

DFCC Maintains Profitability Under Volatile Market Conditions



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Core business of DFCC Bank posted a profit before tax of 1,585 million rupees and profit after tax of 1,124 million rupees for the quarter ended March 31, 2019 compared to profit before tax of 1,243 million rupees and profit after tax of 1,034 million rupees DFCC maintains profitability under volatile market conditions in the comparative period. DFCC reported a profit before tax of 1,001 million rupees and profit after tax of 541 million rupees in comparison to profit before tax of 1,277 million rupees and a profit after tax of 1,068 million rupees in the comparative period.

The Bank recorded total operating income from core business amounting to 3,981 million rupees for the said period, an increase of seven percent.

Operating expenses increased from 1,579 million rupees to 1,750 million rupees compared to the corresponding period in the previous year. Impairment provision during the year decreased to 11 million rupees for the first quarter of 2019 from 542 million rupees in the comparable period. The NPL ratio moved up to 3.91 percent as at March 31, 2019 from 3.28 percent in December 2018. The ratio has however been managed at a level below the industry average of 4.2 percent as at March 2019. Total Assets grew by 15,652 million rupees to 390,560 million rupees, which is a four percent growth. Within this, the Bank's loan portfolio grew by 12,788 million to 262,521 million rupees, a growth of five percent.

DFCC's deposit base grew by three percent, an increase of 6,321 million rupees to 248,559 million rupees. The Bank's CASA ratio was 24.4 percent as at 31 March 2019. As at March 31, 2019, the Group's Tier 1 capital adequacy ratio stood at 10.51 percent while the total capital adequacy ratio was 15.62 per cent. As at March 31, 2019, DFCC recorded Tier 1 and total capital adequacy ratios of 10.34 percent and 15.45 per cent respectively.