

# Deutsche Bank

Colombo Branch  
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## Financial Statements for the period ending 30th September, 2018

### Summarised Income Statement

Item	Deutsche Bank Colombo Branch		Deutsche Bank Group	
	Current Period from 01.01.18 to 30.09.18 (Rs. '000)	Previous Period from 01.01.17 to 30.09.17 (Rs. '000)	Current Period from 01.01.18 to 30.09.18 (EUR m)	Previous Period from 01.01.17 to 30.09.17 (EUR m)
Interest Income	1,652,213	2,090,329	18,782	18,229
Less: Interest Expenses	390,529	415,457	9,084	8,860
<b>Net Interest Income</b>	<b>1,271,685</b>	<b>1,674,842</b>	<b>9,698</b>	<b>9,368</b>
Fee and commission income	452,254	476,589	-	-
Less: Fee and commission Expense	9,799	15,931	7,813	8,356
<b>Net fee and commission income</b>	<b>442,455</b>	<b>460,658</b>	-	-
Net gain/(loss) from trading	545,175	423,228	-	-
Net gain/(loss) from financial instrument designated at fair value through profit or loss	-	-	1,956	2,611
Net gain/(loss) from financial investments	-	-	125	-
<b>Other operating income (net)</b>	<b>35,982</b>	<b>25,406</b>	<b>77</b>	<b>21</b>
<b>Total operating income</b>	<b>2,295,298</b>	<b>2,584,134</b>	<b>19,741</b>	<b>20,481</b>
Less: Impairment for loans and other losses	-	-	-	-
Individual impairment	-	-	-	-
Collective impairment	(4,446)	(3,739)	273	396
Others	(1,290)	-	-	-
<b>Net operating income</b>	<b>2,289,562</b>	<b>2,580,395</b>	<b>19,468</b>	<b>20,085</b>
Personnel expenses	303,711	261,868	8,874	8,874
Depreciation and amortisation	20,259	20,241	1,795	1,506
Other expenses	959,493	1,025,033	7,114	7,326
<b>Operating profit/(loss) before VAT</b>	<b>976,099</b>	<b>1,273,253</b>	<b>1,648</b>	<b>2,633</b>
Less: Value added tax (VAT) on financial services	145,658	203,524	-	-
<b>Operating profit/(loss) after VAT</b>	<b>830,441</b>	<b>1,069,729</b>	<b>1,648</b>	<b>2,633</b>
Share of profits of associates and joint ventures	-	-	-	-
<b>Profit/(loss) before corporate tax</b>	<b>830,441</b>	<b>1,069,729</b>	<b>1,648</b>	<b>2,633</b>
Less: Tax expenses	433,652	650,468	900	944
<b>Profit/(loss) for the period</b>	<b>396,789</b>	<b>419,261</b>	<b>748</b>	<b>1,689</b>
Profit Attributable to:				
Owners of the parent	396,760	419,261	692	1,664
Non-controlling interest	-	-	58	25
Earnings per share on profit	-	-	-	-
Basic earnings per ordinary share	-	-	0.19	0.72
Diluted earnings per ordinary share	-	-	0.19	0.69

### Statement of Cash Flows - Deutsche Bank Colombo Branch

Item	For the period ended 30.09.2018 (Rs. '000)	For the period ended 30.09.2017 (Rs. '000)
Cash flows from operating activities		
Profit before tax	830,441	1,069,729
Adjustment for:		
Non cash items included in profit before tax	650,657	463,506
Change in operating assets	(3,276,023)	(3,836,633)
Change in operating liabilities	3,148,662	4,457,196
Tax paid	(418,328)	(322,108)
Others	-	214,483
<b>Net cash generated from operating activities</b>	<b>935,409</b>	<b>2,046,173</b>
Cash flows from investing activities		
Purchase of property, plant and equipment	(11,333)	(8,932)
Dividend received from investments	2,516	2,171
Net cash (used in) from investing activities	(8,818)	(6,761)
Cash flows from financing activities		
Interest paid on subordinated debt	-	-
Profit transfer to head office	(1,002,783)	(2,058,439)
Net cash from financing activities	(1,002,783)	(2,058,439)
Net increase/(decrease) in cash & cash equivalents	(76,192)	(19,027)
Cash and cash equivalents at the beginning of the period	178,378	193,773
Cash and cash equivalents at the end of the period	102,186	174,746

### Additional Disclosures

1) Loans and Receivables to Other Customers	Deutsche Bank Colombo	
	Current Period as at 30th Sep. 2018	Previous period as at 31st Dec. 2017
In Rupees Thousand		
Gross loans and receivables	12,741,939	9,579,696
(Less): Individual impairment charges	-	-
Collective impairment charges	(1,375)	(55,639)
<b>Net loans and receivables including those designated at fair value through profit or loss</b>	<b>12,740,564</b>	<b>9,524,057</b>
Less: Loans and receivables designated at fair value through profit or loss	-	-
<b>Net loans and receivables</b>	<b>12,740,564</b>	<b>9,524,057</b>

2) Loans and Receivables to Other Customers - By product	Deutsche Bank Colombo	
	Current Period as at 30th Sep. 2018	Previous period as at 31st Dec. 2017
In Rupees Thousand		
By product - Domestic Currency		
Overdrafts	6,425,622	5,085,914
Trade Loans	241,422	131,260
Staff Loans	199,307	175,620
Supplier Finance & Supplier Invoice Finance	833,644	1,046,704
<b>Sub Total</b>	<b>7,699,995</b>	<b>6,439,498</b>
By product - Foreign Currency		
Overdrafts	1,963,372	1,663,747
Supplier Finance & Supplier Invoice Finance	-	-
Trade Loans	3,078,572	1,476,451
'Bill Discounting	-	-
<b>Sub Total</b>	<b>5,041,943</b>	<b>3,140,198</b>
<b>Gross Total</b>	<b>12,741,939</b>	<b>9,579,696</b>

3) Movements in Individual and Collective Impairment	Deutsche Bank Colombo	
	Current Period as at 30th Sep. 2018	Previous period as at 31st Dec. 2017
during the period for Loans and Receivables to Other Customers and banks		
In Rupees Thousand		
Individual impairment charges		
Opening balance as at 1st January	-	-
Charge/(Write back) to income statement	-	-
Write off during the year	-	-
Other movements	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>
Collective impairment charges		
Opening balance as at 1st January - LKAS39 - on bs	55,640	71,398
Reversal of above	(55,640)	-
Opening balance as at 1st January - SLFRS 9 on/off bs	56,854	-
Charge/(Write back) to income statement	4,446	(15,758)
Other movements	-	-
<b>Total balance</b>	<b>61,301</b>	<b>55,640</b>
<b>Closing balance</b>	<b>61,301</b>	<b>55,640</b>

4) Due to Other Customers - By Product	Deutsche Bank Colombo	
	Current Period as at 30th Sep. 2018	Previous period as at 31st Dec. 2017
In Rupees Thousand		
By product - Domestic Currency		
Demand deposits (current accounts)	3,884,969	4,311,915
Saving deposits	2,787,473	1,788,848
Margin Deposits	120,650	377,859
Fixed	2,173,482	1,527,580
<b>Sub total</b>	<b>8,966,574</b>	<b>8,006,212</b>
By product - Foreign Currency		
Demand deposits (current accounts)	3,825,356	3,177,860
Saving deposits	68,225	-
Margin Deposits	-	-
Fixed	-	376,678
<b>Sub total</b>	<b>3,893,581</b>	<b>3,554,538</b>
<b>Total</b>	<b>12,860,155</b>	<b>11,560,750</b>

### Statement of Comprehensive Income for the period ended 30th September 2018

Item	Rs. '000	Rs. '000	EUR m	EUR m
Profit/(loss) for the period	396,789	419,261	750	1,689
Other Comprehensive Income, net of tax	-	-	-	-
Changes in revaluation surplus	-	-	-	-
Remeasurement gain/(losses) related to defined benefit plans, before tax	-	-	(233)	(229)
Financial assets designated at fair value through other comprehensive income	(1,147)	(667)	-	-
Foreign currency translation	-	-	297	(2,339)
Gains and losses on re-measuring available-for-sale assets	-	(56,152)	-	(240)
Gains and losses on cash flow hedges	-	-	(12)	(159)
Asset classified as held for sale - Unrealised net gains (Loss) arising during the period, before tax	-	-	-	-
Equity Method Investment - Net gains (Loss) arising during the period	-	-	(10)	(26)
Less: Tax expense/(income) relating to components of other comprehensive income	-	-	353	133
<b>Other comprehensive income for the year net of taxes</b>	<b>(1,147)</b>	<b>(56,152)</b>	<b>(272)</b>	<b>(2,861)</b>
<b>Total comprehensive income for the period</b>	<b>395,642</b>	<b>363,109</b>	<b>478</b>	<b>(1,172)</b>
Attributable to:				
Owners of the parent	395,613	363,109	389	(1,169)
Non-controlling interests	-	-	89	(3)

### Deutsche Bank Group - Consolidated Statement of Cash Flows

In € m.	For the period ended Sep. 30, 2018	For the period ended Sep. 30, 2017
<b>Net income (loss)</b>	<b>750</b>	<b>1,689</b>
Cash flows from operating activities:		
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Provision for credit losses	273	396
Restructuring activities	258	39
Gain on sale of financial assets available for sale and securities held to maturity	N/A	(282)
Gain on sale of financial assets at fair value through other comprehensive income, equity method investment	(602)	(48)
Deferred income taxes, net	386	344
Impairment, depreciation and other amortization, and accretion	1,795	1,506
Share of net income (loss) from equity method investments	(1,071)	(124)
<b>Income (loss) adjusted for noncash changes, credits and other items</b>	<b>2,764</b>	<b>3,520</b>
Adjustments for net change in operating assets and liabilities:		
Interest-earning time deposits with central banks and banks	(11,150)	(294)
Central bank funds sold, securities purchased under resale agreements, securities borrowed	15,931	943
Non-trading financial assets mandatory at fair value through profit and loss	(94,360)	27,428
Financial assets designated at fair value through profit or loss	(10,353)	(8,066)
Loans and amortized cost	1,313	9,283
Other assets	(15,818)	(20,203)
Deposits	(24,204)	27,428
Financial liabilities designated at fair value through profit or loss and investment contract liabilities	1,011	93
Central bank funds purchased, securities sold under repurchase agreements and securities loaned	(14,907)	(5,379)
Other short-term borrowings	(1,133)	1,012
Other liabilities	7,001	34,565
Senior long-term debt	(6,160)	(12,674)
Trading assets and liabilities, positive and negative market values from derivative financial instruments, net	22,492	(2,504)
Other, net	(3,625)	3,885
<b>Net cash provided by (used in) operating activities</b>	<b>(41,596)</b>	<b>19,587</b>
Cash flows from investing activities:		
Proceeds from:		
Sale of financial assets at fair value through other comprehensive income	17,880	N/A
Maturities of financial assets at fair value through other comprehensive income	20,197	N/A
Sale of debt securities held to collect at amortized cost	94	N/A
Maturities of debt securities held to collect at amortized cost	1,552	N/A
Sale of financial assets available for sale	N/A	7,490
Maturities of financial assets available for sale	N/A	5,796
Maturities of securities held to maturity	-	-
Sale of equity method investment	25	39
Sale of property and equipment	395	60
<b>Purchase of:</b>		
Financial assets at fair value through other comprehensive income	(30,325)	N/A
Debt Securities htc at amortized cost	(211)	N/A
Financial assets available for sale	N/A	(11,156)
Security held to maturity	N/A	-
Equity method investments	-	(8)
Property and equipment	(335)	(421)
Net cash received in (paid for) business combinations/divestitures	101	93
<b>Other, net</b>	<b>(958)</b>	<b>(891)</b>
<b>Net cash provided by (used in) investing activities</b>	<b>8,416</b>	<b>1,002</b>
Cash flows from financing activities:		
Issuances of subordinated long-term debt	67	52
Repayments and extinguishments of subordinated long-term debt	(1,063)	(134)
Repayments and extinguishments of trust preferred securities	3	3
Issuances of trust preferred securities	(2,733)	(401)
Common shares issued	(3,553)	(7,135)
Purchases of treasury shares	3,344	6,678
Sale of treasury shares	-	-
Additional Equity Components (AT1) issued	(203)	-
Purchase of Additional Equity Components (AT1)	215	147
Sale of Additional Equity Components (AT1)	(315)	(335)
Coupon on additional equity components, pre tax	(8)	(11)
Dividends paid to non-controlling interests	1,199	(381)
Net change in noncontrolling interests	(227)	(392)
Cash dividends paid to Deutsche Bank shareholders	52	6,326
<b>Other, net</b>	<b>(2,222)</b>	<b>(4,538)</b>
<b>Net effect of exchange rate changes on cash and cash equivalents</b>	<b>272</b>	<b>(4,538)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(35,882)</b>	<b>22,377</b>
Cash and cash equivalents at beginning of period	229,025	185,849
Cash and cash equivalents at end of period	193,343	208,028
<b>Net cash provided by (used in) operating activities including</b>	<b>193,343</b>	<b>208,028</b>
Income taxes paid (received), net	203	540
Interest paid	9,430	8,185
Interest received	16,751	15,966
<b>Dividends received</b>	<b>2,033</b>	<b>1,669</b>
<b>Cash and cash equivalents comprise</b>		
Cash and central bank balances (not included interest-earning time deposits with central banks	186,870	201,291
Interbank balances (with central banks) (not included: time deposits of € 17 billion as of September 30, 2018, and € 7.2 billion as of September 30, 2017)	6,473	6,737
<b>Total</b>	<b>193,343</b>	<b>208,027</b>

### 5) DB Colombo Branch - Analysis of Financial Instruments by measurement basis

In Rs. '000	As at 30th September 2018			As at 31st December 2017				
	Amortised Cost	Fair value through profit or loss	Fair value through other comprehensive income	Total	Loans and Receivables (L&R)	Held for Trading (HFT)	Available for Sale (AFS)	Total
<b>Assets</b>								
Cash and cash equivalents	102,186	-	-	102,186	178,378	-	-	178,378
Balances with central banks	2,109,375	-	-	2,109,375	649,921	-	-	649,921
Placements with banks	1,517,417	-	-	1,517,417	3,165,119	-	-	3,165,119
Derivative financial instruments	-	4,877	-	4,877	-	3,179	-	3,179
Other financial assets held-for-trading	-	-	-	-	-	-	-	-
Loans and receivables to other customers	12,740,564	-	-	12,740,564	9,524,057	-	-	9,524,057
Financial assets at fair value through other comprehensive income	-	-	15,209,842	15,209,842	-	-	-	-
Financial investments - Available-for-sale	-	-	-	-	-	-	16,264,562	16,264,562
<b>Total financial assets</b>	<b>16,469,542</b>	<b>4,877</b>	<b>15,209,842</b>	<b>31,684,261</b>	<b>13,517,475</b>	<b>3,179</b>	<b>16,264,562</b>	<b>29,785,216</b>

### DB Colombo Branch - Analysis of Financial Instruments by measurement basis

In Rs. '000	As at 30th September 2018			As at 31st December 2017		
	Deposits at amortised cost	Fair value through profit or loss	Total	Deposits at amortised cost	Held for Trading (HFT)	Total
<b>Liabilities</b>						
Derivative financial instruments	-	6,008	6,008	-	-	4,265
Due to other customers	12,860,155	-	12,860,155	11,560,750	-	11,560,750
Due to banks	-	-	-	-	-	