

# Deutsche Bank

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



## Financial Statements for the period ending 30th September, 2020

### Summarised Income Statement

Item	Deutsche Bank Colombo Branch		Deutsche Bank Group	
	Current Period from 01/01/20 to 30/09/20 (Rs. '000)	Previous Period from 01/01/19 to 30/09/19 (Rs. '000)	Current Period from 01/01/20 to 30/09/20 (EUR m)	Previous Period from 01/01/19 to 30/09/19 (EUR m)
Interest Income	2,392,594	2,091,263	13,950	19,693
Interest Expenses	537,449	558,100	4,989	9,210
<b>Net Interest Income</b>	<b>1,855,145</b>	<b>1,533,163</b>	<b>8,961</b>	<b>10,483</b>
Fee and commission income	274,838	250,494	-	-
Fee and commission Expense	32,767	13,519	-	-
<b>Net fee and commission income</b>	<b>242,071</b>	<b>236,975</b>	<b>6,965</b>	<b>7,181</b>
Net gain/(loss) from trading	459,325	507,031	-	-
Net fair value gains/(losses) on:				
Financial assets at fair value through profit or loss	(11,450)	-	1,949	288
Financial liabilities at fair value through profit or loss	-	-	-	-
Net gains/(losses) on derecognition of financial assets:				
At fair value through profit or loss	-	-	-	-
At amortised cost	-	-	328	-
At fair value through other comprehensive income	-	-	237	237
Net income/(loss) from equity method investments	-	-	82	87
Net other operating income	19,425	32,664	54	(461)
<b>Total operating income</b>	<b>2,564,517</b>	<b>2,309,833</b>	<b>18,575</b>	<b>17,816</b>
Impairment reversal/(charges)	(193,950)	(51,997)	(1,540)	(477)
<b>Net operating income</b>	<b>2,370,567</b>	<b>2,257,836</b>	<b>17,035</b>	<b>17,339</b>
Personnel expenses	254,079	321,085	8,451	8,451
Depreciation and amortisation expenses	54,102	16,591	-	-
Other expenses	959,427	1,009,338	8,192	10,230
<b>Operating profit/(loss) before VAT &amp; NBT on financial services</b>	<b>1,072,959</b>	<b>910,221</b>	<b>846</b>	<b>(1,341)</b>
Value added tax (VAT) on financial services	195,523	167,277	-	-
Nation Building Tax (NBT) on financial services	325	22,226	-	-
<b>Operating profit/(loss) after VAT &amp; NBT on financial services</b>	<b>877,111</b>	<b>720,719</b>	<b>846</b>	<b>(1,341)</b>
Share of profits of associates and joint ventures	-	-	-	-
<b>Profit / (loss) before tax</b>	<b>877,111</b>	<b>720,719</b>	<b>846</b>	<b>(1,341)</b>
Income tax expenses	262,526	277,181	411	2,440
<b>Profit/(loss) for the period</b>	<b>614,585</b>	<b>443,538</b>	<b>435</b>	<b>(3,781)</b>
<b>Profit Attributable to:</b>				
Equity holders of the parent	614,585	443,538	348	(3,871)
Non-controlling interests	-	-	87	90
<b>Earnings per share on profit</b>			<b>Euro</b>	<b>Euro</b>
Basic earnings per ordinary share	N/A	N/A	-	(1.99)
Diluted earnings per ordinary share	N/A	N/A	-	(1.99)

### Statement of Financial Position

Item	Deutsche Bank Colombo Branch		Deutsche Bank Group	
	Current Period as at 30.09.20 (Rs. '000)	Previous Period as at 31.12.19 (Rs. '000) Audited	Current Period as at 30.09.20 (EUR m)	Previous Period as at 31.12.19 (EUR m) Audited
<b>Assets</b>				
Cash and cash equivalents	136,878	115,868	177,190	137,592
Balances with Central Banks	5,406,988	7,676,645	8,033	13,801
Placement with Banks	-	751,258	9,965	9,636
Placement with branches	5,176,840	3,875,054	-	-
Securities borrowed	-	-	-	428
Derivative financial instruments	18,191	37,878	-	-
Group balances receivable	5,418,403	1,706,880	-	-
Financial assets recognized through profit or loss				
- measured at fair value	8,882,475	6,799,440	543,879	530,713
- designated at fair value	-	-	-	-
Financial assets at amortised cost				
- loans and advances	20,821,976	14,639,695	427,736	429,841
- debt and other instruments	-	-	-	-
Financial assets measured at fair value through other comprehensive income	14,778,057	13,740,778	53,324	45,503
Securities held to maturity	-	-	-	-
Investments in subsidiaries	-	-	921	929
Investments in associates and joint ventures	-	-	-	-
Property, plant and equipment	167,131	172,235	5,761	4,930
Investment properties	-	-	-	-
Goodwill and intangible assets	-	-	6,749	7,029
Assets for current tax	-	-	918	926
Deferred tax assets	-	-	6,110	5,986
Other assets	647,770	665,587	147,205	110,359
<b>Total Assets</b>	<b>61,454,508</b>	<b>50,181,319</b>	<b>1,387,791</b>	<b>1,297,674</b>
<b>Liabilities</b>				
Due to banks	142,576	-	4,383	5,218
Due to branches	15,928,975	17,816,192	-	-
Central bank funds purchased and securities sold under repurchase agreements	-	-	3,839	3,115
Securities loaned	-	-	1,523	259
Derivative financial instruments	35,521	40,243	-	-
Financial liabilities recognized through profit or loss				
- measured at fair value	-	-	437,957	404,448
- designated at fair value	-	-	-	-
Financial liabilities at amortised cost				
- due to depositors	27,656,110	16,714,491	574,760	572,208
- due to debt securities holders	-	-	-	-
- due to other borrowers	-	-	-	-
Debt securities issued	-	-	-	-
Retirement benefit obligations	64,941	65,170	-	-
Current tax liabilities	269,313	138,763	688	651
Deferred tax liabilities	28,956	28,956	627	545
Long term debts	-	-	149,922	136,473
Trust preferred shares	-	-	1,338	2,013
Other provisions	-	-	2,514	2,622
Other liabilities	611,479	217,334	148,014	107,964
Group balances payable	2,017,153	3,157,722	-	-
<b>Total liabilities</b>	<b>46,755,023</b>	<b>38,178,872</b>	<b>1,325,563</b>	<b>1,235,515</b>
<b>Equity</b>				
Stated capital /Assigned capital	4,410,461	4,410,461	45,820	45,796
Statutory reserve fund	733,634	702,905	-	-
OCI Reserve	252,777	66,631	(635)	421
Retained earnings	2,889,279	2,305,423	9,596	9,644
Common shares in treasury, at cost	-	-	(14)	(4)
Other reserves	6,413,335	4,517,027	-	-
<b>Total shareholders equity</b>	<b>14,699,485</b>	<b>12,002,447</b>	<b>54,767</b>	<b>55,857</b>
Additional equity components	-	-	5,825	4,665
Non-controlling interest	-	-	1,636	1,638
<b>Total equity</b>	<b>14,699,485</b>	<b>12,002,447</b>	<b>62,228</b>	<b>62,160</b>
<b>Total equity and liabilities</b>	<b>61,454,508</b>	<b>50,181,319</b>	<b>1,387,791</b>	<b>1,297,674</b>
<b>Contingent liabilities and commitments</b>	<b>35,183,837</b>	<b>28,435,996</b>	<b>257,398</b>	<b>260,672</b>
<b>Memorandum Information</b>				
Number of Employees	91	90	86,984	87,597
Number of Branches	1	1	1,915	1,931

### Statement of Comprehensive Income for the Period ended 30th September 2020

Item	Deutsche Bank Colombo Branch		Deutsche Bank Group	
	Current Period from 01.01.20 to 30.09.20 (Rs. '000)	Previous Period from 01.01.19 to 30.09.19 (Rs. '000)	Current Period from 01.01.20 to 30.09.20 (EUR m)	Previous Period from 01.01.19 to 30.09.19 (EUR m)
<b>Profit/(loss) for the period</b>	<b>614,585</b>	<b>443,538</b>	<b>435</b>	<b>(3,781)</b>
<b>Items that will be reclassified to income statement</b>				
Exchange differences on translation of foreign operations	-	-	(1,254)	566
Net gains/(losses) on cash flow hedges	-	-	-	-
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	186,146	49,320	261	278
Share of profits of associates and joint ventures Debt instruments at fair value through other comprehensive income	-	-	-	-
<b>Derivatives hedging variability of cash flows</b>				
unrealised net gains (losses) arising during the period, before tax	-	-	(15)	10
Realised net(gains) losses arising during the period/ reclassified to the profit or loss) before tax	-	-	-	(2)
Equity method investments	-	-	-	-
Net gains (losses) arising during the period	-	-	-	(26)
Others (specify)	-	-	-	-
Less: Tax expense relating to items that will be reclassified to income statement	-	-	(45)	432
<b>Items that will not be reclassified to income statement</b>				
Gain/(loss) on translating the Financial Statements of FCBU	20,998	(55,768)	-	-
Change in fair value on investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-
Related Tax	-	-	-	-
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	-	-	-	-
Re-measurement of post-employment benefit obligations	-	-	(133)	(983)
Related Tax	-	-	36	8
Share of profits of associates and joint ventures Others (specify)	-	-	-	-
Less: Tax expense relating to items that will not be reclassified to income statement	-	-	-	-
<b>Other Comprehensive Income (OCI) for the period, net of taxes</b>	<b>207,144</b>	<b>(6,447)</b>	<b>(1,150)</b>	<b>285</b>
<b>Total comprehensive income for the period</b>	<b>821,728</b>	<b>437,091</b>	<b>(715)</b>	<b>(3,497)</b>
<b>Attributable to:</b>				
Equity holders of the parent	821,728	437,091	(756)	(3,617)
Non-controlling interests	-	-	41	120

### Selected Performance Indicators

Item	Deutsche Bank Colombo Branch		Item	Deutsche Bank Group	
	Current Period as at 30.09.20 (Rs. '000)	Previous Period as at 31.12.19 (Rs. '000)		Current Period as at 30.09.20 (EUR bn)	Previous Period as at 31.12.19 (EUR bn)
<b>Regulatory Capital (LKR in Millions)</b>					
Common Equity Tier 1	13,045	11,201			
Tier 1 Capital	13,045	11,201			
Total Capital	13,048	11,205			
<b>Regulatory Capital Ratios</b>					
Common Equity Tier 1 Capital Ratio (Minimum requirement - 7.00% since Assets Less than Rs. 500 billion)	36.42%	36.95%	Post-tax return on average shareholders' equity	1.30%	-9.50%
Tier 1 Capital Ratio (Minimum requirement - 6.50 % since Assets Less than Rs. 500 billion)	36.42%	39.96%	Post-tax return on average tangible shareholders' equity	1.50%	-10.90%
Total Capital Ratio (Minimum requirement - 12.50 % since Assets Less than Rs. 500 billion)	36.43%	39.96%	CRR/CRD 4 Leverage Ratio (fully loaded)	4.40%	4.20%
Leverage Ratio (Minimum Requirement - 3%)	18.93%	20.06%	CRR/CRD 4 Leverage Ratio (phase in)	4.50%	4.30%
<b>Regulatory Liquidity</b>			Fully loaded CRR/CRD 4 leverage exposure in € bn	1,101	1,168
Statutory Liquid Assets (LKR in Millions)			Common Equity Tier 1 capital ratio	13.30%	13.60%
Domestic Banking unit	23,050	17,291	Risk-weighted assets, in € bn.	325	324
Off-Shore Banking unit	20,469	15,778			
Statutory Liquid Assets Ratio,% (Minimum requirement 20 %)	87.93%	79.03%	<b>DB Group Current Ratings</b>	<b>Moody's Investors Services</b>	<b>Standard &amp; Poor's</b>
Domestic Banking unit	82.79%	80.54%	Long	Preferred	A3
Off-Shore Banking unit	14,089	11,088	Term	Non-preferred	Baa3
Total Stock of High-Quality Liquid Assets (LKR in Millions)					
Liquidity Coverage Ratio (%) - (Minimum requirement - 100%)	919.00%	389.00%			
Rupee (%)	428.27%	310.85%			
All Currency (%)	144.80%	139.56%			
Net Stable Funding Ratio (%) - (Minimum Requirement - 90%)					
<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, (%)	4.06%	4.51%			
Return on Assets (Before Tax), (%)	1.32%	2.01%			
Return on Equity, (%)	5.92%	11.23%			

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

Item	For the period ended 30.09.20 (Rs. '000)	For the period ended 30.09.19 (Rs. '000)
<b>Cash flows from operating activities</b>		
Profit before tax	877,111	720,719
Adjustment for:		
Non cash items included in profit before tax	991,986	719,012
Change in operating assets	(11,210,761)	(13,592,949)
Change in operating liabilities	9,576,979	12,501,910
Tax paid	(180,481)	(292,580)
Others	(3,200)	-
<b>Net cash generated from operating activities</b>	<b>51,633</b>	<b>56,113</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(33,823)	(8,789)
Dividend received from investments	3,200	3,047
Net cash (used in ) from investing activities	(30,623)	(5,742)
<b>Cash flows from financing activities</b>		
Interest paid on subordinated debt	-	-
Profit transfer to head office	-	-
Net cash from financing activities	-	-
<b>Net increase/ ( decrease ) in cash &amp; cash equivalents</b>	<b>21,010</b>	<b>50,370</b>
Cash and cash equivalents at the beginning of the period	115,868	67,663
<b>Cash and cash equivalents at the end of the period</b>	<b>136,878</b>	<b>118,033</b>

### Deutsche Bank AG, Colombo Branch, Statement of Changes in Equity for the period ended 30th September 2020 - in Rs. '000

	Stated capital/Assigned capital			Reserves					Total	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
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)	-	-	-	-	-	-	614,585	-	-	-	614,585	-	614,585
Impairment of FVTOCI Investments	-	-	-	-	183,754	-	-	-	-	-	183,754	-	183,754
Actuarial gain in defined benefits plans	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on translating the Financials statement FCBU</													

# Deutsche Bank

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## Financial Statements for the period ending 30th September, 2020

### Analysis of Deposits - as at 30th September 2020

In Rupees Thousand	Deutsche Bank Colombo Branch	
	Current Period 30.09.2020	Previous Period from 31.12.2019
<b>By product – Domestic currency</b>		
Demand deposits (current accounts)	6,918,310	7,160,416
Savings deposits	3,941,213	2,628,181
Margin deposits	206,223	118,567
Fixed deposits	5,707,826	2,823,814
<b>Sub total</b>	<b>16,773,572</b>	<b>12,730,977</b>
<b>By product – Foreign currency</b>		
Demand deposits (current accounts)	8,120,975	3,774,046
Savings deposits	170,267	209,468
Margin deposits	2,968	-
Fixed deposits	2,588,327	-
<b>Sub total</b>	<b>10,882,538</b>	<b>3,983,513</b>
<b>Total</b>	<b>27,656,110</b>	<b>16,714,491</b>

### Analysis Of Loans & Advances, Commitments, Contingencies And Impairment as at 30 September 2020

In Rupees Thousand	Deutsche Bank Colombo Branch	
	Current Period 30.09.2020	Previous Period from 31.12.2019
<b>Product-wise Gross loans &amp; advances</b>		
<b>By product – Domestic currency</b>		
Overdrafts	9,590,759	9,145,827
Trade finance	795,527	50,152
Staff loans	187,690	190,543
Supplier Finance	3,437,770	228,007
<b>Sub total</b>	<b>14,011,747</b>	<b>9,614,529</b>
<b>By product – Foreign currency</b>		
Overdrafts	2,515,081	2,317,704
Trade finance	4,301,870	2,710,792
Staff loans	-	-
Supplier Finance	-	-
<b>Sub total</b>	<b>6,816,952</b>	<b>5,028,495</b>
<b>Total</b>	<b>20,828,699</b>	<b>14,643,024</b>
<b>Product-wise commitments and contingencies</b>		
<b>By product – Domestic currency</b>		
Guarantees	4,426,486	1,924,987
Letters of credit	30,536	45,846
Forward exchange contracts	-	-
Usance Import Bills	-	-
Core acceptance	-	-
Other commitments	-	-
Undrawn loan commitments	15,261,703	8,983,403
<b>Sub total</b>	<b>19,718,724</b>	<b>10,954,236</b>
<b>By product – Foreign currency</b>		
Guarantees	6,922,293	6,005,325
Letters of credit	4,114,193	3,669,258
Forward exchange contracts	(18,705)	(59,172)
Usance Import Bills	1,422,904	707,537
Core acceptance	72,195	365,940
Other commitments	-	-
Undrawn loan commitments	2,952,233	6,792,871
<b>Sub total</b>	<b>15,465,113</b>	<b>17,481,760</b>
<b>Total</b>	<b>35,183,837</b>	<b>28,435,996</b>
<b>Stage-wise impairment on loans &amp; advances, commitments and contingencies</b>		
<b>Gross loans and advances, commitments and contingencies</b>		
Less: Accumulated impairment under stage 1	7,406	4,169
Accumulated impairment under stage 2	176	3
Accumulated impairment under stage 3	-	-
<b>Net value of loans and advances, commitments and contingencies</b>	<b>56,004,954</b>	<b>43,074,848</b>
<b>Movement of impairment during the period</b>		
<b>Under Stage 1</b>		
Opening balance at 01/01/2020	4,169	7,080
Write-off during the year	-	-
Other movements	3,238	(2,911)
Closing balance at 30/09/2020	7,406	4,169
<b>Under Stage 2</b>		
Opening balance at 01/01/2020	3	254
Write-off during the year	-	-
Other movements	172	(251)
Closing balance at 30/09/2020	176	3
<b>Under Stage 3</b>		
Opening balance at 01/01/2020	-	-
Write-off during the year	-	-
Other movements	-	-
Closing balance at 30/09/2020	-	-
<b>Total impairment</b>	<b>7,582</b>	<b>4,172</b>

### Deutsche Bank - Colombo Branch Analysis of Financial Instruments on Measurement Basis as at 30th September 2020

#### a. Bank - Current period 30.09.2020

In Rupees Thousand	AC	FVPL	FVTOCI	Total
<b>ASSETS</b>				
Cash and cash equivalents	136,878	-	-	136,878
Balances with central banks	5,406,988	-	-	5,406,988
Placements with banks	-	-	-	-
Placements with Branches	5,176,640	-	-	5,176,640
Derivative financial instruments	-	18,191	-	18,191
Financial assets recognized through profit or loss	-	8,882,475	-	8,882,475
Loans and advances	20,821,976	-	-	20,821,976
Financial assets measured at fair value through other comprehensive income	-	-	14,778,057	14,778,057
Other assets	647,770	-	-	647,770
<b>Total financial assets</b>	<b>32,190,252</b>	<b>8,900,666</b>	<b>14,778,057</b>	<b>55,868,975</b>

In Rupees Thousand	AC	FVPL	Total
<b>LIABILITIES</b>			
Due to banks		142,576	142,576
Due to Branches		15,928,975	15,928,975
Derivative financial instruments		-	35,521
Financial liabilities		-	-
- due to depositors		27,656,110	27,656,110
- due to Debt securities holders		-	-
- due to other borrowers		-	-
Other liabilities		611,479	611,479
<b>Total financial liabilities</b>		<b>44,339,140</b>	<b>44,374,661</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>48,302,204</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
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>

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