

# Deutsche Bank

Colombo Branch  
No. 86 Galle Road, Colombo 3  
Tel + 94-11-2447062, Fax+ 94-11-2447067



## Financial Statements for the period ending 31st March 2020

Summarised Income Statement					Statement of Financial Position				
Item	Deutsche Bank Colombo Branch		Deutsche Bank Group		Item	Deutsche Bank Colombo Branch		Deutsche Bank Group	
	Current Period from 01/01/20 to 31/03/20 (Rs. '000)	Previous Period from 01/01/19 to 31/03/19 (Rs. '000)	Current Period from 01/01/20 to 31/03/20 (EUR m)	Previous Period from 01/01/19 to 31/03/19 (EUR m)		Current Period as at 31.03.20 (Rs. '000)	Previous Period as at 31.12.19 (Rs. '000) Audited	Current Period as at 31.03.20 (EUR m)	Previous Period as at 31.12.19 (EUR m) Audited
Interest Income	832,123	588,301	5,467	6,502	<b>Assets</b>				
Interest Expenses	188,075	158,049	2,216	3,147	Cash and cash equivalents	114,545	115,868	121,885	137,592
<b>Net Interest Income</b>	<b>644,048</b>	<b>430,251</b>	<b>3,251</b>	<b>3,355</b>	Balances with Central Banks	6,096,727	7,676,645	11,147	13,801
Fee and commission income	86,968	83,974	-	-	Placement with Banks	2,401,113	751,258	13,532	9,636
Fee and commission Expense	7,995	3,634	-	-	Placement with branches	5,866,750	3,875,054	-	-
<b>Net fee and commission income</b>	<b>78,973</b>	<b>80,339</b>	<b>2,439</b>	<b>2,382</b>	Securities borrowed	-	-	305	428
Net gain/(loss) from trading	93,183	178,253	-	-	Derivative financial instruments	433,037	37,878	-	-
Net fair value gains/(losses) on:					Group balances receivable	5,819,182	1,706,880	-	-
Financial assets at fair value through profit or loss	(27,483)	-	395	717	Financial assets recognized through profit or loss				
Financial liabilities at fair value through profit or loss	-	-	-	-	- Measured at fair value	8,603,239	6,799,440	635,295	530,713
Net gains/(losses) on derecognition of financial assets:					- Designated at fair value	-	-	-	-
At fair value through profit or loss	-	-	-	-	Financial assets at amortised cost				
At amortised cost	-	-	60	-	- Loans and advances	18,662,740	14,639,695	454,518	429,841
At fair value through other comprehensive income	-	-	125	46	- Debt and other instruments	-	-	-	-
Net income/(loss) from equity method investments	-	-	15	33	Financial assets measured at fair value through				
Net other operating income	8,246	11,116	65	(183)	other comprehensive income	14,429,508	13,740,778	44,046	45,503
<b>Total operating income</b>	<b>796,966</b>	<b>699,960</b>	<b>6,350</b>	<b>6,351</b>	Securities held to maturity	-	-	-	-
Impairment reversal/(charges)	(50,722)	4,844	(506)	(140)	Investments in subsidiaries	-	-	916	929
<b>Net operating income</b>	<b>746,245</b>	<b>704,804</b>	<b>5,844</b>	<b>6,210</b>	Investments in associates and joint ventures	-	-	-	-
Personnel expenses	84,969	117,408	2,689	2,866	Property, plant and equipment	160,459	172,235	4,802	4,930
Depreciation and amortisation expenses	17,986	5,334	-	-	Investment properties	-	-	-	-
Other expenses	236,118	328,695	2,949	3,053	Goodwill and intangible assets	-	-	6,997	7,029
<b>Operating profit/(loss) before VAT</b>	<b>407,172</b>	<b>253,368</b>	<b>206</b>	<b>292</b>	Assets for current tax	-	-	1,024	926
& NBT on financial services					Deferred tax assets	-	-	5,878	5,986
Value added tax (VAT) on financial services	67,254	48,271	-	-	Other assets	615,278	665,587	190,859	110,359
Nation Building Tax (NBT) on financial services	-	6,436	-	-	<b>Total Assets</b>	<b>63,202,577</b>	<b>50,181,319</b>	<b>1,491,203</b>	<b>1,297,674</b>
<b>Operating profit/(loss) after VAT &amp; NBT on financial services</b>	<b>339,919</b>	<b>198,660</b>	<b>206</b>	<b>292</b>	<b>Liabilities</b>				
Share of profits of associates and joint ventures	-	-	-	-	Due to banks	4,188	-	4,531	5,218
<b>Profit/(loss) before tax</b>	<b>339,919</b>	<b>198,660</b>	<b>206</b>	<b>292</b>	Due to branches	22,443,575	17,816,192	-	-
Income tax expenses	97,024	125,099	141	91	Central bank funds purchased and securities sold under repurchase agreements	-	-	9,342	3,115
<b>Profit/(loss) for the period</b>	<b>242,895</b>	<b>73,561</b>	<b>66</b>	<b>201</b>	Securities loaned	-	-	466	259
					Derivative financial instruments	303,419	40,243	-	-
<b>Profit Attributable to:</b>					Financial liabilities recognized through profit or loss				
Equity holders of the parent	242,895	73,561	43	178	- Measured at fair value	-	-	522,314	404,448
Non-controlling interests	-	-	23	23	- Designated at fair value	-	-	-	-
					Financial liabilities at amortised cost				
<b>Earnings per share on profit</b>			Euro	Euro	- Due to depositors	23,170,631	16,714,491	566,910	572,208
Basic earnings per ordinary share	N/A	N/A	0.02	0.08	- Due to debt securities holders	-	-	-	-
Diluted earnings per ordinary share	N/A	N/A	0.02	0.08	- Due to other borrowers	-	-	-	-

## Statement of Comprehensive Income for the period ended 31st March 2020

Item	Deutsche Bank Colombo Branch		Deutsche Bank Group		Item	Deutsche Bank Colombo Branch		Deutsche Bank Group	
	Current Period from 01/01/20 to 31/03/20 (Rs. '000)	Previous Period from 01/01/19 to 31/03/19 (Rs. '000)	Current Period from 01/01/20 to 31/03/20 (EUR m)	Previous Period from 01/01/19 to 31/03/19 (EUR m)		Current Period as at 31.03.20 (Rs. '000)	Previous Period as at 31.12.19 (Rs. '000) Audited	Current Period as at 31.03.20 (EUR m)	Previous Period as at 31.12.19 (EUR m) Audited
<b>Profit/(loss) for the period</b>	<b>242,895</b>	<b>73,561</b>	<b>66</b>	<b>201</b>	Debt securities issued	-	-	-	-
<b>Items that will be reclassified to income statement</b>					Retirement benefit obligations	65,170	65,170	-	-
Exchange differences on translation of foreign operations	-	-	(13)	391	Current tax liabilities	204,840	138,763	652	651
Net gains/(losses) on cash flow hedges	-	-	-	-	Deferred tax liabilities	28,956	28,956	786	545
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	43,421	(25,076)	48	180	Long term debts	-	-	136,168	136,473
Share of profits of associates and joint ventures	-	-	-	-	Trust preferred shares	-	-	2,052	2,013
Debt instruments at fair value through other comprehensive income	-	-	-	-	Other provisions	-	-	2,615	2,622
<b>Derivatives hedging variability of cash flows</b>					Other liabilities	1,202,386	217,334	182,009	107,964
Unrealised net gains (losses) arising during the period, before tax	-	-	-	-	Group balances payable	1,530,438	3,157,722	-	-
Realised net(gains) losses arising during the period (reclassified to the profit or loss) before tax	-	-	-	-	<b>Total liabilities</b>	<b>48,953,603</b>	<b>38,178,872</b>	<b>1,427,843</b>	<b>1,235,515</b>
Equity Method investments	-	-	-	-	<b>Equity</b>				
Net gains (losses) arising during the period	-	-	-	-	Stated capital/Assigned capital	4,410,461	4,410,461	45,729	45,796
Others (specify)	-	-	(4)	(4)	Statutory reserve fund	715,050	702,905	-	-
					OCI Reserve	110,052	66,631	404	421
Less: Tax expense relating to items that will be reclassified to income statement	-	-	(60)	(5)	Retained earnings	2,536,173	2,305,423	9,790	9,644
					Common shares in treasury, at cost	-	-	(16)	(4)
<b>Items that will not be reclassified to income statement</b>					Other reserves	6,477,238	4,517,027	-	-
Gain/(loss) on translating the Financial Statements of FCBU	-	-	-	-	<b>Total shareholders equity</b>	<b>14,248,974</b>	<b>12,002,447</b>	<b>55,908</b>	<b>55,857</b>
Change in fair value on investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	Additional equity components	-	-	5,817	4,665
Related Tax	-	-	-	-	Non-controlling interest	-	-	1,635	1,638
Change in fair value attributable to change in the Bank's own credit risk on financial liabilities designated at fair value through profit or loss	-	-	-	-	<b>Total equity</b>	<b>14,248,974</b>	<b>12,002,447</b>	<b>63,360</b>	<b>62,160</b>
Re-measurement of post-employment benefit obligations	-	-	398	(251)	<b>Total equity and liabilities</b>	<b>63,202,577</b>	<b>50,181,319</b>	<b>1,491,203</b>	<b>1,297,674</b>
Related Tax	-	-	(273)	81	<b>Contingent liabilities and commitments</b>	<b>31,378,885</b>	<b>28,435,996</b>	<b>243,742</b>	<b>260,672</b>
Share of profits of associates and joint ventures others (specify)	-	-	-	-	<b>Memorandum Information</b>				
Less: Tax expense relating to items that will not be reclassified to income statement	-	-	-	-	Number of Employees	89	90	86,667	87,597
<b>Other Comprehensive Income (OCI) for the period, net of taxes</b>	<b>43,421</b>	<b>(25,076)</b>	<b>98</b>	<b>393</b>	Number of Branches	1	1	1,921	1,931
<b>Total comprehensive income for the period</b>	<b>286,316</b>	<b>48,485</b>	<b>164</b>	<b>594</b>					
<b>Attributable to:</b>									
Equity holders of the parent	286,316	48,485	130	549					
Non-controlling interests	-	-	34	45					

DB Group Consolidated have been extracted from the DB Group financial statements, which were prepared based on IFRSs as adopted by the EU, and additional requirements of German commercial law.

**Certification:**  
We, the undersigned, being the Chief Country Officer and Head of Finance of Deutsche Bank AG, Sri Lanka 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 un-audited financial statements of the bank unless indicated as audited.

(Sgd.) Vikas Arora  
Chief Country Officer and GTB Head, Sri Lanka  
22 May 2020

(Sgd.) Somasuriyasingham Janarthanan  
Head of Finance  
22 May 2020

## Deutsche Bank AG, Colombo Branch, Statement of Changes in Equity for the period ended 31st March 2020 - in Rs.'000

	Stated capital/Assigned capital			Reserves							Non-controlling interest	Total Equity	
	Ordinary voting shares	Ordinary non-voting shares	Assigned Capital	Statutory Reserve fund	OCI reserve	Revaluation reserve	Retained earnings	Exchange equalisation of capital	Exchange equalisation of reserve	Reserve through contributed assets			Total
Balance as at 01st January 2020	-	-	4,410,461	702,905	66,631	-	2,305,423	512,397	261,416	3,743,213	12,002,447	-	12,002,447
<b>Total comprehensive income for the period</b>													
Profit/(loss) for the year (net of tax)	-	-	-	-	-	-	242,895	-	-	-	242,895	-	242,895
Impairment of FVTOCI Investments	-	-	-	-	50,213	-	-	-	-	-	50,213	-	50,213
Actuarial gain in defined benefits plans	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on translating the Financials statement FCBU	-	-	-	-	-	-	-	56,910	27,991	-	84,901	-	84,901
Other comprehensive income (net of tax)	-	-	-	-	(6,791)	-	-	-	-	-	(6,791)	-	(6,791)
<b>Total comprehensive income for the period</b>	-	-	-	-	43,421	-	242,895	56,910	27,991	-	371,217	-	371,217
<b>Transactions recognised directly in equity</b>													
Share issue/increase of assigned capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonus issue	-	-	-	-	-	-	-	-	-	-	-	-	-
Rights issue	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to reserves during the period	-	-	-	12,145	-	-	(12,145)	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit transferred to head office	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on revaluation of Property, Plant and Equipment (if cost method is adopted)	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	1,875,311	1,875,311	-	1,875,311
<b>Balance as at 31 March 2020</b>	-	-	4,410,461	715,050	110,052	-	2,536,173	569,307	289,407	5,618,524	14,248,975	-	14,248,975

# Deutsche Bank

Colombo Branch  
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## Financial Statements for the period ending 31st March 2020

### Statement of Cash Flows - DB Colombo Branch

Item	For the period ended 31.03.20 (Rs. '000)	For the period ended 31.03.19 (Rs. '000)
Cash flows from operating activities		
Profit before tax	339,919	198,660
Adjustment for		
Non cash items included in profit before tax	250,838	218,130
Change in operating assets	(12,908,254)	2,129,377
Change in operating liabilities	12,401,835	(2,459,151)
Tax paid	(79,452)	(75,676)
Others	-	-
Net cash generated from operating activities	4,886	11,340
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,210)	(2,287)
Dividend received from investments	-	-
Net cash (used in ) from investing activities	(6,210)	(2,287)
Cash flows from financing activities		
Interest paid on subordinated debt	-	-
Profit transfer to head office	-	-
Net cash from financing activities	-	-
Net increase/ ( decrease ) in cash & cash equivalents	(1,323)	9,053
Cash and cash equivalents at the beginning of the period	115,868	67,663
Cash and cash equivalents at the end of the period	114,545	76,716

### Selected Performance Indicators

Item	Deutsche Bank Colombo Branch		Item	Deutsche Bank Group	
	Current Period as at 31.03.20	Previous Period as at 31.12.19		Current Period as at 31.03.20 (EUR bn)	Previous Period as at 31.12.19 (EUR bn)
<b>Regulatory Capital (LKR in Millions)</b>			Post-tax return on average		
Common Equity Tier I	13,037	11,201	shareholders' equity	(0.30%)	(9.50%)
Tier I Capital	13,037	11,201	Post-tax return on average tangible		
Total Capital	13,041	11,205	shareholders' equity	(0.30%)	(10.90%)
<b>Regulatory Capital Ratios</b>			CRR/CRD 4 Leverage Ratio		
Common Equity Tier I Capital Ratio			(fully loaded)	4.00%	4.20%
(Minimum requirement - 7.00%			CRR/CRD 4 Leverage Ratio		
since Assets Less than Rs. 500 billion)	37.52%	36.95%	(phase in)	4.10%	4.30%
Tier I Capital Ratio (Minimum requirement -			Fully loaded CRR/CRD 4 leverage		
8.50 % since Assets Less than Rs. 500 billion)	37.52%	39.96%	exposure in € bn	1,248	1,168
Total Capital Ratio (Minimum requirement -			Common Equity Tier 1 capital ratio	12.80%	13.60%
12.50 % since Assets Less than			Risk-weighted assets, in € bn.	341	324
Rs. 500 billion)	37.53%	39.96%			
<b>Leverage Ratio (Minimum Requirement - 3%)</b>	<b>18.54%</b>	<b>20.06%</b>			
<b>Regulatory Liquidity</b>					
Statutory Liquid Assets (LKR in Millions)	36,803	32,816			
Statutory Liquid Assets Ratio,%					
(Minimum requirement 20 %)					
Domestic Banking unit	95.14%	79.03%			
Off-Shore Banking unit	86.38%	80.54%			
Total Stock of High-Quality Liquid Assets					
(LKR in Millions)	13,305	11,088			
Liquidity Coverage Ratio (%) -					
(Minimum requirement - 100%)					
Rupee (%)	287.00%	389.00%			
All Currency (%)	252.20%	310.85%			
Net Stable Funding Ratio (%) -					
(Minimum Requirement - 90%)	142.76%	139.56%			
<b>Assets Quality (Quality of Loan Portfolio)</b>					
Gross Non - Performing Advances Ratio, %					
(net Interest in Suspense)	0.00%	0.00%			
Net Non - Performing Advances Ratio, %					
(net of Interest in Suspense and Provision)	0.00%	0.00%			
<b>Profitability</b>					
Interest Margin, (%)	4.56%	4.51%			
Return on Assets (before Tax), (%)	2.41%	2.01%			
Return on Equity, (%)	6.93%	11.23%			

DB Group Current Ratings		Moody's Investors Services	Standard & Poor's	Fitch Ratings
Long	Preferred	A3	BBB+	BBB+
Term	Non-preferred	Baa3	BBB-	BBB

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## Financial Statements for the period ending 31st March 2020

### Analysis of Deposits - as at 31st March 2020

In Rupees Thousand	Deutsche Bank Colombo Branch	
	Current Period 31.03.2020	Previous Period from 31.12.2019
<b>By product – Domestic currency</b>		
Demand deposits (current accounts)	7,180,121	7,160,416
Savings deposits	5,915,515	2,628,181
Margin deposits	188,938	118,567
Fixed deposits	3,027,529	2,823,814
<b>Sub total</b>	<b>16,312,103</b>	<b>12,730,977</b>
<b>By product – Foreign currency</b>		
Demand deposits (current accounts)	6,628,552	3,774,046
Savings deposits	229,976	209,468
Margin deposits	-	-
Fixed deposits	-	-
<b>Sub total</b>	<b>6,858,528</b>	<b>3,983,513</b>
<b>Total</b>	<b>23,170,631</b>	<b>16,714,490</b>

### Analysis of Loans & Advances, Commitments, Contingencies & Impairment as at 31st March 2020

In Rupees Thousand	Deutsche Bank Colombo Branch	
	Current Period 31.03.2020	Previous Period from 31.12.2019
<b>Product-wise Gross loans &amp; advances</b>		
<b>By product – Domestic currency</b>		
Overdrafts	10,216,792	9,145,827
Trade finance	212,372	50,152
Staff loans	189,393	190,543
Supplier Finance	181,096	228,007
<b>Sub total</b>	<b>10,799,653</b>	<b>9,614,529</b>
<b>By product – Foreign currency</b>		
Overdrafts	2,589,973	2,317,704
Trade finance	5,277,161	2,710,792
Staff loans	-	-
Supplier Finance	-	-
<b>Sub total</b>	<b>7,867,134</b>	<b>5,028,495</b>
<b>Total</b>	<b>18,666,787</b>	<b>14,643,024</b>

<b>Product-wise commitments and contingencies</b>		
<b>By product – Domestic currency</b>		
Guarantees	1,939,227	1,924,987
Letters of credit	22,736	45,846
Forward exchange contracts	-	-
Usance Import Bills	-	-
Core acceptance	-	-
Other commitments	-	-
Undrawn loan commitments	14,988,983	8,983,403
<b>Sub total</b>	<b>16,950,945</b>	<b>10,954,236</b>
<b>By product – Foreign currency</b>		
Guarantees	6,936,924	6,005,325
Letters of credit	2,666,576	3,669,258
Forward exchange contracts	129,349	(59,172)
Usance Import Bills	1,468,373	707,537
Core acceptance	218,539	365,940
Other commitments	-	-
Undrawn loan commitments	3,008,179	6,792,871
<b>Sub total</b>	<b>14,427,940</b>	<b>17,481,760</b>
<b>Total</b>	<b>31,378,885</b>	<b>28,435,996</b>

### Stage-wise impairment on loans & advances, commitments and contingencies

<b>Gross loans and advances, commitments and contingencies</b>		
Less: Accumulated impairment under stage 1	4,679	4,169
Accumulated impairment under stage 2	21	3
Accumulated impairment under stage 3	-	-
<b>Net value of loans and advances, commitments and contingencies</b>	<b>50,040,973</b>	<b>43,074,848</b>

### Movement of impairment during the period

<b>Under Stage 1</b>		
Charge/(Write back) to income statement	4,679	4,169
Write-off during the year	-	-
Other movements	-	-
Closing balance at 31/03/2020	4,679	4,169
<b>Under Stage 2</b>		
Charge/(Write back) to income statement	21	3
Write-off during the year	-	-
Other movements	-	-
Closing balance at 31/03/2020	21	3
<b>Under Stage 3</b>		
Charge/(Write back) to income statement	-	-
Write-off during the year	-	-
Other movements	-	-
Closing balance at 31/03/2020	-	-
<b>Total impairment</b>	<b>4,700</b>	<b>4,172</b>

### Deutsche Bank - Colombo Branch

### Analysis of Financial Instruments on Measurement Basis as at 31st March 2020

#### a. Bank - Current period 31.03.2020

In Rupees Thousand	AC	FVPL	FVTOCI	Total
<b>ASSETS</b>				
Cash and cash equivalents	114,545	-	-	114,545
Balances with central banks	6,096,727	-	-	6,096,727
Placements with banks	2,401,113	-	-	2,401,113
Placements with Branches	5,866,750	-	-	5,866,750
Derivative financial instruments	-	433,037	-	433,037
Financial assets recognized through profit or loss	-	8,603,239	-	8,603,239
Loans and advances	18,662,740	-	-	18,662,740
Financial assets measured at fair value through				
other comprehensive income	-	-	14,429,508	14,429,508
Other assets	615,278	-	-	615,278
<b>Total financial assets</b>	<b>33,757,152</b>	<b>9,036,276</b>	<b>14,429,508</b>	<b>57,222,936</b>

In Rupees Thousand	AC	FVPL	Total
<b>LIABILITIES</b>			
Due to banks	4,188	-	4,188
Due to Branches	22,443,575	-	22,443,575
Derivative financial instruments	-	303,419	303,419
Financial liabilities			
- Due to depositors	23,170,631	-	23,170,631
- Due to Debt securities holders	-	-	-
- Due to other borrowers	-	-	-
Other liabilities	1,202,386	-	1,202,386
<b>Total financial liabilities</b>	<b>46,820,780</b>	<b>303,419</b>	<b>47,124,199</b>

#### b. Bank - Previous period 31.12.2019

In Rupees Thousand	AC	FVPL	FVTOCI	Total
<b>ASSETS</b>				
Cash and cash equivalents	115,868	-	-	115,868
Balances with central banks	7,676,645	-	-	7,676,645
Placements with banks	751,258	-	-	751,258
Placements with Branches	3,875,054	-	-	3,875,054
Derivative financial instruments	-	37,878	-	37,878
Financial assets recognized through profit or loss	-	6,799,440	-	6,799,440
Loans and advances	14,639,695	-	-	14,639,695
Financial assets measured at fair value through				
other comprehensive income	-	-	13,740,778	13,740,778
Other assets	665,587	-	-	665,587
<b>Total financial assets</b>	<b>27,724,107</b>	<b>6,837,318</b>	<b>13,740,778</b>	<b>48,302,203</b>

In Rupees Thousand	AC	FVPL	Total
<b>LIABILITIES</b>			
Due to banks	-	-	-
Due to Branches	17,816,192	-	17,816,192
Derivative financial instruments	-	40,243	40,243
Financial liabilities			
- Due to depositors	16,714,491	-	16,714,491
- Due to Debt securities holders	-	-	-
- Due to other borrowers	-	-	-
Other liabilities	217,334	-	217,334
<b>Total financial liabilities</b>	<b>34,748,017</b>	<b>40,243</b>	<b>34,788,260</b>

AC - Financial assets/liabilities measured at amortised cost

FVPL - Financial assets/liabilities measured at fair value through profit or loss

FVOCI - Financial assets measured at fair value through other comprehensive income