



INTERIM FINANCIAL STATEMENTS
for the nine months ended 30 September 2018
(Un -audited)

Bank of Ceylon

STATEMENT OF PROFIT OR LOSS

1

Rs. 000

30 September	Bank						Group					
	For the nine month ended			For the quarter ended			For the nine month ended			For the quarter ended		
	2018	2017	Change %	2018	2017	Change %	2018	2017	Change %	2018	2017	Change %
Total income	158,348,375	138,331,889	14.5	56,360,353	47,973,563	17.5	164,708,771	144,373,993	14.1	58,741,106	50,405,535	16.5
Interest income	141,783,335	125,251,925	13.2	49,489,211	44,083,420	12.3	146,679,283	130,013,057	12.8	51,188,190	45,800,866	11.8
Interest expenses	(94,740,888)	(82,144,356)	15.3	(31,930,763)	(29,366,168)	8.7	(97,267,535)	(84,615,033)	15.0	(32,793,391)	(30,239,734)	8.4
Net interest income	47,042,447	43,107,569	9.1	17,558,448	14,717,252	19.3	49,411,748	45,398,024	8.8	18,394,799	15,561,132	18.2
Fee and commission income	7,588,666	6,487,407	17.0	2,730,430	2,064,169	32.3	7,891,687	6,722,419	17.4	2,814,366	2,115,607	33.0
Fee and commission expenses	(1,641,612)	(1,380,204)	18.9	(521,716)	(438,373)	19.0	(1,647,449)	(1,464,919)	12.5	(519,953)	(458,136)	13.5
Net fee and commission income	5,947,054	5,107,203	16.4	2,208,714	1,625,796	35.9	6,244,238	5,257,500	18.8	2,294,413	1,657,471	38.4
Net gains / (losses) from trading	1,675,908	2,248,765	(25.5)	521,614	479,294	8.8	1,662,399	2,273,813	(26.9)	507,811	474,312	7.1
Net gains / (losses) from financial instruments designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
Net gains / (losses) from financial investments	401,643	686,102	(41.5)	131,883	336,470	(60.8)	420,839	705,298	(40.3)	131,883	336,470	(60.8)
Other operating income	6,898,823	3,657,690	88.6	3,487,215	1,010,210	245.2	8,054,563	4,659,406	72.9	4,098,856	1,678,280	144.2
	8,976,374	6,592,557	36.2	4,140,712	1,825,974	126.8	10,137,801	7,638,517	32.7	4,738,550	2,489,062	90.4
Total operating income	61,965,875	54,807,329	13.1	23,907,874	18,169,022	31.6	65,793,787	58,294,041	12.9	25,427,762	19,707,665	29.0
Impairment (charge) / reversal for loans and other losses	(11,392,853)	(9,428,826)	20.8	(4,350,377)	(3,220,561)	35.1	(11,914,703)	(9,627,108)	23.8	(4,471,357)	(3,402,884)	31.4
Individual impairment	(3,870,010)	(4,982,212)	(22.3)	(1,237,489)	(2,018,741)	(38.7)	(3,965,796)	(5,018,854)	(21.0)	(1,259,695)	(2,045,070)	(38.4)
Collective impairment	(7,522,843)	(4,446,614)	69.2	(3,112,888)	(1,201,820)	159.0	(7,948,907)	(4,608,254)	72.5	(3,211,662)	(1,357,814)	136.5
Other losses	-	-	-	-	-	-	-	-	-	-	-	-
Net operating income	50,573,022	45,378,503	11.4	19,557,497	14,948,461	30.8	53,879,084	48,666,933	10.7	20,956,405	16,304,781	28.5
Operating expenses												
Personnel expenses	(14,704,219)	(13,047,556)	12.7	(5,459,329)	(4,281,850)	27.5	(16,006,051)	(14,401,698)	11.1	(5,835,114)	(4,737,536)	23.2
Depreciation and amortisation	(1,594,679)	(1,233,203)	29.3	(525,818)	(301,344)	74.5	(2,037,571)	(1,692,651)	20.4	(667,558)	(459,006)	45.4
Other expenses	(8,507,765)	(6,153,505)	38.3	(2,885,206)	(3,085,664)	(6.5)	(9,978,943)	(7,068,957)	41.2	(3,584,806)	(3,772,843)	(5.0)
Total operating expenses	(24,806,663)	(20,434,264)	21.4	(8,870,353)	(7,668,858)	15.7	(28,022,565)	(23,163,306)	21.0	(10,087,478)	(8,969,385)	12.5
Operating profit before Value Added Tax (VAT) and Nation Building Tax (NBT) on financial services	25,766,359	24,944,239	3.3	10,687,144	7,279,603	46.8	25,856,519	25,503,627	1.4	10,868,927	7,335,396	48.2
Value Added Tax (VAT) and Nation Building Tax (NBT) on financial services	(5,372,595)	(4,933,136)	8.9	(2,001,527)	(1,423,626)	40.6	(5,480,763)	(5,063,445)	8.2	(2,051,005)	(1,468,007)	39.7
Operating profit after Value Added Tax (VAT) and Nation Building Tax (NBT) on financial services	20,393,764	20,011,103	1.9	8,685,617	5,855,977	48.3	20,375,756	20,440,182	(0.3)	8,817,922	5,867,389	50.3
Share of profits / (losses) of Associate companies, net of tax	-	-	-	-	-	-	16,037	38,022	(57.8)	(1,351)	7,093	(119.0)
Profit before income tax	20,393,764	20,011,103	1.9	8,685,617	5,855,977	48.3	20,391,793	20,478,204	(0.4)	8,816,571	5,874,482	50.1
Income tax expense	(7,365,201)	(5,635,804)	30.7	(3,328,278)	(1,613,202)	106.3	(7,572,800)	(5,785,219)	30.9	(3,413,737)	(1,639,818)	108.2
Profit for the period	13,028,563	14,375,299	(9.4)	5,357,339	4,242,775	26.3	12,818,993	14,692,985	(12.8)	5,402,834	4,234,664	27.6
Profit attributable to:												
Equity holder of the Bank	13,028,563	14,375,299	(9.4)	5,357,339	4,242,775	26.3	12,879,157	14,684,642	(12.3)	5,382,831	4,273,782	26.0
Non controlling interest	-	-	-	-	-	-	(60,164)	8,343	(821.1)	20,003	(39,118)	(151.1)
Profit for the period	13,028,563	14,375,299	(9.4)	5,357,339	4,242,775	26.3	12,818,993	14,692,985	(12.8)	5,402,834	4,234,664	27.6
Earnings per share:												
Basic earnings per share (Rs.)	954.55	1,276.64	(25.2)	267.87	376.79	(28.9)	943.60	1,304.11	(27.6)	269.14	379.55	(29.1)
Diluted earnings per share (Rs.)	868.57	958.35	(9.4)	261.33	282.85	(7.6)	856.25	978.98	(12.5)	262.58	284.92	(7.8)

STATEMENT OF COMPREHENSIVE INCOME

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Rs. 000

30 September	Bank						Group					
	For the nine month ended			For the quarter ended			For the nine month ended			For the quarter ended		
	2018	2017	Change %	2018	2017	Change %	2018	2017	Change %	2018	2017	Change %
Profit for the period	13,028,563	14,375,299	(9.4)	5,357,339	4,242,775	26.3	12,818,993	14,692,985	(12.8)	5,402,834	4,234,664	27.6
Other comprehensive income for the period , net of tax												
Items that will not be reclassified to profit or loss												
Actuarial gains / (losses) on defined benefit plans	-	-	-	-	-	-	535	(2,281)	123.5	(508)	(938)	45.8
Deferred tax effect on above	-	-	-	-	-	-	260	-	-	550	-	-
	-	-	-	-	-	-	795	(2,281)	134.9	42	(938)	104.5
Items that are or may be reclassified to profit or loss												
Net exchange gains / (losses) arising from translating the financial statements of foreign operations	304,216	295,662	2.9	320,776	(37,679)	(951.3)	425,231	574,325	(26.0)	419,387	34,645	1,110.5
Gains / (Losses) on remeasuring available for sale financial investments	(1,217,353)	(468,769)	159.7	(737,461)	(422,873)	74.4	(1,690,220)	(494,984)	241.5	(984,957)	(450,025)	118.9
Deferred tax effect on above	(108,730)	(51,063)	112.9	(53,315)	(22,700)	134.9	(108,730)	(51,063)	112.9	(53,315)	(22,700)	134.9
Realised (gains) / losses on available for sale financial investments transferred to profit or loss	(15,136)	3,659	(513.7)	(257)	4,899	(105.2)	(15,136)	3,659	(513.7)	(257)	4,899	(105.2)
Share of other comprehensive income of Associate companies, net of tax	-	-	-	-	-	-	(5,755)	(4,280)	34.5	(9,900)	(4,603)	115.1
	(1,037,003)	(220,511)	370.3	(470,257)	(478,353)	(1.7)	(1,394,610)	27,657	(5,142.5)	(629,042)	(437,784)	43.7
Other comprehensive income for the period, net of tax	(1,037,003)	(220,511)	370.3	(470,257)	(478,353)	(1.7)	(1,393,815)	25,376	(5,592.7)	(629,000)	(438,722)	43.4
Total comprehensive income for the period	11,991,560	14,154,788	(15.3)	4,887,082	3,764,422	29.8	11,425,178	14,718,361	(22.4)	4,773,834	3,795,942	25.8
Attributable to:												
Equity holder of the Bank	11,991,560	14,154,788	(15.3)	4,887,082	3,764,422	29.8	11,507,621	14,707,829	(21.8)	4,765,360	3,797,483	25.5
Non controlling interest	-	-	-	-	-	-	(82,443)	10,532	(882.8)	8,474	(1,541)	(649.9)
Total comprehensive income for the period	11,991,560	14,154,788	(15.3)	4,887,082	3,764,422	29.8	11,425,178	14,718,361	(22.4)	4,773,833	3,795,942	25.8

As at	Bank			Group		
	30-Sep-2018	31-Dec -2017 (Audited)	Change %	30-Sep-2018	31-Dec -2017 (Audited)	Change %
Assets						
Cash and cash equivalents	78,397,666	72,843,108	7.6	82,681,565	78,005,362	6.0
Balances with Central Banks	82,521,561	68,689,012	20.1	82,521,561	68,689,012	20.1
Placements with banks	13,497,000	8,067,490	67.3	9,879,449	5,319,602	85.7
Securities purchased under resale agreements	-	18,455,555	(100.0)	2,594,400	19,872,247	(86.9)
Derivative financial instruments	726,236	1,618,823	(55.1)	726,236	1,618,823	(55.1)
Financial instruments - Held for trading	6,805,546	8,359,274	(18.6)	7,094,612	8,596,548	(17.5)
Financial investments - Loans and receivables	211,000,597	213,167,048	(1.0)	210,903,505	214,349,624	(1.6)
Loans and advances to customers	1,294,017,302	1,163,160,914	11.3	1,326,942,660	1,194,294,394	11.1
Financial investments - Available for sale	19,308,911	17,921,170	7.7	22,668,359	22,552,292	0.5
Financial investments - Held to maturity	309,511,657	308,256,082	0.4	309,527,358	308,750,317	0.3
Investment in Subsidiary companies	6,513,048	6,513,048	-	-	-	-
Investment in Associate companies	92,988	92,988	-	442,775	446,793	(0.9)
Investment properties	2,795,124	2,882,928	(3.0)	120,908	123,773	(2.3)
Property, plant and equipment	23,619,062	23,046,114	2.5	36,814,956	36,608,919	0.6
Leasehold properties	98,782	101,481	(2.7)	130,722	134,441	(2.8)
Intangible assets	1,199,135	810,730	47.9	1,417,365	1,074,436	31.9
Deferred tax assets	-	-	-	9,382	8,621	8.8
Other assets	49,573,606	37,818,188	31.1	50,609,739	38,964,979	29.9
Total assets	2,099,678,221	1,951,803,953	7.6	2,145,085,552	1,999,410,183	7.3
Liabilities						
Due to banks	4,799,597	2,203,199	117.8	5,079,045	2,194,266	131.5
Securities sold under repurchase agreements	78,411,104	44,487,462	76.3	78,501,075	44,628,686	75.9
Derivative financial instruments	103,035	70,715	45.7	103,035	70,715	45.7
Due to customers	1,648,255,360	1,546,832,036	6.6	1,668,413,851	1,566,376,418	6.5
Other borrowings	167,753,547	178,191,089	(5.9)	172,527,973	184,330,181	(6.4)
Debt securities issued	-	-	-	4,260,178	5,667,514	(24.8)
Current tax liabilities	3,176,413	1,877,342	69.2	3,248,027	2,051,020	58.4
Deferred tax liabilities	5,776,306	5,820,329	(0.8)	8,530,561	8,625,219	(1.1)
Insurance provision - Life	-	-	-	572,945	547,026	4.7
Insurance provision - Non life	-	-	-	374,394	430,093	(13.0)
Other liabilities	16,102,689	18,596,249	(13.4)	17,918,361	19,936,478	(10.1)
Subordinated term debts	51,999,945	42,570,457	22.2	51,663,533	42,226,067	22.3
Total liabilities	1,976,377,996	1,840,648,878	7.4	2,011,192,978	1,877,083,683	7.1
Equity						
Share capital	25,000,000	20,000,000	25.0	25,000,000	20,000,000	25.0
Permanent reserve fund	10,427,000	10,427,000	-	10,427,000	10,427,000	-
Retained earnings	71,654,403	63,472,250	12.9	73,128,681	65,100,871	12.3
Other reserves	16,218,822	17,255,825	(6.0)	24,504,655	25,871,254	(5.3)
Total equity attributable to equity holder of the Bank	123,300,225	111,155,075	10.9	133,060,336	121,399,125	9.6
Non controlling interest	-	-	-	832,238	927,375	(10.3)
Total equity	123,300,225	111,155,075	10.9	133,892,574	122,326,500	9.5
Total liabilities and equity	2,099,678,221	1,951,803,953	7.6	2,145,085,552	1,999,410,183	7.3
Contingent liabilities and commitments	586,902,150	507,258,821	15.7	587,236,150	508,399,376	15.5

STATEMENT OF CHANGES IN EQUITY- BANK

4

Rs. 000

	Share capital		Permanent reserve fund	Other reserves			Retained earnings	Total Equity
	Share capital	Capital pending allotment		Available for sale reserve	Other reserves	Revaluation reserve		
Balance as at 01 January 2017	10,000,000	5,000,000	7,996,000	4,487,181	1,209,435	10,002,294	54,154,685	92,849,595
Total comprehensive income for the period								
Profit for the period							14,375,299	14,375,299
Other comprehensive income, net of tax				(516,173)	295,662	-	-	(220,511)
Dividends for 2017							(1,346,410)	(1,346,410)
Transfers to share capital	5,000,000	(5,000,000)						
Balance as at 30 September 2017	15,000,000	-	7,996,000	3,971,008	1,505,097	10,002,294	67,183,574	105,657,973
Balance as at 01 January 2018	15,000,000	5,000,000	10,427,000	3,718,526	1,570,810	11,966,489	63,472,250	111,155,075
Total comprehensive income for the period								
Profit for the period							13,028,563	13,028,563
Other comprehensive income, net of tax				(1,341,219)	304,216	-	-	(1,037,003)
Dividends for 2018							(4,846,410)	(4,846,410)
Transfers to share capital	5,000,000	(5,000,000)						-
Capital infusion during the year		5,000,000						5,000,000
Balance as at 30 September 2018	20,000,000	5,000,000	10,427,000	2,377,307	1,875,026	11,966,489	71,654,403	123,300,225

STATEMENT OF CHANGES IN EQUITY -GROUP

Rs. 000

	Share capital		Permanent reserve fund	Other reserves			Retained earnings	Non controlling interest	Total Equity
	Share capital	Capital pending allotment		Available for sale reserve	Other reserves	Revaluation reserve			
Balance as at 01 January 2017	10,000,000	5,000,000	7,996,000	5,562,266	1,763,963	16,494,059	55,659,003	879,445	103,354,736
Total comprehensive income for the period									
Profit for the period							14,684,642	8,343	14,692,985
Other comprehensive income, net of tax				(544,679)	574,325		(6,459)	2,189	25,376
Dividends for 2017							(1,346,410)		(1,346,410)
Subsidiary dividends to non controlling interest								(1,931)	(1,931)
Transfers to share capital	5,000,000	(5,000,000)					-		-
Balance as at 30 September 2017	15,000,000	-	7,996,000	5,017,587	2,338,288	16,494,059	68,990,776	888,046	116,724,756
Balance as at 01 January 2018	15,000,000	5,000,000	10,427,000	4,760,616	2,429,373	18,681,265	65,100,871	927,375	122,326,500
Total comprehensive income for the period									
Profit for the period							12,879,157	(60,164)	12,818,993
Other comprehensive income, net of tax				(1,791,830)	425,231	-	(4,937)	(22,279)	(1,393,815)
Dividends for 2018							(4,846,410)		(4,846,410)
Subsidiary dividends to non controlling interest								(12,694)	(12,694)
Transfers to share capital	5,000,000	(5,000,000)							-
Capital infusion during the year		5,000,000							5,000,000
Balance as at 30 September 2018	20,000,000	5,000,000	10,427,000	2,968,786	2,854,604	18,681,265	73,128,681	832,238	133,892,574

STATEMENT OF CASH FLOWS

5

Rs.'000

For the nine months ended 30 September	Bank		Group	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit before income tax	20,393,764	20,011,103	20,391,793	20,478,204
Adjustments for :				
Net interest income	(47,042,447)	(43,107,569)	(49,411,748)	(45,398,024)
Dividend income on trading securities	(81,450)	(96,797)	(89,786)	(97,696)
Dividends from Subsidiaries and Associates	(301,353)	(62,581)	-	-
Share of (profits) / losses of Associate companies, net of tax	-	-	(16,037)	(38,022)
Change in operating assets	(136,952,349)	(144,789,989)	(139,668,682)	(149,361,288)
Change in operating liabilities	117,248,308	229,754,041	115,359,706	232,844,954
Other non cash items included in profit before tax	21,667,272	7,768,978	22,686,332	9,107,431
Other net gains from investing activities	(401,643)	(686,102)	(420,839)	(705,298)
	(25,469,898)	68,791,084	(31,169,261)	66,830,261
Contribution paid from defined benefit plans	(5,612,142)	(4,765,281)	(5,642,803)	(4,783,170)
Interest received	96,895,676	89,873,703	102,054,513	94,046,602
Interest paid	(86,765,396)	(57,692,810)	(89,793,282)	(59,169,385)
Dividends received	81,450	96,797	89,786	97,696
Net cash from/(used in) operating activities before income tax	(20,870,310)	96,303,493	(24,461,047)	97,022,004
Income tax paid	(4,448,404)	(1,962,298)	(4,685,905)	(2,246,488)
Net cash from/(used in) operating activities	(25,318,714)	94,341,195	(29,146,952)	94,775,516
Cash flows from investing activities				
Net increase in financial investments - Held to maturity	(3,705,784)	(38,932,008)	(3,227,250)	(39,342,780)
Net increase in financial investments - Available for sale	(2,503,145)	(12,940,456)	(1,750,995)	(10,664,396)
Net (increase) /decrease in financial investments - Loans and receivables	2,166,450	(17,859,765)	3,446,133	(18,635,860)
Purchase of property plant and equipment and leasehold properties	(1,871,535)	(3,390,190)	(1,949,671)	(3,494,776)
Purchase of intangible assets	(841,686)	(508,278)	(867,233)	(721,880)
Dividends received	585,912	477,968	350,411	434,583
Interest received	37,064,873	33,435,069	37,222,298	35,836,020
Net cash from/(used in) investing activities	30,895,085	(39,717,660)	33,223,693	(36,589,089)
Cash flows from financing activities				
Net decrease in other borrowings	(6,623,203)	(38,681,678)	(5,368,138)	(41,290,844)
Proceeds from issue of shares	5,000,000	-	5,000,000	-
Proceeds from issue of debentures	6,700,000	-	6,700,000	2,000,000
Dividends paid to Government of Sri Lanka	(4,846,410)	(1,346,410)	(4,846,410)	(1,346,410)
Dividends paid to non controlling interest	-	-	(12,694)	(1,931)
Interest payments on borrowings and debt securities	(3,940,196)	(14,121,263)	(4,849,675)	(16,443,121)
Net cash used in financing activities	(3,709,809)	(54,149,351)	(3,376,917)	(57,082,306)
Net increase in cash and cash equivalents during the period	1,866,562	474,184	699,824	1,104,121
Cash and cash equivalents at the beginning of the period	71,731,508	66,898,438	76,902,695	72,425,066
Cash and cash equivalents at the end of the period	73,598,070	67,372,622	77,602,519	73,529,187
Analysis of cash and cash equivalents				
Cash and cash equivalents	78,397,666	67,846,722	82,681,565	74,099,418
Bank overdrafts	(4,799,596)	(474,100)	(5,079,046)	(570,231)
Cash and cash equivalents at the end of the period	73,598,070	67,372,622	77,602,519	73,529,187

As at	Bank		Group	
	30-Sep-2018	31-Dec-2017 (Audited)	30-Sep-2018	31-Dec-2017 (Audited)
Net assets value per share (Rs)	6,165.01	7,410.34	6,653.02	8,093.28
Profitability				
Interest margin	3.10%	3.22%	3.18%	3.31%
Return on assets (before tax)	1.34%	1.68%	1.31%	1.66%
Return on equity (after tax)	14.82%	20.89%	13.34%	19.04%
Assets Quality				
Gross non - performing advances ratio, (Net of interest in suspense)	4.50%	2.85%		
Net non - performing advances ratio, (Net of interest in suspense and provisions)	1.69%	0.34%		
Investor Information				
Debt equity (%)	40.40	41.48		
Interest cover (times)	2.63	2.47		
Memorandum Information				
Number of employees	8,903	7,587		
Number of branches	577	580		

KEY REGULATORY RATIOS - CAPITAL AND LIQUIDITY

As at	Bank		Group	
	30-Sep-2018	31-Dec-2017 (Audited)	30-Sep-2018	31-Dec-2017 (Audited)
Regulatory Capital (Rs. ' 000)				
Common equity Tier 1	102,518,964	92,596,974	108,652,852	99,289,566
Tier I capital	102,518,964	92,596,974	108,652,852	99,289,566
Total capital	143,379,578	125,460,069	151,167,732	132,382,713
Regulatory Capital Ratios (%)				
Common equity Tier 1 capital ratio (Minimum requirement, Basel III - 7.375%)	10.01%	10.77%	9.89%	10.87%
Tier I capital ratio (Minimum requirement, Basel III - 8.875%)	10.01%	10.77%	9.89%	10.87%
Total capital ratio (Minimum requirement, Basel III - 12.875%)	14.00%	14.59%	13.77%	14.49%
Regulatory Liquidity				
Statutory liquid assets,				
- Domestic banking unit (Rs. ' 000)	454,648,687	477,892,172		
- Off-shore banking unit (US\$ 000)	781,782	878,439		
Statutory liquid assets ratio, (minimum requirement, 20%)				
- Domestic banking unit	23.79%	27.22%		
- Off-shore banking unit	61.72%	21.91%		
Liquidity coverage ratio - Rupee (Minimum requirement, 90%)	143.08%	141.46%		
Liquidity coverage ratio - All currency (Minimum requirement, 90%)	99.77%	105.04%		

SHARE INFORMATION

Shareholder	30-Sep-2018		31-Dec-2017	
	No. of Ordinary Shares	Holding %	No. of Ordinary Shares	Holding %
Government of Sri Lanka	25,000,000 *	100	20,000,000 *	100

* This includes 5,000,000 Nos. of shares in pending allotment.

1. The interim financial statements are presented in accordance with Sri Lanka Accounting Standard - LKAS 34 on "Interim Financial Reporting". These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2017. In order to conform to better presentation, previous year figures and phrases have been adjusted where relevant.
2. There are no changes in accounting policies and methods of computation since the publication of annual accounts for the year 2017.
3. The Sri Lanka Accounting Standard, SLFRS 09-Financial Instruments is effective for annual periods beginning on or after 01st January 2018. However, the Bank has prepared Interim Financial Statements based on "LKAS 39- Financial Instruments Recognition and Measurement as permitted by the Statement of Alternative Treatment (SoAT) issued by CA Sri Lanka. The estimated additional impairment provision on the Financial Statements for the year ended 31 December 2016, on adoption of SLFRS 09 is expected to be increased in the range of 25% to 35% of the total impairment provision.
4. Other than the above, no circumstances have arisen and no material events have occurred since the reporting date, which require disclosures or adjustments to the financial statements.
5. During the period there were no material changes in the composition of assets, liabilities and contingent liabilities.
6. All known expenses have been charged in these financial statements.
7. The Group financial statements comprise a consolidation of the Bank and its Subsidiaries, Property Development PLC, Merchant Bank of Sri Lanka & Finance PLC, Hotels Colombo (1963) Limited, BOC Property Development & Management (Private) Limited, BOC Travels (Private) Limited, Ceybank Holiday Homes (Private) Limited, BOC Management & Support Services (Private) Limited, MBSL Insurance Company Limited, Koladeniya Hydropower (Private) Limited and Bank of Ceylon (UK) Limited and the Group's interest in its Associate companies, Lanka Securities (Private) Limited, Southern Development Financial Company Limited, Transnational Lanka Records Solutions (Private) Limited and Ceybank Asset Management Limited.

CERTIFICATION

I certify that the above financial statements give a true and fair view of the state of affairs of Bank of Ceylon and the Group as at 30 September 2018 and its profit for the nine months ended 30 September 2018.

Sgd.
W P Russel Fonseka
Chief Financial Officer

We, the undersigned, being the Directors and General Manager of the Bank of Ceylon certify jointly that;

- a) the above statements have been prepared in compliance with the formats and definitions prescribed by the Central Bank of Sri Lanka and Rule 7.4 of Colombo Stock Exchange and Sri Lanka Accounting Standard – LKAS 34 on "Interim Financial Reporting".
- b) the information contained in these statements have been extracted from the un-audited financial statements of the Bank and the Group.

Sgd.
Ronald C Perera
Chairman
(Independent Non-Executive)

Sgd.
Sajith R. Attygalle
Ex-Officio Director
(Non-Independent Non-Executive)

Sgd.
Senarath Bandara
General Manager

17 October 2018
Colombo

As at 30 September		2018					
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised Cost	Available for sale	Others	Total
Financial assets							
Cash and cash equivalents				78,397,666			78,397,666
Balances with Central Banks				82,521,561			82,521,561
Placements with banks				13,497,000			13,497,000
Securities purchased under resale agreements				-			-
Derivative financial instruments	726,236						726,236
Loans and advances to customers				1,294,017,302			1,294,017,302
Financial investments	6,805,546	-	309,511,657	211,000,597	19,308,911		546,626,711
Total financial assets	7,531,782	-	309,511,657	1,679,434,127	19,308,911	-	2,015,786,477
Other assets						83,891,744	83,891,744
Total assets	7,531,782	-	309,511,657	1,679,434,127	19,308,911	83,891,744	2,099,678,221

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		4,799,597		4,799,597
Securities sold under repurchase agreements		78,411,104		78,411,104
Derivative financial instruments	103,035			103,035
Other financial liabilities held for trading				-
Due to customers		1,648,255,360		1,648,255,360
Other borrowings		167,753,547		167,753,547
Debt securities issued		-		-
Subordinated term debts		51,999,945		51,999,945
Total financial liabilities	103,035	1,951,219,553	-	1,951,322,588
Other liabilities			25,055,408	25,055,408
Total liabilities	103,035	1,951,219,553	25,055,408	1,976,377,996

As at 31 December		2017					
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised Cost	Available for sale	Others	Total
Financial assets							
Cash and cash equivalents				72,843,108			72,843,108
Balances with Central Banks				68,689,012			68,689,012
Placements with banks				8,067,490			8,067,490
Securities purchased under resale agreements				18,455,555			18,455,555
Derivative financial instruments	1,618,823						1,618,823
Loans and advances to customers				1,163,160,914			1,163,160,914
Financial investments	8,359,274	-	308,256,082	213,167,048	17,921,170		547,703,574
Total financial assets	9,978,097	-	308,256,082	1,544,383,127	17,921,170	-	1,880,538,476
Other assets						71,265,477	71,265,477
Total assets	9,978,097	-	308,256,082	1,544,383,127	17,921,170	71,265,477	1,951,803,953

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		2,203,199		2,203,199
Securities sold under repurchase agreements		44,487,462		44,487,462
Derivative financial instruments	70,715			70,715
Other financial liabilities held for trading				-
Due to customers		1,546,832,036		1,546,832,036
Other borrowings		178,191,089		178,191,089
Debt securities issued		-		-
Subordinated term debts		42,570,457		42,570,457
Total financial liabilities	70,715	1,814,284,243	-	1,814,354,958
Other liabilities			26,293,920	26,293,920
Total liabilities	70,715	1,814,284,243	26,293,920	1,840,648,878

As at 30 September		2018					
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised cost	Available for sale	Others	Total
Financial assets							
Cash and cash equivalents				82,681,565			82,681,565
Balances with Central Banks				82,521,561			82,521,561
Placements with banks				9,879,449			9,879,449
Securities purchased under resale agreements				2,594,400			2,594,400
Derivative financial instruments	726,236						726,236
Loans and advances to customers				1,326,942,660			1,326,942,660
Financial investments	7,094,612	-	309,527,358	210,903,505	22,668,359		550,193,834
Total financial assets	7,820,848	-	309,527,358	1,715,523,141	22,668,359	-	2,055,539,706
Other assets						89,545,848	89,545,848
Total assets	7,820,848	-	309,527,358	1,715,523,141	22,668,359	89,545,848	2,145,085,552

	Held for trading	Amortised cost	Others	Total
Financial liabilities				
Due to banks		5,079,045		5,079,045
Securities sold under repurchase agreements		78,501,075		78,501,075
Derivative financial instruments	103,035			103,035
Other financial liabilities held for trading				-
Due to customers		1,668,413,851		1,668,413,851
Other borrowings		172,527,973		172,527,973
Debt securities issued		4,260,178		4,260,178
Subordinated term debts		51,663,533		51,663,533
Total financial liabilities	103,035	1,980,445,655	-	1,980,548,690
Other liabilities			30,644,288	30,644,288
Total liabilities	103,035	1,980,445,655	30,644,288	2,011,192,978

As at 31 December		2017					
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised cost	Available for sale	Others	Total
Financial assets							
Cash and cash equivalents				78,005,362			78,005,362
Balances with Central Banks				68,689,012			68,689,012
Placements with banks				5,319,602			5,319,602
Securities purchased under resale agreements				19,872,247			19,872,247
Derivative financial instruments	1,618,823						1,618,823
Loans and advances to customers				1,194,294,394			1,194,294,394
Financial investments	8,596,548	-	308,750,317	214,349,624	22,552,292		554,248,781
Total financial assets	10,215,371	-	308,750,317	1,580,530,241	22,552,292	-	1,922,048,222
Other assets						77,361,962	77,361,962
Total assets	10,215,371	-	308,750,317	1,580,530,241	22,552,292	77,361,962	1,999,410,183

	Held for trading	Amortised cost	Others	Total
Financial liabilities				
Due to banks		2,194,266		2,194,266
Securities sold under repurchase agreements		44,628,686		44,628,686
Derivative financial instruments	70,715			70,715
Other financial liabilities held for trading				-
Due to customers		1,566,376,418		1,566,376,418
Other borrowings		184,330,181		184,330,181
Debt securities issued		5,667,514		5,667,514
Subordinated term debts		42,226,067		42,226,067
Total financial liabilities	70,715	1,845,423,132	-	1,845,493,847
Other liabilities			31,589,836	31,589,836
Total liabilities	70,715	1,845,423,132	31,589,836	1,877,083,683

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount	
					30.09.2018	31.12.2017		Bank	
					%	%		30.09.2018	31.12.2017
								Rs '000	Rs '000
Fixed interest rate									
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2018	13.00	13.00	8.31	4,239,916	3,869,827
Unsecured, subordinated, redeemable debentures	a	Semi annually	25.10.2013	24.10.2018	12.60	12.60	8.31	227,130	220,369
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2021	13.25	13.25	10.45	1,346,120	1,226,594
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2022	13.25	13.25	10.60	1,347,242	1,227,617
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2023	13.75	13.75	10.60	1,803,700	1,638,142
Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2019	8.00	8.00	9.44	5,134,146	5,234,969
Unsecured, subordinated, redeemable debentures	a	Quarterly	22.09.2014	21.09.2019	7.75	7.75	9.44	216,137	216,182
Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2022	8.25	8.25	10.60	1,836,631	1,873,793
Unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2020	8.25	8.25	9.75	311,934	293,991
Unsecured, subordinated, redeemable debentures	a	Quarterly	06.10.2015	05.10.2020	8.00	8.00	9.75	12,446	12,449
Unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2023	9.50	9.50	10.60	1,290,182	1,205,580
Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2021	13.25	13.25	10.49	8,784,247	8,003,631
Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2024	12.75	12.75	10.67	858	784
Unsecured, subordinated, redeemable debentures		Annually	29.12.2017	28.12.2022	12.50	12.50	10.60	5,463,984	5,003,228
Unsecured, subordinated, redeemable debentures		Annually	29.12.2017	28.12.2025	12.75	12.75	10.86	5,473,117	5,003,289
Unsecured, subordinated, unlisted debentures		Annually	31.07.2018	30.07.2026	12.00	-	10.80	6,828,105	-
								44,315,895	35,030,445
Floating interest rate									
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 100 basis points)	a/b	Semi annually	25.10.2013	24.10.2018	9.52	11.13	8.31	208	204
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 100 basis points)	a/b	Semi annually	25.10.2013	24.10.2021	9.52	11.13	10.45	1,041	1,020
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 50 basis points)	a/b	Semi annually	22.09.2014	21.09.2019	9.97	10.43	9.44	826,793	848,392
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 50 basis points)	a/b	Semi annually	22.09.2014	21.09.2022	9.97	10.43	10.60	30	31
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	06.10.2015	05.10.2020	10.72	11.34	9.75	4,709,196	4,595,440
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	06.10.2015	05.10.2023	10.72	11.34	10.60	2,145,715	2,093,885
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	29.12.2016	28.12.2021	10.10	10.47	10.49	1,046	1,020
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	29.12.2016	28.12.2024	10.10	10.47	10.67	21	20
								7,684,050	7,540,012
								51,999,945	42,570,457

Notes

- a) Debentures that are listed in the Colombo Stock Exchange. Some of these have been traded in the Colombo Stock Exchange during the nine month period ended 30 September 2018.
2013/2023 - (Highest Price - Rs. 101.50, Lowest Price - Rs. 100.82, Last Transaction Price - Rs. 101.50)
2015/2020 - (Highest Price - Rs. 98.00, Lowest Price - Rs. 94.00, Last Transaction Price - Rs. 97.00)
- b) Weighted average 6 months Treasury Bill interest rate before deducting 10% withholding tax at the primary quotations as announced by the Central Bank of Sri Lanka, at the preceding week of the interest resetting date.

INFORMATION ON LISTED DEBENTURES

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	01-Jan-2018 to 30-Sep-2018 Rs.	01-Jan-2017 to 31-Dec-2017 Rs.
Market Value		
BoC Debentures 2012/2017 , Unsecured, subordinated, redeemable, 5 years, fixed rate (16.0%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, fixed rate (15.3%)	Not Traded	Not Traded
BoC Debentures 2013/2023 , Unsecured, subordinated, redeemable, 5 years, fixed rate (13.0%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, fixed rate (12.60%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, fixed rate (13.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 9 years, fixed rate (13.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 10 years, fixed rate (13.75%)		
Highest	Not Traded	101.50
Lowest	Not Traded	100.82
Last transaction	Not Traded	101.50
BoC Debentures 2014/2022 , Unsecured, subordinated, redeemable, 5 years, fixed rate (8.0%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, fixed rate (7.75%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, fixed rate (8.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
BoC Debentures 2015/2023 Unsecured, subordinated, redeemable, 5 years, fixed rate (8.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, fixed rate (8.00%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)		
Highest	97.00	98.00
Lowest	94.00	94.00
Last transaction	97.00	94.00
Unsecured, subordinated, redeemable, 8 years, fixed rate (9.50%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
BoC Debentures 2016/2024 Unsecured, subordinated, redeemable, 5 years, fixed rate (13.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, fixed rate (12.75%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded

	30-Sep-2018 %	31-Dec-2017 %
Interest yield as at date of last trade done		
BoC Debentures 2012/2017 ,		
5 years, fixed rate (16.0%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
5 years, fixed rate (15.3%)	Not Traded	Not Traded
BoC Debentures 2013/2023 ,		
5 years, fixed rate (13.0%)	Not Traded	Not Traded
5 years, fixed rate (12.6%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	Not Traded
8 years, fixed rate (13.25%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	Not Traded
9 years, fixed rate (13.25%)	Not Traded	Not Traded
10 years, fixed rate (13.75%)	Not Traded	13.34
BoC Debentures 2014/2022 ,		
5 years, fixed rate (8.0%)	Not Traded	Not Traded
5 years, fixed rate (7.75%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
8 years, fixed rate (8.25%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
BoC Debentures 2015/2023 ,		
5 years, fixed rate (8.25%)	Not Traded	Not Traded
5 years, fixed rate (8.00%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	12.20	13.96
8 years, fixed rate (9.50%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
BoC Debentures 2016/2024 ,		
5 years, fixed rate (13.25%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
8 years, fixed rate (12.75%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
Yield to maturity of last trade done		
BoC Debentures 2012/2017 ,		
5 years, fixed rate (16.0%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
5 years, fixed rate (15.3%)	Not Traded	Not Traded
BoC Debentures 2013/2023 ,		
5 years, fixed rate (13.0%)	Not Traded	Not Traded
5 years, fixed rate (12.6%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	Not Traded
8 years, fixed rate (13.25%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	Not Traded
9 years, fixed rate (13.25%)	Not Traded	Not Traded
10 years, fixed rate (13.75%)	Not Traded	13.55
BoC Debentures 2014/2022 ,		
5 years, fixed rate (8.0%)	Not Traded	Not Traded
5 years, fixed rate (7.75%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
8 years, fixed rate (8.25%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
BoC Debentures 2015/2023 ,		
5 years, fixed rate (8.25%)	Not Traded	Not Traded
5 years, fixed rate (8.00%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	11.05	12.06
8 years, fixed rate (9.50%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
BoC Debentures 2016/2024 ,		
5 years, fixed rate (13.25%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
8 years, fixed rate (12.75%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded

LOANS AND ADVANCES TO OTHER CUSTOMERS

Rs '000

As at	Bank		Group	
	30-Sep-2018	31-Dec-2017 (Audited)	30-Sep-2018	31-Dec-2017 (Audited)
1) Loans and advances to customers				
Gross loans and advances	1,362,919,774	1,219,914,481	1,397,677,538	1,252,363,356
Less : Individual impairment	33,871,524	29,085,605	34,435,007	29,562,684
Collective impairment	35,030,948	27,667,962	36,299,871	28,506,278
Net loans and advances including those designated at fair value through profit or loss	1,294,017,302	1,163,160,914	1,326,942,660	1,194,294,394
Less : Loans and advances designated at fair value through profit or loss	-	-	-	-
Net loans and advances	1,294,017,302	1,163,160,914	1,326,942,660	1,194,294,394

2) Loans and advances to customers - By product

Local currency				
Overdrafts	239,362,664	169,123,476	239,228,084	169,120,155
Term loans	262,169,020	258,559,100	267,355,342	264,188,350
Lease rentals receivable	49,612,845	48,199,691	67,076,185	64,287,980
Credit cards	4,104,470	3,840,479	4,104,470	3,840,479
Pawning	55,939,024	51,540,743	57,141,629	52,240,377
Loans under schemes	92,004,626	89,621,904	92,913,246	90,662,792
Housing loans	62,624,236	56,520,480	62,700,399	56,520,480
Trade finance	42,520,765	46,910,127	43,302,584	47,538,632
Personal loans	186,376,402	175,226,804	192,434,305	180,549,642
Staff loans	16,943,487	16,010,801	17,222,720	16,273,604
Foreclosed properties	1,397,395	1,097,220	1,397,395	1,097,220
Other loans	9,930,835	10,270,950	9,938,738	10,270,950
Total local currency loans and advances	1,022,985,769	926,921,775	1,054,815,097	956,590,661
Foreign currency				
Overdrafts	20,855,209	11,801,933	21,082,535	11,989,037
Term loans	282,146,181	246,534,672	284,837,266	249,119,988
Trade finance	33,344,154	31,728,812	33,344,154	31,728,812
Lease rentals receivable	439,302	236,682	439,302	236,682
Loans under schemes	-	48,022	-	48,022
Housing loans	42,299	170,674	42,299	170,674
Staff loans	12,659	9,865	22,684	17,433
Foreclosed properties	579,605	523,495	579,605	523,495
Other loans	2,514,596	1,938,551	2,514,596	1,938,552
Total foreign currency loans and advances	339,934,005	292,992,706	342,862,441	295,772,695
Total gross loans and advances to customers	1,362,919,774	1,219,914,481	1,397,677,538	1,252,363,356

3) Movement in individual and collective impairment during the period for loans and advances to customers

Individual impairment				
Opening balance (01 January)	29,085,605	19,375,172	29,562,684	19,776,777
Charge during the period	6,714,734	11,713,536	6,810,520	11,758,365
Amount recovered / reversed during the period	(2,844,724)	(2,081,790)	(2,844,724)	(2,081,790)
Exchange rate variance on foreign currency impairment	672,345	143,324	672,345	143,324
Amount written-off during the period	-	(26,944)	-	(37,546)
Other movements	243,564	(37,693)	234,182	3,554
Closing balance	33,871,524	29,085,605	34,435,007	29,562,684
Collective impairment				
Opening balance (01 January)	27,667,962	27,731,944	28,506,278	28,407,266
Charge / (Reversal) during the period	7,522,843	8,912	7,948,907	208,314
Exchange rate variance on foreign currency impairment	80,618	15,815	80,618	15,815
Amount written-off during the period	3,569	(1,153,687)	3,569	(1,153,687)
Other movements	(244,044)	1,064,978	(239,501)	1,028,570
Closing balance	35,030,948	27,667,962	36,299,871	28,506,278
Total impairment	68,902,472	56,753,567	70,734,878	58,068,962

DUE TO OTHER CUSTOMERS

4) Due to other customers - By product

Local currency				
Demand deposits (current accounts)	97,747,652	113,404,221	97,512,026	113,047,717
Savings deposits	362,012,847	352,068,521	362,809,649	352,930,501
Time deposits	839,635,242	739,173,691	858,057,857	757,243,699
Other deposits	3,807,329	2,828,892	3,807,329	2,828,892
Total local currency deposits	1,303,203,070	1,207,475,325	1,322,186,861	1,226,050,809
Foreign currency				
Demand deposits (current accounts)	21,809,592	22,344,522	22,520,068	22,893,509
Savings deposits	89,699,905	88,397,442	90,062,871	88,725,067
Time deposits	232,232,741	227,389,171	232,333,999	227,481,457
Other deposits	1,310,052	1,225,576	1,310,052	1,225,576
Total foreign currency deposits	345,052,290	339,356,711	346,226,990	340,325,609
Total due to customers	1,648,255,360	1,546,832,036	1,668,413,851	1,566,376,418

Rs. '000

For the nine months ended 30th September	Retail banking		Corporate banking		International, treasury and investment		Group functions		Unallocated		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenue from external customers:												
Net interest income	26,502,577	22,088,997	9,174,241	12,615,457	15,250,603	12,051,425	2,369,301	2,282,147	(3,884,974)	(3,640,002)	49,411,748	45,398,024
Net fee and commission income	2,904,765	2,428,879	1,942,652	1,700,385	680,893	567,774	297,185	150,297	418,743	410,165	6,244,238	5,257,500
Other income	2,231,182	2,561,729	3,030,010	104,964	3,528,025	2,984,878	2,396,387	1,890,107	(1,047,803)	96,839	10,137,801	7,638,517
Total operating income	31,638,524	27,079,605	14,146,903	14,420,806	19,459,521	15,604,077	5,062,873	4,322,551	(4,514,034)	(3,132,998)	65,793,787	58,294,041
Expenses :												
Impairment (charge)/ reversal for loans and other losses	(7,377,796)	(3,846,022)	(3,996,631)	(5,569,995)	-	-	(542,967)	(198,282)	2,691	(12,809)	(11,914,703)	(9,627,108)
Total operating expenses	(16,250,690)	(13,136,333)	(3,878,232)	(3,235,199)	(4,092,935)	(3,589,750)	(3,826,783)	(3,231,791)	26,075	29,767	(28,022,565)	(23,163,306)
Total expenses	(23,628,486)	(16,982,355)	(7,874,863)	(8,805,194)	(4,092,935)	(3,589,750)	(4,369,750)	(3,430,073)	28,766	16,958	(39,937,268)	(32,790,414)
Operating profit before VAT and NBT	8,010,038	10,097,250	6,272,040	5,615,612	15,366,586	12,014,327	693,123	892,478	(4,485,268)	(3,116,040)	25,856,519	25,503,627
VAT and NBT on financial services											(5,480,763)	(5,063,445)
Operating profit after VAT and NBT											20,375,756	20,440,182
Share of profits/ (losses) of associate companies before tax							16,037	38,022			16,037	38,022
Profit before income tax	8,010,038	10,097,250	6,272,040	5,615,612	15,366,586	12,014,327	709,160	930,500	(4,485,268)	(3,116,040)	20,391,793	20,478,204
Income tax expense											(7,572,800)	(5,785,219)
Profit for the period											12,818,993	14,692,985
Total assets	685,266,124	605,232,766	695,893,653	584,117,548	610,240,934	591,236,701	71,649,919	73,357,441	82,034,922	78,043,856	2,145,085,552	1,931,988,312
Total liabilities	645,024,976	571,258,462	655,028,420	551,328,531	574,405,518	558,048,056	60,059,746	61,527,104	76,674,318	73,101,403	2,011,192,978	1,815,263,556
Cash flows from operating activities	(9,311,246)	29,690,267	(9,455,650)	28,654,439	(8,291,820)	29,003,676	(973,563)	3,598,619	(1,114,673)	3,828,515	(29,146,952)	94,775,516
Cash flows from / (used in) investing activities	10,613,596	(11,462,241)	10,778,198	(11,062,349)	9,451,585	(11,197,175)	1,109,734	(1,389,285)	1,270,580	(1,478,039)	33,223,693	(36,589,089)
Cash flows from/ (used in) financing activities	(1,083,036)	(17,963,645)	(1,099,833)	(17,336,934)	(964,462)	(17,548,234)	(100,844)	(1,934,765)	(128,742)	(2,298,728)	(3,376,917)	(57,082,306)
Capital expenditure to non-current assets											2,816,904	4,216,656
Depreciation and amortization expenses	520,451	396,536	528,523	382,702	463,470	387,366	185,133	202,841	339,994	323,206	2,037,571	1,692,651

During the period from 01.01.2015 to 30.09.2018

Year	Objective number	Objective as per Prospectus	Amount allocated as per Prospectus in LKR	Proposed date of utilization as per Prospectus	Amount allocated from proceeds in LKR (A)	% of total proceeds	Amounts utilized in LKR (B)	% of utilization against allocation (B/A)	Clarification if not fully utilized including where the funds are invested (eg : whether lent to related party/s etc...)
2015	1	To increase the Tier II capital of the Bank in order to enhance the Capital Adequacy Ratio (CAR) and single borrower limit to facilitate expansion of the loan book.	8 Billion	06.10.2015	8 Billion	100	8 Billion	100	Not Applicable
	2	To minimize and manage the gap exposure in the Bank's assets/ liability portfolios.							
	3	To strengthen the Bank's liquidity position and to increase the asset base.							
2016	1	To increase the Tier II capital of the Bank in order to enhance the Capital Adequacy Ratio (CAR) and single borrower limit.	8 Billion	29.12.2016	8 Billion	100	8 Billion	100	Not Applicable
	2	To minimize and manage the gap exposure in the Bank's assets/ liability portfolios.							
	3	To strengthen the Bank's liquidity position and to increase the asset base / loan book.							