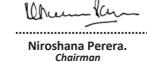


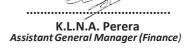
## State Mortgage & Investment Bank Financial Statements

For The	e Peric	d End	ded 31 March	2019									
INCOME STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2019		Rs 'Mn	Analysis of Financial Instrum Current Year (31.03.2019)		rement B	asis - Ban	k		TES TO THE				
From 01	/01/2019 From ( /03/2019 to 3		Bank - Current Period (2019)				Rs. 'Mn	a. Produc	t wise Gross Lo		vances 1/03/2019		Rs. 'Mn 12/2018
Interest income	1,429.6	1,333.1	ASSETS	AC	FVPL	FVOCI	Total	Mortgage	;		9,487	31/1	9,324
Interest expenses	(945.1)	(935.7)	Cash and cash equivalents	130			130	EPF Vehicle			8,902 14		8,707 15
Net interest income Fee and commission income	<b>484.5</b> 28.7	<b>397.3</b> 26.5	Placements with banks Loans and advances	6,546 35,017			6,546 35,017	Staff loar Personal			992 15,261		986 14,821
Fee and commission expenses  Net fee and commission income	28.7	26.5	Debt instruments	67			67	Others			1,076		1,077
Net Fair Value Gains/(Losses) from FA at FVPL Net other operating income (net)	0.3 0.7	1.0	Reverse Repos Treasury Bills	705 1,001			705 1,001	Gross To		_	35,732		34,931
Total operating income	514.1	424.8	Treasury Bonds	228			228	b. Stage w	ise impairment				Rs. 'Mn
Impairment Charges  Net operating income	(10.2) <b>503.9</b>	(15.1) <b>409.7</b>	Unit Trusts Unquoated Shares		18	5	18	Gross loans	and advances	3	1/03/2019 35,732		12/2018 34,931
Personnel expenses Depreciation and amortization expenses	(233.2) (7.5)	(168.6) (6.0)	Total financial assets	43,696	18	5	43,719	Stage 1 Stage 2			24,977		24,567 1,765
Other expenses	(55.2)	(67.7)	LIABILITIES  Due to Banks	52			52	Stage 2 Stage 3			1,947 8,808		8,598
Operating profit/(loss) before VAT,NBT & DRL Value added tax (VAT) on financial services	<b>208.0</b> (56.5)	<b>167.4</b> (43.0)	Financial liabilities					(Less): Accu	ımulated impairn	nent under:	715 143		<b>705</b>
Debt Repayment Levy (DRL) Nation Building Tax (NBT)	(30.8)	(5.7)	<ul><li>Due to depositors</li><li>Due to debt security holders</li></ul>	36,415 111			36,415 111	Stage 2 Stage 3			60		57 508
Profit/(loss) before tax	113.2	118.7	- Due to other borrowers	1,924			1,924		nd Advances		512 <b>35,017</b>		34,225
Tax expenses Profit/(loss) for the Period	(49.1) <b>64.1</b>	(52.0) <b>66.7</b>	Total financial liabilities  Analysis of Financial Instrume	ents by Measu	rement Ba	sis Bank	38,502	c. Movem	ents in impairm	ent during	the period	l I	Rs. 'Mn
STATEMENT OF COMPREHENSIVE INCOME		Rs 'Mn	<b>Previous Year (31.12.2018)</b>	01100 NJ 1110000				Stage 1		3	1/03/2019	31/1	12/2018
FOR THE PERIOD ENDED 31 <sup>ST</sup> MARCH 2019	31/03/2019		Bank 2018	AC	FVPL	FVOCI	Rs. 'Mn Total	Opening bal	ance as at $01/01/2$		140		124 15
Profit/(loss) for the Period	64.1	Restated 66.7	ASSETS		TYLL	TYOCI	10181	Write-off du			-		-
Re-measurement of post-employment benefit obligations		(1.1)	Cash and cash equivalents Placements with banks	96 5,206			96 5 206	Closing bal Stage 2	ance at 31/03/201	9	143		140
Gains and Losses on Re-Measuring Financial Assets  Total comprehensive income for the period	64.1	65.6	Loans and advances	34,225			5,206 34,225	Opening ba	lance as at 01/01/2		57		33
STATEMENT OF FINANCIAL POSITION		Rs 'Mn	Debt instruments Reverse Repos	66 730			66 730	Write-off du	rite back) to incon uring the year		3 -		24
As at 31st MARCH 2019	31/03/2019	31/12/2018	Treasury Bills	874			874	Closing bal	lance at 31/03/201	.9	60		57
Assets Cash and cash equivalents	130		Treasury Bonds Unit Trusts	275	18		275 18		lance as at 01/01/2		508		361
Placements with Banks	6,546	5,206	Unquoated Shares			5	5	Write-off du	rite back) to incon Iring the year		3		148
Financial Assets - FVPL Financial Assets - AC	18	18	Total financial assets  LIABILITIES	41,472	18	5	41,495	Closing bal	ance at 31/03/201	9	512 715		508 705
<ul><li>Loans and Advanced</li><li>Debt and Other Instruments</li></ul>	35,017 2,002	34,225 1,943	Due to Banks	12			12	Total					
Financial Assets - FVOCI Property, plant and equipment	5 62	5 64	Financial liabilities - Due to depositors	34,272			34,272	Analysis	of amount due t	o depositor	S	R	ks. 'Mn
Deferred tax assets	107	107 932	- Due to debt security holders	110			110			As at 3	1/03/2019	As at 31/1	12/2018
Other assets Total assets	1,192 <b>45,080</b>	42,597	- Due to other borrowers  Total financial liabilities	1,873 <b>36,267</b>			1,873 36,267	By Product Savings	deposits		1,652		1,560
Liabilities Due to banks	52	12	AC - Financial assets/liabilities me FVPL - Financial assets/liabilities	easured at amor		ugh profit		Fixed de	posits		33,681		31,629
Financial Liabilities at Amortised Cost			FVOCI - Financial assets measure comprehensive income					Other de <b>Total</b>	posits (Schemes)		1,082 <b>36,415</b>		1,083 <b>34,272</b>
- Due to Depositors - Due to Debt Securities Holders	36415	34,272 110	·	010									, =
- Due to Other Borrowers Employee Benefit Liability	1,924 380	1,873 382	Ratio Analysis as at 31/03/20	019									
Other Liabilities  Total liabilities	947 <b>39,829</b>	760 <b>37,410</b>	Regulatory Capital (Rs'Mn) Bas	sel III							31/0	3/2019 31/	/12/2018
Equity			Common Equity Tire - 1	,,, 111								4,850	4,850
Stated Capital/Assigned Capital Statutory Reserve Fund	890 264	890 262	Tier - 1 Capital Total Capital									4,850 4,975	4,850 4,972
Retained Earnings Other Reserves	3,019 1,078	2,958 1,078	Regulatory Capital Ratios (%) Common Equity Tire 1 Capital Ration	tio (Minimum Re	equirement ?	7%)						21.35	21.68
Total equity	5,251	5,187	Tier 1 Capital Ratio (Minimum Re Total Capital Ratio (Minimum Rec									21.35 21.90	21.69 22.24
Total equity and liabilities STATEMENT OF CASH FLOWS	45,080	42,597 Rs 'Mn	Leverage Ratio Regulatory Liquidity	•/								11.05	11.64
FOR THE PERIOD ENDED 31 <sup>ST</sup> MARCH 2019			Stat Liqd assts Rs Mn	~ 200/>								8,769	6,944
Cash flows from operating activities	31/03/2019	31/03/2018	Stat Liqd assts Rtaio (Minimum re Total Stock of High Quality Liquid	d Assets Rs.Mn								26.43 1,184	22.34 1,127
Interest Received	896	1,017	Liquidity Coverage Ratio (LCR) (Net Stable Funding Ratio (Minimu		00%)							95.07 133.00	83.91 133.00
Interest Payments Net commission receipts	(701) 29	(1,554) 27	Gross NPL Net NPL (net of interest in suspens		()							21.86	21.76 20.31
Payments to Employees	(233)	(159)	Gross NPL Exclu. EPF	oo ana provisions	.)							20.38	7.31
VAT, DLR & NBT on financial services Receipts from Other Operating Activities	(91) 1	(18)	Net NPL Exclu. EPF Interest Margin									4.97 4.42	5.41 4.60
Payments on Other Operating Activities	(55)	(72)	Return on Assets (before Tax) Return on Equity									1.03 4.91	1.13 4.82
Operating profit before changes in Operating Assets & Liabilities		( <b>75</b> 0)	Number of Branches Number of Employees									25	25
(Increase)/ Decrease in Operating Assets	(155)	(759)	STATEMENT OF CHANGES IN EC	QUITY								383 R	386 s. 'Mn
Financial assets at amortised cost - loans & advances Other assets	(645)	(421)	FOR THE PERIOD ENDED 31 <sup>ST</sup> MA	ARCH 2019	ntribut1	Statest	G- 11 1	6	Title I- 1-	D. et al.	ABO		
Increase/ (Decrease) in Operating Liabilities	(645)	(421)	D-L	Co	ntributed Capital	Reserve	Capital Reserve	Reserve	Title Indemnity Fund	Retained Earnings	AFS Reserve	<u> </u>	Total
Financial liabilities at amortised cost - due to deposi		644	Balance as at 31/12/2017 Prior Period Adjustments		890	247	393	683	1	<b>2,729</b> (12)	13	,	4,956 (12)
Financial liabilities at amortised cost - due to other be Other liabilities	porrowers 52	(54)	OCI Reserve Transfer to RE Impairment Adjustment							13 71	(13	3)	71
Net cash generated from operating activities	2,005	589	Net Profit for the Year							244			244
before Income Tax	1,205	( <b>590</b> )	Deemed Dividend Tax Other Comprehensive Income							(49) (24)			(49) (24)
Income Taxes Paid  Net Cash from Operating Activities	(58) 1,147	(27) (617)	Transfer During the Year			15				(15)			(24)
Cash flows from investing activities Dividend Received			Transfer to Consolidated Fund  Balance as at 31/12/2018		890	262	393	683	1	2,958	_		5,187
Proceeds from the sale of property, plant and equipm		- - 	Prior year adjustment										-
Purchase of financial investments Purchase of Property, Plant & Equipment	(1,400) (5)	737 (3)	Net profit for the period Other Comprehensive Income							64			64 -
Proceeds from the sale & maturity of financial inves	stments 240	208	Transfer During the year Transfer to Consolidated Fund			3				(3)			-
Net cash (used in)/ from investing activities  Cash flows from financing activities	(1,165)	942	Balance as at 31/03/2019		890	264	393	683	1	3,019	-		5,251
Repayment of subordinated debt	-	-	Certification: We,the undersigned being the C	hairman, Gene	ral Manage	er and Assi	stant Gener	al Manager(	Finance) of Stat	e Mortgage	and Investi	ment	
Payments to Consolidated Fund  Net cash from financing activities		-	Bank certify jointly that, (a) the above statements have be										
Net increase/(decrease) in cash & cash equivalents	s (18)	325	(b) the information contained in										Lof

Directors are responible for the preparation and presentation of these Financial Statements. These draft Financial Statements were approved by the Board of Directors and signed on their behalf.







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(18)

96

**78** 

130

(52)

325

72

398

407

(10)

Net increase/(decrease) in cash & cash equivalents

Cash and cash equivalents at the end of the period

Cash and cash equivalents at the end of the period

Reconciliation of Cash and Cash Equivalents

Government of Sri Lanka Treasury Bills

Cash and Short Term Funds

Borrowings from Banks (OD)

Cash and cash equivalents at the beginning of the period