for the six months ended 31.12.2014	-	-	-	-	-	-	54,679	54,679
Total Comprehensive Income for the six months ended 31.12.2014	-	-	-	-	-	3,734	(5,325)	(1,590)
Transfers to Investment Fund	-	-	-	(39,417)	-	-	39,417	-
As at 31 December 2014 (Audited)	5,866,808	-	7,300	-	(216,926)	(54,781)	(576,162)	5,026,239
Profit/(Loss) for the six months ended 30.06.2015	-	-	-	-	-	-	70,607	70,607
Total Comprehensive Income for the six months ended 30.06.2015	-	-	-	-	-	(14,299)	-	(14,299)
As at 30 June 2015	5,866,808	-	7,300	-	(216,926)	(69,080)	(505,555)	5,082,546

**STATEMENT OF CASHFLOW
FOR THE PERIOD ENDED 30 JUNE 2015**

	RUPEES IN THOUSANDS	
	FOR THE PERIOD ENDED 30.06.2015	YEAR ENDED 31.12.2014 (AUDITED)
Cash Flow from Operating Activities		
Financing Income Received	1,328,634	2,342,700
Fees and Commission Received	78,895	147,064
Financing Expenses Paid	(619,894)	(1,203,060)
Foreign Exchange Income Received	183,670	263,332
Gratuity Payments Made	(2,787)	(11,705)
Payments to Employees and Suppliers	(760,947)	(1,434,411)
Operating Profit/(Loss) before Changes in Operating Assets and Liabilities	207,570	103,921
Increase / (Decrease) in Due to Other Customers	3,840,402	11,246,247
Increase / (Decrease) in Due to Banks	1,470,700	-
(Increase) / Decrease in Financing and Receivable to Other Customers	(2,746,252)	(10,467,463)
(Increase) / Decrease in Other Financial Assets	(362,296)	241,708
(Increase) / Decrease in Other Non Financial Assets	(21,727)	(65,412)
(Increase) / Decrease in Statutory Deposit	(714,320)	(351,106)
Increase / (Decrease) in Other Liabilities	(86,348)	280,817
Net Cash Flow from Operating Activities before Income Tax	1,587,730	988,712
Income Tax Paid	-	-
Net Cash Flow from Operating Activities	1,587,730	988,712
Cash Flows From/(Used In) Investing Activities		
Acquisition of Property, Plant & Equipment	(28,288)	(92,992)
Proceeds from Sale of Property, Plant and Equipment	-	4,813
Acquisition of Intangible Assets	(6,978)	(30,873)
Investments in Placements with Licensed Finance Companies	(147,228)	(510,566)
Investments in Placements with Bank	(48,649)	(1,573,067)
Sale / (Acquisition) of Financial Investments - Available for Sale	(44,201)	245,830
Sale / (Acquisition) of Financial Assets Held for Trading	5,897	150,974
	(269,447)	(1,805,881)
Cash Flows From / (Used In) Financing Activities		
Net Cash Flows From / (Used In) Financing Activities	-	-
Net Increase / (Decrease) in Cash and Cash Equivalents	1,318,283	(817,169)
Cash and Cash Equivalents at the Beginning of the Year	1,627,384	2,444,552
Cash and Cash Equivalents at the End of the Period	2,945,667	1,627,384

01. ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

FINANCIAL ASSETS	HELD FOR TRADING	AMORTIZED COST	HELD TO MATURITY	RUPEES IN THOUSANDS	
				AVAILABLE FOR SALE	TOTAL AS AT 30.06.2015
Cash and Cash Equivalents	-	2,945,667	-	-	2,945,667
Balance with Central Bank of Sri Lanka	-	1,750,746	-	-	1,750,746
Derivative Financial Assets	92,840	-	-	-	92,840
Placements with Banks	-	3,353,358	-	-	3,353,358
Placements with Licensed Finance Companies	-	1,303,029	-	-	1,303,029
Financial Investments - Held for Trading	43,078	-	-	-	43,078
Financing and Receivables to Customers	-	28,177,168	-	-	28,177,168
Financial Investments - Available for Sale	-	-	-	457,596	457,596
Other Financial Assets	-	595,948	-	-	595,948
Total Financial Assets	135,918	38,125,915	-	457,596	38,719,430
Financial Liabilities					
Due to Banks	-	1,470,700	-	-	1,470,700
Derivative Financial Liabilities	8,380	-	-	-	8,380
Due to Other Customers	-	33,080,512	-	-	33,080,512
Other Financial Liabilities	-	416,787	-	-	416,787
Total Financial Liabilities	8,380	34,967,999	-	-	34,976,379

FINANCIAL ASSETS	HELD FOR TRADING	AMORTIZED COST	HELD TO MATURITY	RUPEES IN THOUSANDS	
				AVAILABLE FOR SALE	Total As at 31.12.2014 (Audited)
Cash and Cash Equivalents	-	1,627,384	-	-	1,627,384
Balance with Central Bank of Sri Lanka	-	1,036,426	-	-	1,036,426
Derivative Financial Assets	23,269	-	-	-	23,269
Placements with Banks	-	3,306,210	-	-	3,306,210
Placements with Licensed Finance Companies	-	1,172,213	-	-	1,172,213
Financial Investments - Held for Trading	48,999	-	-	-	48,999
Financing and Receivables to Customers	-	25,426,942	-	-	25,426,942
Financial Investments - Available for Sale	-	-	-	427,583	427,583
Other Financial Assets	-	295,502	-	-	295,502
Total Financial Assets	72,268	32,864,677	-	427,583	33,364,528
Financial Liabilities					
Due to Banks	-	-	-	-	-
Derivative Financial Liabilities	7,845	-	-	-	7,845
Due to Other Customers	-	29,224,331	-	-	29,224,331
Other Financial Liabilities	-	557,364	-	-	557,364
Total Financial Liabilities	7,845	29,781,694	-	-	29,789,539

02. FINANCING AND RECEIVABLES TO OTHER CUSTOMERS

	RUPEES IN THOUSANDS	
	30.06.2015	31.12.2014 (AUDITED)
Gross Financing and Receivables to Other Customers	28,405,986	25,644,604
Less: Individual Impairment	(50,685)	(53,949)
Less: Collective Impairment	(178,133)	(163,713)
Net Financing and Receivables	28,177,168	25,426,942

03. FINANCING AND RECEIVABLES TO OTHER CUSTOMERS - BY PRODUCT

	RUPEES IN THOUSANDS	
	30.06.2015	31.12.2014 (AUDITED)
By Product - Domestic Currency		
Overdraft	294,685	40,204
Trade Finance	1,628,945	701,105
Lease Receivables	4,278,200	1,889,323
Staff Facilities	290,267	239,782
Term Financing	17,834,313	13,971,285
Gold Facilities	101,837	52,319
Others	510,913	4,676,037
Sub Total	24,939,159	21,570,054
By Product - Foreign Currency		
Term Financing	2,924,888	1,092,625
Trade Finance	310,418	805,419
Others	231,520	2,176,507
Sub Total	3,466,827	4,074,550
Total	28,405,986	25,644,604

NOTES TO THE FINANCIAL STATEMENTS

04. MOVEMENTS IN INDIVIDUAL AND COLLECTIVE IMPAIRMENT DURING THE PERIOD FOR FINANCING AND RECEIVABLES TO OTHER CUSTOMERS

	RUPEES IN THOUSANDS		
	Individual Impairment	Collective Impairment	Total Impairment
At 1 January 2014	12,664	111,047	123,711
Charge/(Write Back) for the year	42,014	52,666	94,680
Recoveries	-	-	-
Amounts written off	(729)	-	(729)
Profit accrued on Impaired Financing and Receivables	-	-	-
As at 31 December 2014 (Audited)	53,949	163,713	217,662
Charge/(Write Back) for the period	(3,264)	14,420	11,156
Recoveries	-	-	-
Amounts written off	-	-	-
Profit accrued on Impaired Financing and Receivables	-	-	-
As at 30 June 2015	50,685	178,133	228,818

05. DUE TO OTHER CUSTOMERS - BY PRODUCT

	RUPEES IN THOUSANDS	
	30.06.2015	31.12.2014 (AUDITED)
By Product - Domestic Currency		
Demand Deposits	2,905,072	2,714,698
Savings Deposits	14,034,033	12,001,851
Time Deposits	14,015,116	12,897,821
Sub Total	30,954,220	27,614,370
By Product - Foreign Currency		
Demand Deposits	200,241	290,041
Savings Deposits	813,277	513,238
Time Deposits	1,112,774	806,681
Sub Total	2,126,292	1,609,960
Total	33,080,512	29,224,331

SELECTED PERFORMANCE INDICATORS

	AS AT 30.06.2015	AS AT 31.12.2014 (AUDITED)
Regulatory Capital Adequacy		
Core Capital (Tier 1 Capital), Rs. Mn.	4,664	4,647
Total Capital Base, Rs. Mn.	4,804	4,773
Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 5%)	12.8%	14.3%
Total Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 10%)	13.1%	14.7%
Assets Quality (Quality of Financing and Advance Portfolio)		
Gross Non-Performing Financing and Advances Ratio, % (Net of Profit in Suspense)	1.38%	1.49%
Net Non-Performing Financing and Advances Ratio, % (Net of Profit in Suspense and Provisions)	0.75%	0.85%
Profitability		
Financing Margin (%)	3.7%	4.0%
Return on Assets (before Tax)	0.4%	(0.3%)
Return on Equity	2.8%	(1.6%)
Regulatory Liquidity		
Statutory Liquid Assets, Rs. Mn.	6,569	5,754
Statutory Liquid Assets Ratio, % (Minimum Requirement, 20%)		
- Domestic Banking Unit	20.1%	21.0%
- Off-Shore Banking Unit	22.7%	23.6%

NOTES TO THE FINANCIAL STATEMENTS

7 SEGMENT INFORMATION

The following table presents information on total income, profit, total assets and liabilities regarding the Bank's operating segments.

FOR THE PERIOD ENDED 30 JUNE 2015	CONSUMER BANKING	BUSINESS BANKING	TOTAL BANKING	TREASURY	RUPEES IN THOUSANDS	
					UNALLOCATED / ELIMINATION	TOTAL
Income						
Financing Income	376,814	913,351	1,290,165	39,812	7,231	1,337,208
Net Fee and Commission Income	29,073	34,291	63,363	-	9,415	72,778
Net Trading Gain	-	-	-	183,533	-	183,533
Net Other Operating Income/(Expense)	-	-	-	3,994	-	3,994
Total	405,886	947,642	1,353,528	227,339	16,646	1,597,513
Profit After Tax			77,892	20,077	(27,362)	70,607
Total Assets	7,200,576	20,976,593	28,177,168	10,557,772	1,479,122	40,214,062
Total Liabilities	31,160,597	1,919,916	33,080,512	1,477,591	573,412	35,131,515
FOR THE YEAR ENDED 31 DECEMBER 2014	CONSUMER BANKING	BUSINESS BANKING	TOTAL BANKING	TREASURY	RUPEES IN THOUSANDS	
					UNALLOCATED / ELIMINATION	TOTAL (AUDITED)
Income						
Financing Income	525,399	1,621,463	2,146,862	236,611	24,179	2,407,653
Net Fee and Commission Income	63,515	74,292	137,807	-	677	138,484
Net Trading Gain	-	-	-	287,377	-	287,377
Net Other Operating Income/(Expense)	-	-	-	30,094	3,119	33,213
Total Income	588,914	1,695,755	2,284,669	554,083	27,976	2,866,727
Profit/(Loss) After Tax			126,682	94,275	(301,227)	(80,269)
Total Assets	5,077,076	20,349,866	25,426,942	6,342,789	3,127,858	34,897,589
Total Liabilities	26,900,168	2,324,162	29,224,331	2,818	644,201	29,871,350

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.
- The interim condensed Financial Statements do not include all the information and disclosure required in the annual Financial Statements, and should be read in conjunction with annual Financial Statements as at 31 December 2014.
- The accounting policies adopted in the presentation of the interim condensed Financial Statements are consistent with those followed in the preparation of the Bank's annual Financial Statements for the year ended 31 December 2014.
- There are no material events that took place after the Statement of Financial Position date which require adjustment to or disclosures in the Financial Statements.
- Comparative figures have been restated wherever necessary to conform to the current periods presentation.
- There has not been a significant change in the nature of the contingent liabilities as disclosed in the Annual Report of 2014.

7. Market Price of Ordinary Shares (the Bank listed its ordinary shares on the Colombo Stock Exchange on 29 January 2014)

	2015 Rs.	2014 Rs.
Market Price as at 30 June	5.00	5.70
Highest Market Price during the quarter ended 30 June	5.40	5.90
Lowest Market Price during the quarter ended 30 June	5.00	4.90

8. Twenty Largest Shareholders as at 30 June 2015

No	Name of Shareholder	No. of Shares	%
1	Bank Islam Malaysia Berhad	180,562,011	14.44
2	AB Bank Limited	180,562,010	14.44
3	Akbar Brothers (Pvt) Ltd	120,374,674	9.62
4	Islamic Development Bank	120,374,673	9.62
5	Expolanka Holdings PLC	90,281,006	7.22
6	Amana Holdings Limited	72,973,459	5.83
7	Millenium Capital Investment Pte. Limited	55,656,201	4.45
8	Mr. Nagi Saleh Mohammed Al Faqih	37,384,600	2.99
9	Trans Asia Trading Company	33,756,280	2.70
10	Mr. Sathiyamurthy Chandramohan	30,000,000	2.40
11	Al Bogari Islamic Gold DMCC	20,038,302	1.60
12	Mr. Kevin Mark Pocock	14,484,302	1.16
13	Mr. Ahamed Mihilar Mohamed Fazul Jiffry	14,284,200	1.14
14	ABC International Limited	11,920,000	0.95
15	Amana Takaful (Maldives) Pvt Ltd	9,398,344	0.75
16	Mrs. Nabila Qureshi	6,534,733	0.52
17	Pan Asia Banking Corporation PLC / Lanka Commodity Brokers Ltd	6,142,800	0.49
18	Mr. Muhammad Muslim Salahudeen	5,666,667	0.45
19	Mr. Abdul Majeed Mohamedu Risvi	5,352,742	0.43
20	Mubasher Financial Services	5,082,000	0.41
Sub total		1,016,730,902	81.62
Other Shareholders (Number of Shareholders 6,779)		233,964,365	18.71
Total		1,250,695,267	100

Percentage of Public Holding as at 30 June 2015

31.34%

Number of Shareholders

6,764

9. Directors' holding in shares as at 30 June 2015

Name of Director	No. of Shares
Mr. Osman Kassim	438,520
Mr. Tyeab Akbarally	26
Dato' A Tajudin B.H Abdul Rahman	-
Dr. A. A. M Haroon	8
Mr. Mohamed Jazri Magdon Ismail	13,500
Mr. Ruzly Hussain	-
Mr. Haseeb Ullah Siddiqui	-
Mr. Wahid Ali Mohd Khalil	-
Mr. Harsha Amarasekera PC	-
Mr. Mohammed Wahidul Haque	-
Mr. Rajiv Nandlal Dvivedi	-
Dato' Wan Ismail Wan Yusoh (Alternate Director to Mr. Wahid Ali Mohd Khalil)	-
Mr. Huzefa Inayetally Akbarally (Alternate Director to Mr. Tyeab Akbarally)	1
Mr. Mohamed Faizel Mohamed Haddad (Alternate Director to Mr. Osman Kassim)	-
Mr. Kevin Mark Pocock (Alternate Director to Mr. Harsha Amarasekera, PC)	14,484,302
Mr. Faheemul Huq (Alternate Director to Mr. Mohammed Wahidul Haque)	-