



**Quantitative Disclosures as per Schedule III of Banking Act Direction
No. 01 of 2016, Capital Requirements under Basel III**

(Un Audited)

30th September 2024

Basel III - Disclosures Under Pillar 3 as per the Banking Act Direction No.01 of 2016

Disclosure 1

Key Regulatory Ratios - Capital and Liquidity

	30.09.2024		31.12.2023	
	Bank	Group	Bank	Group
Regulatory Capital (LKR '000)				
Common Equity Tier 1	44,406,129	48,286,923	43,632,490	47,491,186
Tier 1 Capital	44,406,129	48,286,923	43,632,490	47,491,186
Total Capital	59,542,950	63,432,678	51,304,883	55,171,249
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital Ratio (Minimum Requirement- 7.00%)	10.71	11.60	11.49	12.46
Tier 1 Capital Ratio (Minimum Requirement- 8.50%)	10.71	11.60	11.49	12.46
Total Capital Ratio (Minimum Requirement - 12.50%)	14.36	15.24	13.51	14.48
Leverage ratio (Minimum requirement – 3%)	6.43	6.96	6.25	6.77
Regulatory Liquidity				
Liquidity coverage ratio – Rupee (Minimum requirement : 2024- 100%, 2023 - 100%) (%)	344.41	N/A	715.50	N/A
Liquidity coverage ratio – All currency (Minimum requirement : 2024 - 100%, 2023 - 100%) (%)	271.46	N/A	597.47	N/A
Net stable funding ratio (Minimum requirement : 2024 - 100%, 2023 - 100%) (%)	121.54	N/A	124.60	N/A

Disclosure 2

Basel III Computation of Capital Ratios

Item	Amount (LKR '000)			
	30.09.2024		31.12.2023	
	Bank	Group	Bank	Group
Common Equity Tier 1 (CET1) Capital after Adjustments	44,406,129	48,286,923	43,632,490	47,491,186
Common Equity Tier 1 (CET1) Capital	63,907,976	69,320,905	61,524,384	66,919,617
Equity Capital (Stated Capital)/Assigned Capital	14,710,455	14,710,455	13,866,557	13,866,557
Reserve Fund	3,239,968	3,239,968	3,239,968	3,239,968
Published Retained Earnings/(Accumulated Retained Losses)	26,140,614	31,553,543	28,250,357	33,645,590
Published Accumulated Other Comprehensive Income (OCI)	2,387,663	2,387,663	2,387,663	2,387,663
General and other Disclosed Reserves	13,779,839	13,779,839	13,779,839	13,779,839
Unpublished Current Year's Profit/Loss and Gains reflected in OCI	3,649,437	3,649,437	-	-
Ordinary Shares issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
Total Adjustments to CET1 Capital	19,501,847	21,033,982	17,891,894	19,428,431
Goodwill (net)	-	156,226	-	156,226
Intangible Assets (net)	1,707,270	1,720,944	1,926,287	1,945,030
Investment in capital of banks and financial institutions	11,373,482	12,727,917	10,114,730	11,468,498
Others	6,421,095	6,428,895	5,850,877	5,858,677
Additional Tier 1 (AT1) Capital after Adjustments	-	-	-	-
Additional Tier 1 (AT1) Capital	-	-	-	-
Qualifying Additional Tier 1 Capital Instruments	-	-	-	-
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
Total Adjustments to AT1 Capital	-	-	-	-
Investment in Own Shares	-	-	-	-
Others (specify)	-	-	-	-
Tier 2 Capital after Adjustments	15,136,822	15,145,755	7,672,393	7,680,063
Tier 2 Capital	15,136,822	15,145,755	7,672,393	7,680,063
Qualifying Tier 2 Capital Instruments	10,708,506	10,708,506	3,525,812	3,525,812
Revaluation Gains	-	-	-	-
Loan Loss Provisions	4,428,316	4,437,249	4,146,581	4,154,251
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
Total Adjustments to Tier 2	-	-	-	-
Investment in Own Shares	-	-	-	-
Others (specify)	-	-	-	-
CET1 Capital	44,406,129	48,286,923	43,632,490	47,491,186
Total Tier 1 Capital	44,406,129	48,286,923	43,632,490	47,491,186
Total Capital	59,542,951	63,432,678	51,304,883	55,171,249

	Amount (LKR '000)			
	30.09.2024		31.12.2023	
	Bank	Group	Bank	Group
Total Risk Weighted Assets (RWA)				
RWAs for Credit Risk	354,265,272	354,979,930	331,726,504	332,340,053
RWAs for Market Risk	21,344,656	21,344,656	14,061,808	14,061,808
RWAs for Operational Risk	39,088,315	39,838,152	33,950,018	34,615,939
CET1 Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	10.71	11.60	11.49	12.46
of which: Capital Conservation Buffer (%)	2.50	2.50	2.50	2.50
of which: Countercyclical Buffer (%)	N/A	N/A	N/A	N/A
of which: Capital Surcharge on D-SIBs (%)	N/A	N/A	N/A	N/A
Total Tier 1 Capital Ratio (%)	10.71	11.60	11.49	12.46
Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	14.36	15.24	13.51	14.48
of which: Capital Conservation Buffer (%)	2.50	2.50	2.50	2.50
of which: Countercyclical Buffer (%)	N/A	N/A	N/A	N/A
of which: Capital Surcharge on D-SIBs (%)	N/A	N/A	N/A	N/A

Disclosure 3

Computation of Leverage Ratio

Item	Amount (LKR '000)		Amount (LKR '000)	
	30.09.2024 BANK	30.09.2024 GROUP	31.12.2023 BANK	31.12.2023 GROUP
Tier 1 Capital	44,406,129	48,286,923	43,632,490	47,491,186
Total Exposures	690,555,585	694,117,638	698,237,531	701,271,268
On-Balance Sheet Items (excluding Derivatives and Securities Financing Transactions, but including Collateral)	642,359,241	645,921,294	604,132,634	607,166,371
Derivative Exposures	19,604,861	19,604,861	72,602,003	72,602,003
Securities Financing Transaction Exposures	2,276,978	2,276,978	1,974,425	1,974,425
Other Off-Balance Sheet Exposures	26,314,505	26,314,505	19,528,469	19,528,469
Basel III leverage ratio (Minimum requirement 3%) (%)	6.43	6.96	6.25	6.77

Disclosure 4

Basel III Computation of Liquidity Coverage Ratio - All Currencies

Item	Amount (LKR'000)			
	30.09.2024		31.12.2023	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)	160,171,360	159,260,245	152,762,344	151,562,260
Total Adjusted Level 1A Assets	158,349,130	158,349,130	148,747,554	148,747,554
Level 1 Assets	158,349,130	158,349,130	148,747,554	148,747,554
Total Adjusted Level 2A Assets	-	-	2,306,603	1,960,613
Level 2A Assets	-	-	2,306,603	1,960,613
Total Adjusted Level 2B Assets	1,822,230	911,115	1,708,187	854,093
Level 2B Assets	1,822,230	911,115	1,708,187	854,093
Total Cash Outflows	613,179,834	107,327,629	584,446,642	89,080,919
Deposits	313,951,369	27,772,412	300,166,130	26,997,638
Unsecured Wholesale Funding	127,030,866	63,550,375	109,168,821	53,262,615
Secured Funding Transactions	25,603,965	-	43,752,861	-
Undrawn portion of committed (irrevocable) facilities and other contingent funding obligations	141,589,238	11,000,446	130,623,427	8,085,263
Additional Requirements	5,004,396	5,004,396	735,403	735,403
Total Cash Inflows	63,548,895	48,660,212	77,169,785	63,713,421
Maturing secured lending transactions backed by collateral	18,791,564	17,653,074	26,780,604	25,793,392
Committed facilities	-	-	-	-
Other inflows by counterparty which are maturing within 30 Days	39,539,453	29,478,290	46,800,877	37,755,736
Operational deposits	2,386,369	-	3,259,718	-
Other cash inflows	2,831,509	1,528,848	328,586	164,293
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days)		271.46		597.47
*100 (Minimum requirement - 100%)				

Basel III Computation of Liquidity Coverage Ratio - LKR Only

Item	Amount (LKR'000)			
	30.09.2024		31.12.2023	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)	160,071,701	159,160,586	150,243,525	149,389,432
Total Adjusted Level 1A Assets	158,249,471	158,249,471	148,535,338	148,535,338
Level 1 Assets	158,249,471	158,249,471	148,535,338	148,535,338
Total Adjusted Level 2A Assets	-	-	-	-
Level 2A Assets	-	-	-	-
Total Adjusted Level 2B Assets	-	-	1,708,187	854,094
Level 2B Assets	1,822,230	911,115	1,708,187	854,094
Total cash outflows	469,420,684	72,306,670	464,356,185	58,215,737
Deposits	276,334,296	24,090,036	264,288,518	23,433,959
Unsecured wholesale funding	62,792,349	35,197,393	55,509,591	28,093,184
Secured funding transactions	25,603,965	-	43,752,860	-
Undrawn portion of committed (irrevocable) facilities and other contingent funding obligations	100,028,180	8,357,347	100,069,813	5,953,191
Additional requirements	4,661,894	4,661,894	735,403	735,403
Total cash inflows	37,206,761	26,094,050	46,552,914	37,336,837
Maturing secured lending transactions backed by collateral	16,948,508	15,810,018	24,551,225	23,564,013
Committed facilities	-	-	-	-
Other inflows by counterparty which are maturing within 30 Days	17,652,932	8,981,372	21,673,103	13,608,531
Operational deposits	-	-	-	-
Other cash inflows	2,605,321	1,302,660	328,586	164,293
Liquidity coverage Ratio (%) (Stock of high quality liquid assets/ total net cash outflows over the next 30 calendar days) *100 (Minimum requirement - 100%)		344.41		715.50

Disclosure 5

Net Stable Funding Ratio (NSFR)

	BANK	
	30.09.2024	31.12.2023
	(LKR'000)	(LKR'000)
Total available stable funding (ASF)	469,844,144	448,446,564
Total required stable funding (RSF)	386,565,527	359,895,023
Required stable funding – On-balance sheet assets	380,038,644	358,713,526
Required stable funding – Off-balance sheet items	6,526,883	1,181,497
NSFR (Minimum requirement – 2024-100% ,2023 - 100%) (%)	121.54	124.60

Disclosure 6

Main Features of Regulatory Capital Instruments

Description of the Capital Instrument (Bank Only)	Stated Capital	Subordinated Term-debt (2018 - Type B)	Subordinated Term-debt (2020 - Type A)	Subordinated Term-debt (2020 - Type B)	Subordinated Term-debt (2024 - Type A)	Subordinated Term-debt (2024 - Type B)
Issuer	DFCC Bank PLC	DFCC Bank PLC	DFCC Bank PLC	DFCC Bank PLC	DFCC Bank PLC	DFCC Bank PLC
Unique Identifier (e.g., ISIN or Bloomberg Identifier for Private Placement)	LK0055N00000	C-2394	C-2458	C-2457	C-2523	C-2524
Governing Law(s) of the Instrument	Companies Act, No. 07 of 2007, Colombo Stock Exchange Regulations					
Original Date of Issuance	N/A	26th March 2018	23 October 2020	23 October 2020	16 January 2024	16 January 2024
Par Value of Instrument (LKR)		100	100	100	100	100
Perpetual or Dated	Perpetual	Dated	Dated	Dated	Dated	Dated
Original Maturity Date, if Applicable	N/A	29th March 2025	23 October 2025	23 October 2027	16 January 2029	16 January 2031
Amount Recognised in Regulatory Capital (in LKR '000 as at 30th September 2024)	14,710,455	817,306	1,727,200	164,000	7,945,230	54,770
Accounting Classification (Equity/Liability)	Equity	Liability	Liability	Liability	Liability	Liability
Issuer Call subject to Prior Supervisory Approval						
Optional Call Date, Contingent Call Dates and Redemption Amount (LKR '000)	N/A	N/A	N/A	N/A	N/A	N/A
Subsequent Call Dates, if Applicable	N/A	N/A	N/A	N/A	N/A	N/A
Coupons/Dividends						
Fixed or Floating Dividend/Coupon	Floating dividend	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon
Coupon Rate and any Related Index (%)	N/A	13.00% p.a	9.00% p.a	9.25% p.a	15.25% p.a	14.75% p.a
Non-Cumulative or Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative
Convertible or Non-Convertible	Non-convertible	Convertible	Convertible	Convertible	Convertible	Convertible
If Convertible, Conversion Trigger (s)	N/A	Determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka, and is defined in the Banking Act Direction No. 1 of 2016	Determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka, and is defined in the Banking Act Direction No. 1 of 2016	Determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka, and is defined in the Banking Act Direction No. 1 of 2016	Determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka, and is defined in the Banking Act Direction No. 1 of 2016	Determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka, and is defined in the Banking Act Direction No. 1 of 2016
If Convertible, Fully or Partially	N/A	Fully	Fully	Fully	Fully	Fully
If Convertible, Mandatory or Optional	N/A	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
If Convertible, Conversion Rate	N/A	Based on the simple average of the daily Volume Weighted Average Price (VWAP) of an ordinary voting shares during the three months (0-3) period, immediately preceding the date of the Trigger Event.	Based on the simple average of the daily Volume Weighted Average Price (VWAP) of an ordinary voting shares during the three months (0-3) period, immediately preceding the date of the Trigger Event.	Based on the simple average of the daily Volume Weighted Average Price (VWAP) of an ordinary voting shares during the three months (0-3) period, immediately preceding the date of the Trigger Event.	Based on the simple average of the daily Volume Weighted Average Price (VWAP) of an ordinary voting shares during the three months (0-3) period, immediately preceding the date of the Trigger Event.	Based on the simple average of the daily Volume Weighted Average Price (VWAP) of an ordinary voting shares during the three months (0-3) period, immediately preceding the date of the Trigger Event.

Disclosure 7

**Credit Risk under Standardised Approach
Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects**

Asset Class	Amount (LKR'000) as at 30th September 2024 (Bank)					
	Exposures before Credit Conversion Factor (CCF) and CRM		Exposures post CCF and CRM		RWA and RWA Density (%)	
	On-Balance Sheet Amount	Off-Balance Sheet Amount	On-Balance Sheet Amount	Off-Balance Sheet Amount	RWA	RWA Density (%)
Claims on central Government and CBSL	220,239,716	63,632,338	220,239,716	3,205,841	421,967	0%
Claims on foreign sovereigns and their Central Banks	599,363	-	599,363	-	119,873	20%
Claims on public sector entities	9,434,734	-	-	-	-	0%
Claims on official entities and multilateral development banks	-	-	-	-	-	0%
Claims on banks exposures	24,122,477	36,893,658	24,122,477	737,873	6,153,445	25%
Claims on financial institutions	8,203,923	-	8,203,923	-	4,750,816	58%
Claims on corporates	182,755,329	49,027,697	146,222,266	19,437,785	160,544,574	97%
Retail claims	105,619,398	9,782,630	105,619,398	6,944,580	85,440,305	76%
Claims secured by residential property	11,541,136	-	11,541,136	-	4,039,398	35%
Claims secured by commercial real estate	46,957,253	-	46,957,253	-	46,957,253	100%
Non-performing assets (NPAs)	34,594,995	-	34,594,995	-	38,030,118	110%
Higher-risk categories	550,169	-	550,169	-	1,375,422	250%
Cash items and other assets	16,104,671	99,238,087	16,104,671	-	6,432,101	40%
Total	660,723,164	258,574,410	614,755,367	30,326,079	354,265,272	

Note:

- (i) NPAs - As per Banking Act Directions on Classification of loans and advances, income recognition and provisioning
- (ii) RWA Density - Total RWA/Exposures post CCF and CRM.

Disclosure 7

**Credit Risk under Standardised Approach
Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects**

Asset Class	Amount (LKR'000) as at 30th September 2024 (Group)					
	Exposures before Credit Conversion Factor (CCF) and CRM		Exposures post CCF and CRM		RWA and RWA Density (%)	
	On-Balance Sheet Amount	Off-Balance Sheet Amount	On-Balance Sheet Amount	Off-Balance Sheet Amount	RWA	RWA Density (%)
Claims on central Government and CBSL	220,296,658	63,632,338	220,296,658	3,205,841	421,967	0%
Claims on foreign sovereigns and their Central Banks	599,363	-	599,363	-	119,873	20%
Claims on public sector entities	9,434,734	-	-	-	-	0%
Claims on official entities and multilateral development banks	-	-	-	-	-	0%
Claims on banks exposures	24,122,477	36,893,658	24,122,477	737,873	6,153,445	25%
Claims on financial institutions	8,256,275	-	8,256,275	-	4,776,992	58%
Claims on corporates	182,518,294	49,027,697	145,985,231	19,437,785	160,307,539	97%
Retail claims	105,619,398	9,782,630	105,619,398	6,944,580	85,440,305	76%
Claims secured by residential property	11,541,136	-	11,541,136	-	4,039,398	35%
Claims secured by commercial real estate	46,957,253	-	46,957,253	-	46,957,253	100%
Non-performing assets (NPAs)	34,594,995	-	34,594,995	-	38,030,118	110%
Higher-risk categories	603,044	-	603,044	-	1,507,611	250%
Cash items and other assets	16,918,269	99,238,087	16,918,269	-	7,225,429	43%
Total	661,461,896	258,574,410	615,494,099	30,326,079	354,979,930	

Note:

- (i) NPAs - As per Banking Act Directions on Classification of loans and advances, income recognition and provisioning
- (ii) RWA Density - Total RWA/Exposures post CCF and CRM.

Disclosure 9

Market Risk under Standardised Measurement Method

Item	RWA Amount Bank (LKR'000) 30th September 2024	RWA Amount Group (LKR'000) 30th September 2024
(a) Capital charge for Interest Rate Risk	2,490,617	2,490,617
General Interest Rate Risk	2,490,617	2,490,617
(i) Net long or short position	2,490,617	2,490,617
(ii) Horizontal disallowance	-	-
(iii) Vertical disallowance	-	-
(iv) Options	-	-
Specific Interest Rate Risk	-	-
(b) Capital charge for Equity	162,580	162,580
(i) General equity risk	88,385	88,385
(ii) Specific equity risk	74,195	74,195
(c) Capital charge for Foreign Exchange & Gold	14,885	14,885
(d) Capital charge for market risk [(a) + (b) + (C)]	2,668,082	2,668,082
Total risk - weighted amount for Market Risk [(d) * 100 / CAR]	21,344,656	21,344,656

Disclosure 10

Operational Risk under Basic Indicator Approach - BANK

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 30th September		
			2024	2023	2022
The Basic Indicator Approach	15%		33,843,051	37,729,313	26,148,423
The Standardised Approach					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%				
Commercial Banking	15%				
The Alternative Standardised Approach					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%	0.035			
Commercial Banking	15%	0.035			
Capital Charges for Operational Risk (LKR'000)					
The Basic Indicator Approach		4,886,039			
The Standardised Approach					
The Alternative Standardised Approach					
Risk Weighted Amount for Operational Risk (LKR'000)					
The Basic Indicator Approach		39,088,315			
The Standardised Approach					
The Alternative Standardised Approach					

Operational Risk under Basic Indicator Approach - GROUP

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 30th September		
			2024	2023	2022
The Basic Indicator Approach	15%		34,550,845	38,371,972	26,672,563
The Standardised Approach					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%				
Commercial Banking	15%				
The Alternative Standardised Approach					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%	0.035			
Commercial Banking	15%	0.035			
Capital Charges for Operational Risk (LKR'000)					
The Basic Indicator Approach		4,979,769			
The Standardised Approach					
The Alternative Standardised Approach					
Risk Weighted Amount for Operational Risk (LKR'000)					
The Basic Indicator Approach		39,838,152			
The Standardised Approach					
The Alternative Standardised Approach					