



INTERIM FINANCIAL STATEMENTS
for the nine months ended 30 September 2017
(Un -audited)

Bank of Ceylon

STATEMENT OF PROFIT OR LOSS

1
Rs. 000

30 September	Bank						Group					
	For the nine months ended			For the quarter ended			For the nine months ended			For the quarter ended		
	2017	2016	Change %	2017	2016	Change %	2017	2016	Change %	2017	2016	Change %
Total income	138,331,889	110,858,356	24.8	47,973,563	39,655,465	21.0	144,373,993	115,659,622	24.8	50,405,535	41,938,050	20.2
Interest income	125,251,925	98,635,822	27.0	44,083,420	35,155,839	25.4	130,013,057	102,244,142	27.2	45,800,866	36,432,106	25.7
Interest expenses	(82,144,356)	(60,259,453)	36.3	(29,366,168)	(21,803,107)	34.7	(84,615,033)	(61,976,197)	36.5	(30,239,734)	(22,426,788)	34.8
Net interest income	43,107,569	38,376,369	12.3	14,717,252	13,352,732	10.2	45,398,024	40,267,945	12.7	15,561,132	14,005,318	11.1
Fee and commission income	6,487,407	6,262,948	3.6	2,064,169	2,573,164	(19.8)	6,722,419	6,455,261	4.1	2,115,607	2,621,329	(19.3)
Fee and commission expenses	(1,265,875)	(970,939)	30.4	(438,373)	(317,936)	37.9	(1,350,590)	(1,058,054)	27.6	(458,136)	(347,916)	31.7
Net fee and commission income	5,221,532	5,292,009	(1.3)	1,625,796	2,255,228	(27.9)	5,371,829	5,397,207	(0.5)	1,657,471	2,273,413	(27.1)
Net gains / (losses) from trading	2,248,765	2,916,877	(22.9)	479,294	1,228,323	(61.0)	2,273,813	2,906,890	(21.8)	474,312	1,262,179	(62.4)
Net gains / (losses) from financial instruments designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
Net gains / (losses) from financial investments	686,102	234,789	192.2	336,470	43,805	668.1	705,298	253,985	177.7	336,470	43,805	668.1
Other operating income	3,657,690	2,807,920	30.3	1,010,210	654,334	54.4	4,659,406	3,799,344	22.6	1,678,280	1,578,631	6.3
	6,592,557	5,959,586	10.6	1,825,974	1,926,462	(5.2)	7,638,517	6,960,219	9.7	2,489,062	2,884,615	(13.7)
Total operating income	54,921,658	49,627,964	10.7	18,169,022	17,534,422	3.6	58,408,370	52,625,371	11.0	19,707,665	19,163,346	2.8
Impairment (charge) / reversal for loans and other losses	(9,428,826)	(658,751)	1,331.3	(3,220,561)	(251,940)	1,178.3	(9,627,108)	(656,943)	1,365.4	(3,402,884)	(251,429)	1,253.4
Individual impairment	(4,982,212)	(1,392,422)	257.8	(2,018,741)	(1,952,544)	3.4	(5,018,854)	(1,389,406)	261.2	(2,045,070)	(1,914,371)	6.8
Collective impairment	(4,446,614)	733,671	(706.1)	(1,201,820)	1,700,604	(170.7)	(4,608,254)	732,463	(729.1)	(1,357,814)	1,662,942	(181.7)
Other losses	-	-	-	-	-	-	-	-	-	-	-	-
Net operating income	45,492,832	48,969,213	(7.1)	14,948,461	17,282,482	(13.5)	48,781,262	51,968,428	(6.1)	16,304,781	18,911,917	(13.8)
Operating expenses												
Personnel expenses	(13,047,556)	(12,708,506)	2.7	(4,281,850)	(3,893,658)	10.0	(14,401,698)	(13,827,908)	4.1	(4,737,536)	(4,246,489)	11.6
Depreciation and amortisation	(1,233,203)	(1,193,391)	3.3	(301,344)	(399,532)	(24.6)	(1,692,651)	(1,598,992)	5.9	(459,006)	(534,331)	(14.1)
Other expenses	(6,267,834)	(9,509,508)	(34.1)	(3,085,664)	(4,974,655)	(38.0)	(7,183,286)	(10,723,685)	(33.0)	(3,772,843)	(5,873,659)	(35.8)
Total operating expenses	(20,548,593)	(23,411,405)	(12.2)	(7,668,858)	(9,267,845)	(17.3)	(23,277,635)	(26,150,585)	(11.0)	(8,969,385)	(10,654,479)	(15.8)
Operating profit before Value Added Tax (VAT) and Nation Building Tax (NBT) on financial services	24,944,239	25,557,808	(2.4)	7,279,603	8,014,637	(9.2)	25,503,627	25,817,843	(1.2)	7,335,396	8,257,438	(11.2)
Value Added Tax (VAT) and Nation Building Tax (NBT) on financial services	(4,933,136)	(4,173,922)	18.2	(1,423,626)	(1,427,255)	(0.3)	(5,063,445)	(4,255,293)	19.0	(1,468,007)	(1,452,600)	1.1
Operating profit after Value Added Tax (VAT) and Nation Building Tax (NBT) on financial services	20,011,103	21,383,886	(6.4)	5,855,977	6,587,382	(11.1)	20,440,182	21,562,550	(5.2)	5,867,389	6,804,838	(13.8)
Share of profits / (losses) of Associate companies, net of tax	-	-	-	-	-	-	38,022	78,803	(51.8)	7,093	35,991	(80.3)
Profit before income tax	20,011,103	21,383,886	(6.4)	5,855,977	6,587,382	(11.1)	20,478,204	21,641,353	(5.4)	5,874,482	6,840,829	(14.1)
Income tax expense	(5,635,804)	(5,521,339)	2.1	(1,613,202)	(1,538,631)	4.8	(5,785,219)	(5,661,148)	2.2	(1,639,818)	(1,572,716)	4.3
Profit for the period	14,375,299	15,862,547	(9.4)	4,242,775	5,048,751	(16.0)	14,692,985	15,980,205	(8.1)	4,234,664	5,268,113	(19.6)
Profit attributable to:												
Equity holder of the Bank	14,375,299	15,862,547	(9.4)	4,242,775	5,048,751	(16.0)	14,684,642	15,993,882	(8.2)	4,273,782	5,241,673	(18.5)
Non controlling interest	-	-	-	-	-	-	8,343	(13,677)	(161.0)	(39,118)	26,440	(248.0)
Profit for the period	14,375,299	15,862,547	(9.4)	4,242,775	5,048,751	(16.0)	14,692,985	15,980,205	(8.1)	4,234,664	5,268,113	(19.6)
Earnings per share:												
Basic earnings per share (Rs.)	1,276.64	1,586.25	(19.5)	376.79	504.88	(25.4)	1,304.11	1,599.39	(18.5)	379.55	524.17	(27.6)
Diluted earnings per share (Rs.)	958.35	1,586.25	(39.6)	282.85	504.88	(44.0)	978.98	1,599.39	(38.8)	284.92	524.17	(45.6)

30 September	Bank						Group					
	For the nine months ended			For the quarter ended			For the nine months ended			For the quarter ended		
	2017	2016	Change %	2017	2016	Change %	2017	2016	Change %	2017	2016	Change %
Profit for the period	14,375,299	15,862,547	(9.4)	4,242,775	5,048,751	(16.0)	14,692,985	15,980,205	(8.1)	4,234,664	5,268,113	(19.6)
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	-	-	-	-	-	-	(2,281)	(816)	179.5	(938)	(392)	139.3
	-	-	-	-	-	-	(2,281)	(816)	179.5	(938)	(392)	139.3
Items that are or may be reclassified to profit or loss												
Exchange gains / (losses) arising from translating the financial statements of foreign operations	295,662	87,898	236.4	(37,679)	89,817	(142.0)	574,325	(234,038)	345.4	34,645	22,426	54.5
Gains / (Losses) on remeasuring available for sale financial investments	(468,769)	(533,974)	(12.2)	(422,873)	442,072	(195.7)	(494,984)	(326,059)	51.8	(450,025)	620,483	(172.5)
Deferred tax effect on above	(51,063)	(8,498)	500.9	(22,700)	(16,579)	36.9	(51,063)	(8,498)	500.9	(22,700)	(16,579)	36.9
Realized (gains) / losses on available for sale financial investments transferred to profit or loss	3,659	(15,525)	123.6	4,899	-	100.0	3,659	(15,525)	123.6	4,899	-	100.0
Share of other comprehensive income of Associate companies, net of tax	-	-	-	-	-	-	(4,280)	(181)	2,264.4	(4,603)	6,477	(171.1)
	(220,511)	(470,099)	(53.1)	(478,353)	515,310	(192.8)	27,657	(584,301)	(104.7)	(437,784)	632,807	(169.2)
Total other comprehensive income for the period, net of tax	(220,511)	(470,099)	(53.1)	(478,353)	515,310	(192.8)	25,376	(585,117)	(104.3)	(438,722)	632,415	(169.4)
Total comprehensive income for the period	14,154,788	15,392,448	(8.0)	3,764,422	5,564,061	(32.3)	14,718,361	15,395,088	(4.4)	3,795,942	5,900,528	(35.7)
Attributable to:												
Equity holder of the Bank	14,154,788	15,392,448	(8.0)	3,764,422	5,564,061	(32.3)	14,707,829	15,401,582	(4.5)	3,797,483	5,858,684	(35.2)
Non controlling interest	-	-	-	-	-	-	10,532	(6,494)	262.2	(1,541)	41,844	(103.7)
Total comprehensive income for the period	14,154,788	15,392,448	(8.0)	3,764,422	5,564,061	(32.3)	14,718,361	15,395,088	(4.4)	3,795,942	5,900,528	(35.7)

As at	Bank			Group		
	30-Sep-2017	31-Dec-2016 (Audited)	Change %	30-Sep-2017	31-Dec-2016 (Audited)	Change %
Assets						
Cash and cash equivalents	67,846,722	67,705,791	0.2	74,099,418	73,244,043	1.2
Balances with Central Banks	68,852,206	56,387,741	22.1	68,852,206	56,387,741	22.1
Placements with banks	12,183,368	11,674,664	4.4	10,065,995	12,931,605	(22.2)
Securities purchased under resale agreements	15,992,668	1,901,618	741.0	19,018,927	2,350,704	709.1
Derivative financial instruments	1,738,843	5,300,844	(67.2)	1,738,843	5,300,844	(67.2)
Financial instruments - Held for trading	9,963,046	8,474,041	17.6	10,192,016	8,804,647	15.8
Financial investments - Loans and receivables	209,734,404	191,874,638	9.3	210,619,943	191,984,082	9.7
Loans and advances to customers	1,114,793,598	1,000,082,574	11.5	1,146,539,690	1,027,768,110	11.6
Financial investments - Available for sale	23,209,105	10,463,046	121.8	26,707,427	16,263,641	64.2
Financial investments - Held to maturity	278,431,699	243,178,400	14.5	278,918,038	243,253,967	14.7
Investment in Subsidiary companies	6,213,048	6,213,048	-	-	-	-
Investment in Associate companies	92,988	92,988	-	441,111	420,669	4.9
Investment properties	2,989,025	3,000,000	(0.4)	124,500	127,670	(2.5)
Property, plant and equipment	16,650,460	15,482,163	7.5	30,110,507	29,200,036	3.1
Leasehold properties	99,139	101,839	(2.7)	132,437	136,155	(2.7)
Intangible assets	849,911	563,490	50.8	1,118,565	655,630	70.6
Deferred tax assets	-	-	-	8,368	5,456	53.4
Other assets	52,596,002	46,794,389	12.4	53,300,321	47,721,701	11.7
Total assets	1,882,236,232	1,669,291,274	12.8	1,931,988,312	1,716,556,701	12.6
Liabilities						
Due to banks	2,236,780	2,042,322	9.5	2,332,911	2,053,945	13.6
Securities sold under repurchase agreements	49,846,720	59,424,629	(16.1)	49,531,647	58,925,801	(15.9)
Derivative financial instruments	15,065	171,663	(91.2)	15,065	171,663	(91.2)
Due to customers	1,475,048,660	1,256,589,490	17.4	1,496,101,583	1,273,631,287	17.5
Other borrowings	185,752,303	195,469,853	(5.0)	191,963,860	204,485,301	(6.1)
Debt securities issued	2,384,970	3,427,058	(30.4)	8,766,799	8,360,333	4.9
Current tax liabilities	1,117,400	-	100.0	1,371,016	253,020	441.9
Deferred tax liabilities	1,513,985	1,439,285	5.2	4,080,696	4,078,734	0.0
Insurance provision - Life	-	-	-	531,664	514,675	3.3
Insurance provision - Non life	-	-	-	565,721	775,375	(27.0)
Other liabilities	17,560,449	19,231,833	(8.7)	19,241,502	21,656,513	(11.2)
Subordinated term debts	41,101,927	38,645,546	6.4	40,761,092	38,295,318	6.4
Total liabilities	1,776,578,259	1,576,441,679	12.7	1,815,263,556	1,613,201,965	12.5
Equity						
Share capital	15,000,000	15,000,000	-	15,000,000	15,000,000	-
Permanent reserve fund	7,996,000	7,996,000	-	7,996,000	7,996,000	-
Retained earnings	67,183,574	54,154,685	24.1	68,990,776	55,659,003	24.0
Other reserves	15,478,399	15,698,910	(1.4)	23,849,934	23,820,288	0.1
Total equity attributable to equity holder of the Bank	105,657,973	92,849,595	13.8	115,836,710	102,475,291	13.0
Non controlling interest	-	-	-	888,046	879,445	1.0
Total equity	105,657,973	92,849,595	13.8	116,724,756	103,354,736	12.9
Total liabilities and equity	1,882,236,232	1,669,291,274	12.8	1,931,988,312	1,716,556,701	12.6
Contingent liabilities and commitments	440,517,925	547,398,625	(19.5)	440,785,934	548,333,620	(19.6)

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 2016	10,000,000	-	5,209,955	5,537,359	1,043,642	8,607,654	51,086,010	81,484,620
Total comprehensive income for the period								
Profit for the period							15,862,547	15,862,547
Other comprehensive income, net of tax				(557,997)	87,898	-	-	(470,099)
Dividends for 2016							(6,846,410)	(6,846,410)
Balance as at 30 September 2016	10,000,000	-	5,209,955	4,979,362	1,131,540	8,607,654	60,102,147	90,030,658
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)
Transfers to share capital	5,000,000	(5,000,000)						-
Dividends for 2017							(1,346,410)	(1,346,410)
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

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 2016	10,000,000	-	5,209,955	6,539,515	1,956,800	14,469,008	53,888,295	1,010,640	93,074,213
Total comprehensive income for the period									
Profit for the period							15,993,882	(13,677)	15,980,205
Other comprehensive income, net of tax				(357,305)	(234,037)	-	(958)	7,183	(585,117)
Dividends for 2016							(6,846,410)		(6,846,410)
Subsidiary dividends to non controlling interest								(8,811)	(8,811)
Changes in non controlling interest								52,525	52,525
Balance as at 30 September 2016	10,000,000	-	5,209,955	6,182,210	1,722,763	14,469,008	63,034,809	1,047,860	101,666,605
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)
Transfers to share capital	5,000,000	(5,000,000)							-
Subsidiary dividends to non controlling interest								(1,931)	(1,931)
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

For the nine months ended 30 September	Bank		Group	
	2017	2016	2017	2016
Cash flows from operating activities				
Profit before income tax	20,011,103	21,383,886	20,478,204	21,641,353
Adjustments for :				
Net interest income	(43,107,569)	(38,376,369)	(45,398,024)	(40,267,945)
Dividend income on trading securities	(96,797)	(99,955)	(97,696)	(107,743)
Dividends from Subsidiaries and Associates	(62,581)	(239,113)	-	-
Share of profits / (losses) of Associate companies, net of tax	-	-	(38,022)	(78,803)
Change in operating assets	(144,789,989)	(82,680,974)	(149,361,288)	(81,361,539)
Change in operating liabilities	229,754,041	83,153,084	232,844,954	85,628,713
Other non cash items included in profit before tax	7,768,978	4,431,408	9,107,431	4,894,533
Other net gains from investing activities	(686,102)	(234,789)	(705,298)	(253,985)
	68,791,084	(12,662,822)	66,830,261	(9,905,416)
Contribution paid from defined benefit plans	(4,765,281)	(4,739,509)	(4,783,170)	(4,770,973)
Interest received	89,873,703	66,414,242	94,046,602	70,786,449
Interest paid	(57,692,810)	(42,704,949)	(59,169,385)	(43,031,729)
Dividends received	96,797	99,955	97,696	107,743
Net cash from operating activities before income tax	96,303,493	6,406,917	97,022,004	13,186,074
Income tax paid	(1,962,298)	(4,130,262)	(2,246,488)	(4,266,759)
Net cash from/(used in) operating activities	94,341,195	2,276,655	94,775,516	8,919,315
Cash flows from investing activities				
Net (increase)/ decrease in financial investments - Held to maturity	(38,932,008)	(1,396,601)	(39,342,780)	(1,396,874)
Net (increase)/ decrease in financial investments - Available for sale	(12,940,456)	1,106,393	(10,664,396)	(370,132)
Net increase in financial investments - Loans and receivables	(17,859,765)	7,922,839	(18,635,860)	8,263,450
Purchase of property plant and equipment and leasehold properties	(3,390,190)	(1,118,299)	(3,494,776)	(1,476,475)
Purchase of intangible assets	(508,278)	(62,638)	(721,880)	(236,292)
Dividends received	477,968	371,063	434,583	151,146
Interest received	33,435,069	31,290,368	35,836,020	31,423,756
Net cash from/(used in) investing activities	(39,717,660)	38,113,125	(36,589,089)	36,358,579
Cash flows from financing activities				
Net decrease in other borrowings	(38,681,678)	(37,277,099)	(41,290,844)	(34,944,544)
Proceeds from issue of debentures	-	-	2,000,000	-
Dividends paid to Government of Sri Lanka	(1,346,410)	(6,846,410)	(1,346,410)	(6,846,410)
Dividends paid to non controlling interest	-	-	(1,931)	(8,811)
Interest payments on borrowings and debt securities	(14,121,263)	(11,981,653)	(16,443,121)	(13,338,140)
Net cash used in financing activities	(54,149,351)	(56,105,162)	(57,082,306)	(55,137,905)
Net increase/(decrease) in cash and cash equivalents during the period	474,184	(15,715,382)	1,104,121	(9,860,011)
Cash and cash equivalents at the beginning of the period	66,898,438	78,529,331	72,425,066	82,333,074
Cash and cash equivalents at the end of the period	67,372,622	62,813,949	73,529,187	72,473,063
Analysis of cash and cash equivalents				
Cash and cash equivalents	67,846,722	63,061,066	74,099,418	72,760,711
Bank overdrafts	(474,100)	(247,117)	(570,231)	(287,648)
Cash and cash equivalents at the end of the period	67,372,622	62,813,949	73,529,187	72,473,063

SELECTED PERFORMANCE INDICATORS
6

As at	Bank		Group	
	30-Sep-2017	31-Dec-2016 (Audited)	30-Sep-2017	31-Dec-2016 (Audited)
Net assets value per share (Rs)	7,043.86	9,284.96	7,722.45	10,247.53
Profitability				
Interest margin	3.24%	3.33%	3.32%	3.40%
Return on assets (before tax)	1.50%	1.93%	1.50%	1.81%
Return on equity (after tax)	19.31%	28.44%	17.80%	23.81%
Assets Quality				
Gross non - performing advances ratio, (Net of interest in suspense)	3.30%	2.88%		
Net non - performing advances ratio, (Net of interest in suspense and provisions)	0.53%	0.41%		
Investor Information				
Debt equity (%)	46.01	124.45		
Interest cover (times)	2.24	2.29		
Memorandum Information				
Number of employees	7,345	7,569		
Number of branches	580	580		

KEY REGULATORY RATIOS - CAPITAL AND LIQUIDITY

As at	Bank		Group	
	30-Sep-2017	31-Dec-2016 * (Audited)	30-Sep-2017	31-Dec-2016 * (Audited)
Regulatory Capital (Rs. ' 000)				
Common equity Tier 1	75,993,273	N/A	82,138,046	N/A
Tier I capital	75,993,273	74,127,765	82,138,046	79,147,830
Total capital	106,599,348	104,857,684	112,971,157	112,057,119
Regulatory Capital Ratios (%)				
Common equity Tier 1 capital ratio (Minimum requirement, Basel III - 6.25%)	8.63%	N/A	8.87%	N/A
Tier I capital ratio (Minimum requirement, Basel II - 5% , Basel III - 7.75%)	8.63%	8.72%	8.87%	8.81%
Total capital ratio (Minimum requirement, Basel II - 10%, Basel III - 11.75%)	12.11%	12.34%	12.20%	12.47%
Regulatory Liquidity				
Statutory liquid assets,				
- Domestic banking unit (Rs. ' 000)	446,495,507	307,549,720		
- Off-shore banking unit (US\$ 000)	890,672	997,347		
Statutory liquid assets ratio, (minimum requirement, 20%)				
- Domestic banking unit	26.02%	21.62%		
- Off-shore banking unit	22.29%	28.08%		
Liquidity coverage ratio - Rupee (Minimum requirement, 80%)	152.26%	174.10%		
Liquidity coverage ratio - All currency (Minimum requirement, 80%)	108.66%	101.99%		

N/A - Not Applicable

* As per Basel II Guidelines issued by Central Bank of Sri Lanka

SHARE INFORMATION

Shareholder	30-Sep-2017		31-Dec-2016	
	No of Ordinary	Holding %	No of Ordinary	Holding %
Government of Sri Lanka	15,000,000	100	15,000,000 *	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 2016. 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 2016.
3. 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.
4. During the period there were no material changes in the composition of assets, liabilities and contingent liabilities.
5. All known expenses have been charged in these financial statements.
6. 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 2017 and its profit for the nine months ended 30 September 2017.

Sgd.
W P Russel Fonseka
Chief Financial Officer

We, the undersigned, being the Chairman, Director 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.
Samantha Rajapaksa
Director
(Independent Non-Executive)

Sgd.
D M Gunasekara
General Manager

15 November 2017

Colombo

As at 30 September		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				67,846,722			67,846,722
Balances with Central Banks				68,852,206			68,852,206
Placements with banks				12,183,368			12,183,368
Securities purchased under resale agreements				15,992,668			15,992,668
Derivative financial instruments	1,738,843						1,738,843
Loans and advances to customers				1,114,793,598			1,114,793,598
Financial investments	9,963,046	-	278,431,699	209,734,404	23,209,105		521,338,254
Total financial assets	11,701,889	-	278,431,699	1,489,402,966	23,209,105	-	1,802,745,659
Other assets						79,490,573	79,490,573
Total assets	11,701,889	-	278,431,699	1,489,402,966	23,209,105	79,490,573	1,882,236,232

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		2,236,780		2,236,780
Securities sold under repurchase agreements		49,846,720		49,846,720
Derivative financial instruments	15,065			15,065
Other financial liabilities held for trading				-
Due to customers		1,475,048,660		1,475,048,660
Other borrowings		185,752,303		185,752,303
Debt securities issued		2,384,970		2,384,970
Subordinated term debts		41,101,927		41,101,927
Total financial liabilities	15,065	1,756,371,360	-	1,756,386,425
Other liabilities			20,191,834	20,191,834
Total liabilities	15,065	1,756,371,360	20,191,834	1,776,578,259

As at 31 December		2016					
	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				67,705,791			67,705,791
Balances with Central Banks				56,387,741			56,387,741
Placements with banks				11,674,664			11,674,664
Securities purchased under resale agreements				1,901,618			1,901,618
Derivative financial instruments	5,300,844						5,300,844
Loans and advances to customers				1,000,082,574			1,000,082,574
Financial investments	8,474,041	-	243,178,400	191,874,638	10,463,046		453,990,125
Total financial assets	13,774,885	-	243,178,400	1,329,627,026	10,463,046	-	1,597,043,357
Other assets						72,247,917	72,247,917
Total assets	13,774,885	-	243,178,400	1,329,627,026	10,463,046	72,247,917	1,669,291,274

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		2,042,322		2,042,322
Securities sold under repurchase agreements		59,424,629		59,424,629
Derivative financial instruments	171,663			171,663
Other financial liabilities held for trading				-
Due to customers		1,256,589,490		1,256,589,490
Other borrowings		195,469,853		195,469,853
Debt securities issued		3,427,058		3,427,058
Subordinated term debts		38,645,546		38,645,546
Total financial liabilities	171,663	1,555,598,898	-	1,555,770,561
Other liabilities			20,671,118	20,671,118
Total liabilities	171,663	1,555,598,898	20,671,118	1,576,441,679

As at 30 September		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				74,099,418			74,099,418
Balances with Central Banks				68,852,206			68,852,206
Placements with banks				10,065,995			10,065,995
Securities purchased under resale agreements				19,018,927			19,018,927
Derivative financial instruments	1,738,843						1,738,843
Loans and advances to customers				1,146,539,690			1,146,539,690
Financial investments	10,192,016	-	278,918,038	210,619,943	26,707,427		526,437,424
Total financial assets	11,930,859	-	278,918,038	1,529,196,179	26,707,427	-	1,846,752,503
Other assets						85,235,809	85,235,809
Total assets	11,930,859	-	278,918,038	1,529,196,179	26,707,427	85,235,809	1,931,988,312

	Held for trading	Amortised cost	Others	Total
Financial liabilities				
Due to banks		2,332,911		2,332,911
Securities sold under repurchase agreements		49,531,647		49,531,647
Derivative financial instruments	15,065			15,065
Other financial liabilities held for trading				-
Due to customers		1,496,101,583		1,496,101,583
Other borrowings		191,963,860		191,963,860
Debt securities issued		8,766,799		8,766,799
Subordinated term debts		40,761,092		40,761,092
Total financial liabilities	15,065	1,789,457,892	-	1,789,472,957
Other liabilities			25,790,599	25,790,599
Total liabilities	15,065	1,789,457,892	25,790,599	1,815,263,556

As at 31 December		2016					
	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				73,244,043			73,244,043
Balances with Central Banks				56,387,741			56,387,741
Placements with banks				12,931,605			12,931,605
Securities purchased under resale agreements				2,350,704			2,350,704
Derivative financial instruments	5,300,844						5,300,844
Loans and advances to customers				1,027,768,110			1,027,768,110
Financial investments	8,804,647	-	243,253,967	191,984,082	16,263,641		460,306,337
Total financial assets	14,105,491	-	243,253,967	1,364,666,285	16,263,641	-	1,638,289,384
Other assets						78,267,317	78,267,317
Total assets	14,105,491	-	243,253,967	1,364,666,285	16,263,641	78,267,317	1,716,556,701

	Held for trading	Amortised cost	Others	Total
Financial liabilities				
Due to banks		2,053,945		2,053,945
Securities sold under repurchase agreements		58,925,801		58,925,801
Derivative financial instruments	171,663			171,663
Other financial liabilities held for trading				-
Due to customers		1,273,631,287		1,273,631,287
Other borrowings		204,485,301		204,485,301
Debt securities issued		8,360,333		8,360,333
Subordinated term debts		38,295,318		38,295,318
Total financial liabilities	171,663	1,585,751,985	-	1,585,923,648
Other liabilities			27,278,317	27,278,317
Total liabilities	171,663	1,585,751,985	27,278,317	1,613,201,965

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount	
					30.09.2017	31.12.2016		Bank	
					%	%		30.09.2017	31.12.2016
								Rs '000	Rs '000
Fixed interest rate									
Unsecured, subordinated, redeemable debentures	a	Annually	30.11.2012	29.11.2017	16.00	16.00	8.49	6,744,543	6,034,052
Unsecured, subordinated, redeemable debentures	a	Semi annually	30.11.2012	29.11.2017	15.25	15.25	8.49	41,693	40,189
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2018	13.00	13.00	9.17	4,241,314	3,869,827
Unsecured, subordinated, redeemable debentures	a	Semi annually	25.10.2013	24.10.2018	12.60	12.60	9.17	227,205	220,369
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2021	13.25	13.25	9.90	1,346,572	1,226,594
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2022	13.25	13.25	10.02	1,347,695	1,227,617
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2023	13.75	13.75	10.05	1,804,327	1,638,142
Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2019	8.00	8.00	9.40	5,135,209	5,234,969
Unsecured, subordinated, redeemable debentures	a	Quarterly	22.09.2014	21.09.2019	7.75	7.75	9.40	216,182	216,182
Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2022	8.25	8.25	10.03	1,837,023	1,873,793
Unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2020	8.25	8.25	9.62	312,001	293,991
Unsecured, subordinated, redeemable debentures	a	Quarterly	06.10.2015	05.10.2020	8.00	8.00	9.62	12,449	12,449
Unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2023	9.50	9.50	10.05	1,290,496	1,205,580
Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2021	13.25	13.25	9.87	8,784,246	8,003,632
Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2024	12.75	12.75	10.12	858	784
Unsecured, redeemable debentures		Semi annually	18.06.2012	17.06.2017	-	14.75	-	-	1,286,404
Unsecured, redeemable debentures		Annually	07.12.2012	06.12.2017	15.50	15.50	8.49	2,384,970	2,140,654
								35,726,783	34,525,228
Floating interest rate									
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	30.11.2012	29.11.2017	12.81	12.04	8.49	438	424
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 100 basis points)	a/b	Semi annually	25.10.2013	24.10.2018	12.99	11.51	9.17	211	204
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 100 basis points)	a/b	Semi annually	25.10.2013	24.10.2021	12.99	11.51	9.90	1,056	1,021
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 50 basis points)	a/b	Semi annually	22.09.2014	21.09.2019	10.43	11.29	9.40	827,098	850,291
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 50 basis points)	a/b	Semi annually	22.09.2014	21.09.2022	10.43	11.29	10.03	31	31
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	06.10.2015	05.10.2020	13.05	11.68	9.62	4,760,924	4,598,903
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	06.10.2015	05.10.2023	13.05	11.68	10.05	2,169,285	2,095,461
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	29.12.2016	28.12.2021	12.68	11.95	9.87	1,052	1,021
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	29.12.2016	28.12.2024	12.68	11.95	10.12	20	20
								7,760,115	7,547,376
								43,486,898	42,072,604

Notes

- a) Debentures that are listed in the Colombo Stock Exchange. Some of these have been traded in the Colombo Stock Exchange during the period ended 30 September 2017.
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. 96.00, Last Transaction Price - Rs. 96.00)
- 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.

	01-Jan-2017 to 30-Sep-2017 Rs.	01-Jan-2016 to 31-Dec-2016 Rs.
Market Value		
BoC Debentures 2012/2017 , Unsecured, subordinated, redeemable, 5 years, fixed rate (16.0%)		
Highest , Lowest and Last transaction	Not Traded	102.65
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	101.50	Not Traded
Lowest	100.82	Not Traded
Last transaction	101.50	Not Traded
BoC Debentures 2014/2022 , Unsecured, subordinated, redeemable, 5 years, fixed rate (8.0%)		
Highest	Not Traded	96.87
Lowest	Not Traded	96.87
Last transaction	Not Traded	96.87
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	98.00	95.00
Lowest	96.00	95.00
Last transaction	96.00	95.00
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-2017 %	31-Dec-2016 %
Interest yield as at date of last trade done		
BoC Debentures 2012/2017 ,		
5 years, fixed rate (16.0%)	Not Traded	13.94
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%)	13.34	Not Traded
BoC Debentures 2014/2022 ,		
5 years, fixed rate (8.0%)	Not Traded	9.06
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)	14.67	13.39
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	15.59
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%)	13.55	Not Traded
BoC Debentures 2014/2022 ,		
5 years, fixed rate (8.0%)	Not Traded	8.26
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)	13.59	12.29
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-2017	31-Dec-2016 (Audited)	30-Sep-2017	31-Dec-2016 (Audited)
1) Loans and advances to customers				
Gross loans and advances	1,171,474,055	1,047,189,690	1,204,489,591	1,075,952,154
Less : Individual impairment	24,478,417	19,375,172	24,932,808	19,776,777
Collective impairment	32,202,040	27,731,944	33,017,093	28,407,267
Net loans and advances including those designated at fair value through profit or loss	1,114,793,598	1,000,082,574	1,146,539,690	1,027,768,110
Less : Loans and advances designated at fair value through profit or loss	-	-	-	-
Net loans and advances	1,114,793,598	1,000,082,574	1,146,539,690	1,027,768,110
2) Loans and advances to customers - By product				
Local currency				
Overdrafts	148,356,834	157,764,525	148,316,466	157,732,793
Term loans	324,300,040	220,511,465	328,944,746	224,572,914
Lease rentals receivable	47,055,577	47,111,702	63,143,455	62,422,939
Credit cards	3,344,663	3,370,916	3,344,663	3,370,916
Pawning	49,970,238	47,191,558	50,707,962	47,691,413
Loans under schemes	82,078,993	80,127,478	83,269,833	81,120,650
Housing loans	53,724,222	48,851,923	53,833,966	48,888,959
Trade finance	37,711,286	38,183,554	38,724,814	39,179,748
Personal loans	171,373,005	160,170,812	177,801,881	164,852,154
Staff loans	17,177,420	15,803,961	17,441,489	16,017,452
Foreclosed properties	1,018,774	547,785	1,018,774	547,785
Other loans	8,218,726	9,986,889	8,218,726	9,986,891
Total local currency loans and advances	944,329,778	829,622,568	974,766,775	856,384,614
Foreign currency				
Overdrafts	10,792,836	13,753,894	10,974,081	13,926,430
Term loans	181,664,358	170,726,008	184,056,467	172,551,191
Trade finance	32,073,472	29,854,206	32,073,472	29,854,206
Lease rentals receivable	286,842	363,587	286,842	363,587
Loans under schemes	849,949	1,017,341	849,949	1,017,341
Staff loans	20,004	9,161	25,189	11,860
Foreclosed properties	524,329	513,033	524,329	513,033
Other loans	932,487	1,329,892	932,487	1,329,892
Total foreign currency loans and advances	227,144,277	217,567,122	229,722,816	219,567,540
Total loans and advances to customers	1,171,474,055	1,047,189,690	1,204,489,591	1,075,952,154
3) Movement in individual and collective impairment during the period for loans and advances to customers				
Individual impairment				
Opening balance (01 January)	19,375,172	12,629,562	19,776,777	13,396,778
Charge during the period	7,007,228	9,209,538	7,043,870	9,289,236
Amount recovered / reversed during the period	(2,025,016)	(2,523,858)	(2,025,016)	(2,523,858)
Exchange rate variance on foreign currency impairment	121,033	172,083	121,033	172,083
Amount written-off during the period	-	(15,452)	10,738	(460,761)
Other movements	-	(96,701)	5,406	(96,701)
Closing balance	24,478,417	19,375,172	24,932,808	19,776,777
Collective impairment				
Opening balance (01 January)	27,731,944	29,897,086	28,407,267	30,637,409
Charge / (Reversal) during the period	4,446,614	(2,288,919)	4,608,254	(2,344,378)
Exchange rate variance on foreign currency impairment	16,888	13,106	16,888	13,106
Amount written-off during the period	(15,316)	(15,492)	(15,316)	(15,492)
Other movements	21,910	126,163	-	116,622
Closing balance	32,202,040	27,731,944	33,017,093	28,407,267
Total impairment	56,680,457	47,107,116	57,949,901	48,184,044
DUE TO OTHER CUSTOMERS				
4) Due to other customers - By product				
Local currency				
Demand deposits (current accounts)	93,838,783	110,289,302	93,584,120	110,085,641
Savings deposits	337,795,340	321,546,458	338,596,085	322,247,426
Time deposits	723,164,511	509,934,665	720,613,509	525,473,967
Other deposits	2,301,914	3,172,486	24,253,827	3,172,486
Total local currency deposits	1,157,100,548	944,942,911	1,177,047,541	960,979,520
Foreign currency				
Demand deposits (current accounts)	20,840,338	33,967,358	21,541,239	34,548,616
Savings deposits	87,079,107	77,935,473	87,392,001	78,259,071
Time deposits	209,056,992	198,582,914	209,149,127	198,683,246
Other deposits	971,675	1,160,834	971,675	1,160,834
Total foreign currency deposits	317,948,112	311,646,579	319,054,042	312,651,767
Total	1,475,048,660	1,256,589,490	1,496,101,583	1,273,631,287

For the nine months ended 30 September	Retail banking		Corporate banking		International, treasury and investment		Group functions		Unallocated		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Revenue from external customers:												
Net interest income	22,611,354	18,218,203	11,761,982	8,778,166	11,380,752	12,590,833	2,282,147	1,889,788	(2,638,211)	(1,209,045)	45,398,024	40,267,945
Net fee and commission income	2,457,046	2,342,460	1,732,008	1,856,174	603,578	633,909	150,297	105,198	428,900	459,466	5,371,829	5,397,207
Other income	2,559,003	1,916,716	103,741	81,119	2,984,844	3,120,955	1,890,107	1,749,132	100,822	92,297	7,638,517	6,960,219
Total operating income	27,627,403	22,477,379	13,597,731	10,715,459	14,969,174	16,345,697	4,322,551	3,744,118	(2,108,489)	(657,282)	58,408,370	52,625,371
Expenses :												
Impairment (charge)/ reversal for loans and other losses	(3,846,022)	855,846	(5,569,995)	(1,540,215)	-	-	(198,282)	1,808	(12,809)	25,618	(9,627,108)	(656,943)
Total operating expenses	(13,233,341)	(12,770,963)	(3,297,709)	(4,429,403)	(3,626,428)	(5,349,942)	(3,231,791)	(2,928,357)	111,634	(671,920)	(23,277,635)	(26,150,585)
Total expenses	(17,079,363)	(11,915,117)	(8,867,704)	(5,969,618)	(3,626,428)	(5,349,942)	(3,430,073)	(2,926,549)	98,825	(646,302)	(32,904,743)	(26,807,528)
Operating profit before VAT and NBT	10,548,040	10,562,262	4,730,027	4,745,841	11,342,746	10,995,755	892,478	817,569	(2,009,664)	(1,303,584)	25,503,627	25,817,843
VAT and NBT on financial services											(5,063,445)	(4,255,293)
Operating profit after VAT and NBT											20,440,182	21,562,550
Share of profits/ (losses) of Associate companies, net of tax							38,022	78,803			38,022	78,803
Profit before income tax	10,548,040	10,562,262	4,730,027	4,745,841	11,342,746	10,995,755	930,500	896,372	(2,009,664)	(1,303,584)	20,478,204	21,641,353
Income tax expense											(5,785,219)	(5,661,148)
Profit for the period											14,692,985	15,980,205
Total assets	618,013,247	539,607,915	589,851,728	434,877,047	591,399,192	551,333,497	73,357,441	77,694,491	59,366,704	67,530,756	1,931,988,312	1,671,043,706
Total liabilities	583,321,519	509,688,425	556,740,827	410,764,540	558,201,425	520,763,861	61,527,104	65,314,475	55,472,681	62,845,800	1,815,263,556	1,569,377,101
Cash flows from operating activities	30,317,225	2,880,196	28,935,735	2,321,187	29,011,647	2,942,782	3,598,619	414,700	2,912,290	360,449	94,775,516	8,919,314
Cash flows from / (used in) investing activities	(11,704,285)	11,740,792	(11,170,946)	9,462,057	(11,200,253)	11,995,918	(1,389,285)	1,690,477	(1,124,320)	1,469,335	(36,589,089)	36,358,579
Cash flows from/ (used in) financing activities	(18,342,977)	(17,907,201)	(17,507,127)	(14,431,647)	(17,553,057)	(18,296,322)	(1,934,765)	(2,294,737)	(1,744,380)	(2,207,998)	(57,082,306)	(55,137,905)
Capital expenditure to non-current assets											4,216,656	1,712,767
Depreciation and amortisation expenses	404,910	396,594	386,459	319,621	387,473	405,212	202,841	180,975	310,968	296,590	1,692,651	1,598,992

During the period from 01.01.2015 to 30.09.2017

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.							