



INTERIM FINANCIAL STATEMENTS
for the three months ended
31 March 2016
(Un-audited)

Bank of Ceylon

STATEMENT OF PROFIT OR LOSS

1
Rs. 000

For the three months ended 31 March	Bank			Group		
	2016	2015	Change %	2016	2015	Change %
Total income	34,327,561	30,688,536	11.9	35,671,152	31,998,494	11.5
Interest income	31,182,966	26,759,854	16.5	32,339,586	27,797,882	16.3
Interest expenses	(18,444,409)	(15,714,157)	17.4	(18,969,848)	(16,202,262)	17.1
Net interest income	12,738,557	11,045,697	15.3	13,369,738	11,595,620	15.3
Fee and commission income	2,080,856	2,324,747	(10.5)	2,230,015	2,580,079	(13.6)
Fee and commission expenses	(332,568)	(264,663)	25.7	(363,324)	(287,736)	26.3
Net fee and commission income	1,748,288	2,060,084	(15.1)	1,866,691	2,292,343	(18.6)
Net gains / (losses) from trading	326,922	556,794	(41.3)	243,698	504,971	(51.7)
Net gains / (losses) from financial investments	106,238	69,819	52.2	106,238	69,819	52.2
Net gains / (losses) from financial instruments designated at fair value through profit or	-	-	-	-	-	-
Other operating income	630,579	977,322	(35.5)	751,615	1,045,743	(28.1)
	1,063,739	1,603,935	(33.7)	1,101,551	1,620,533	(32.0)
Total operating income	15,550,584	14,709,716	5.7	16,337,980	15,508,496	5.3
Impairment (charge) / reversal for loans and other losses	(572,074)	(3,921,254)	(85.4)	(586,442)	(4,160,343)	(85.9)
Individual impairment	116,181	(498,417)	(123.3)	90,100	(509,540)	(117.7)
Collective impairment	(688,255)	(3,422,837)	(79.9)	(676,542)	(3,650,803)	(81.5)
Other losses	-	-	-	-	-	-
Net operating income	14,978,510	10,788,462	38.8	15,751,538	11,348,153	38.8
Operating expenses						
Personnel expenses	(4,123,303)	(3,562,039)	15.8	(4,496,957)	(3,939,376)	14.2
Depreciation and amortization	(396,923)	(329,421)	20.5	(531,841)	(464,151)	14.6
Other expensess	(1,343,605)	(1,746,909)	(23.1)	(1,589,720)	(1,941,603)	(18.1)
Total operating expenses	(5,863,831)	(5,638,369)	4.0	(6,618,518)	(6,345,130)	4.3
Operating profit before Value Added Tax (VAT) and Nation Building Tax (NBT)	9,114,679	5,150,093	77.0	9,133,020	5,003,023	82.6
Value Added Tax (VAT) and Nation Building Tax (NBT) on financial services	(1,268,117)	(794,085)	59.7	(1,287,897)	(797,095)	61.6
Operating profit after Value Added Tax (VAT) and Nation Building Tax (NBT)	7,846,562	4,356,008	80.1	7,845,123	4,205,928	86.5
Share of profit / (loss) of Associate companies before tax	-	-	-	1,450	56,732	(97.4)
Profit before income tax	7,846,562	4,356,008	80.1	7,846,573	4,262,660	84.1
Income tax expense	(2,034,895)	(1,381,610)	47.3	(2,066,432)	(1,417,124)	45.8
Profit for the period	5,811,667	2,974,398	95.4	5,780,141	2,845,536	103.1
Profit attributable to:						
Equity holder of the Bank	5,811,667	2,974,398	95.4	5,836,076	2,879,218	102.7
Non controlling interest	-	-	-	(55,935)	(33,682)	(66.1)
	5,811,667	2,974,398	95.4	5,780,141	2,845,536	103.1
Earnings per share:						
Basic earnings per share (Rs.)	2,324.67	2,379.52	(2.3)	2,334.43	2,303.37	1.3
Diluted earnings per share (Rs.)	2,324.67	1,189.76	95.4	2,334.43	1,151.69	102.7

For the three months ended 31 March	Bank			Group		
	2016	2015	Change %	2016	2015	Change %
Profit for the period	5,811,667	2,974,398	95.4	5,780,141	2,845,536	103.1
Items that will not be reclassified to profit or loss						
Actuarial gains / (losses) on defined benefit plans	-	-	-	215	131	64.1
	-	-	-	215	131	64.1
Items that are or may be reclassified to profit or loss						
Exchange differences on translation of foreign operations	(23,423)	95,226	(124.6)	(121,513)	(19,174)	533.7
Net gains /(losses) on re measuring available for sale financial investments	(1,039,795)	(471,073)	120.7	(1,276,709)	(666,759)	91.5
Realized gains on available for sale financial investments transferred to profit or loss	(15,497)	(3,772)	310.8	(15,497)	(3,772)	310.8
Deffered tax effects on available for sale financial investments	3,305	-	100.0	3,305	-	100.0
Share of other comprehensive income of Associate Companies	-	-	-	(9,529)	(3,195)	198.3
	(1,075,410)	(379,619)	183.3	(1,419,943)	(692,900)	104.9
Other comprehensive income for the period, net of tax	(1,075,410)	(379,619)	183.3	(1,419,728)	(692,769)	104.9
Total comprehensive income for the period	4,736,257	2,594,779	82.5	4,360,413	2,152,767	102.5
Attributable to:						
Equity holder of the Bank	4,736,257	2,594,779	82.5	4,435,816	2,199,806	101.6
Non controlling interest	-	-	-	(75,403)	(47,039)	(60.3)
	4,736,257	2,594,779	82.5	4,360,413	2,152,767	102.5

As at	Bank			Group		
	31-Mar-2016	31-Dec-2015 (Audited)	Change %	31-Mar-2016	31-Dec-2015 (Audited)	Change %
Assets						
Cash and cash equivalents	68,015,175	79,916,559	(14.9)	71,234,391	83,722,721	(14.9)
Balances with Central Banks	50,723,668	38,939,790	30.3	50,723,668	38,939,790	30.3
Placements with banks	13,590,749	27,975,582	(51.4)	13,970,746	28,355,579	(50.7)
Derivative financial instruments	7,307,458	7,419,288	(1.5)	7,307,458	7,419,288	(1.5)
Securities purchased under resale agreements	3,027,755	12,299,088	(75.4)	4,073,091	13,678,789	(70.2)
Financial assets - Held for trading	7,140,389	12,173,304	(41.3)	7,599,461	12,726,045	(40.3)
Financial investments - Loans and receivables	251,087,760	232,561,268	8.0	251,546,312	233,003,742	8.0
Loans and advances to customers	869,096,096	826,789,630	5.1	894,477,159	851,905,227	5.0
Financial investments - Available for sale	10,182,031	12,021,569	(15.3)	14,902,271	16,266,652	(8.4)
Financial investments - Held to maturity	247,811,185	246,288,625	0.6	247,873,681	246,349,511	0.6
Investment in Subsidiary companies	6,213,048	6,213,048	-	-	-	-
Investment in Associate companies	842,988	842,988	-	1,900,340	1,912,317	(0.6)
Investment properties	-	-	-	145,081	145,840	(0.5)
Property, plant and equipment	16,271,516	16,325,758	(0.3)	26,274,884	26,441,803	(0.6)
Leasehold properties	106,867	104,653	2.1	142,202	140,330	1.3
Intangible assets	359,631	373,315	(3.7)	469,172	503,958	(6.9)
Deferred tax assets	-	-	-	6,438	10,142	(36.5)
Other assets	45,799,834	48,044,235	(4.7)	46,888,918	48,677,586	(3.7)
Total assets	1,597,576,150	1,568,288,700	1.9	1,639,535,273	1,610,199,320	1.8
Liabilities						
Due to banks	1,402,386	2,630,408	(46.7)	1,433,218	2,632,827	(45.6)
Derivative financial instruments	86,521	156,302	(44.6)	86,521	156,302	(44.6)
Due to customers	1,100,833,117	1,082,337,118	1.7	1,117,728,313	1,097,950,702	1.8
Other borrowings	343,402,880	337,442,256	1.8	347,064,697	342,009,044	1.5
Debt securities issued	3,552,174	3,427,058	3.7	8,708,346	8,703,747	0.1
Current tax liabilities	522,005	2,080,849	-	664,986	2,284,079	(70.9)
Deferred tax liabilities	1,478,468	1,516,995	(2.5)	3,889,877	3,948,551	(1.5)
Insurance provision - Life	-	-	-	473,788	444,257	6.6
Insurance provision - Non life	-	-	-	601,996	517,659	16.3
Other liabilities	23,609,714	21,585,644	9.4	25,258,374	23,187,932	8.9
Subordinated term debts	36,641,213	35,627,450	2.8	36,311,211	35,290,007	2.9
Total liabilities	1,511,528,478	1,486,804,080	1.7	1,542,221,327	1,517,125,107	1.7
Equity						
Share capital	10,000,000	10,000,000	-	10,000,000	10,000,000	-
Permanent reserve fund	5,209,955	5,209,955	-	5,209,955	5,209,955	-
Retained earnings	56,724,472	51,086,010	11.0	59,541,865	53,888,295	10.5
Other reserves	14,113,245	15,188,655	(7.1)	21,574,364	22,965,323	(6.1)
Total equity attributable to the Bank	86,047,672	81,484,620	5.6	96,326,184	92,063,573	4.6
Non controlling interest	-	-	-	987,762	1,010,640	(2.3)
Total equity	86,047,672	81,484,620	5.6	97,313,946	93,074,213	4.6
Total liabilities and equity	1,597,576,150	1,568,288,700	1.9	1,639,535,273	1,610,199,320	1.8
Contingent liabilities and commitments	762,476,500	806,969,885	(5.5)	763,070,120	808,050,929	(5.6)

STATEMENT OF CHANGES IN EQUITY- BANK

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Rs. 000

	Share capital		Permanent reserve fund	Other reserves			Retained earnings	Total Equity
	Share capital	Capital pending		Available for sale reserve	Other reserves	Revaluation reserve		
Balance as at 01 January 2015	5,000,000	5,000,000	3,809,955	6,963,665	584,081	8,587,167	44,861,045	74,805,913
Total comprehensive income for the period								
Profit for the period							2,974,398	2,974,398
Other comprehensive income, net of tax				(474,845)	95,226	-	-	(379,619)
Dividends for 2015							(173,205)	(173,205)
Balance as at 31 March 2015	5,000,000	5,000,000	3,809,955	6,488,820	679,307	8,587,167	47,662,238	77,227,487
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							5,811,667	5,811,667
Other comprehensive income, net of tax				(1,051,987)	(23,423)	-	-	(1,075,410)
Dividends for 2016							(173,205)	(173,205)
Balance as at 31 March 2016	10,000,000	-	5,209,955	4,485,372	1,020,219	8,607,654	56,724,472	86,047,672

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		Available for sale reserve	Other reserves	Revaluation reserve			
Balance as at 01 January 2015	5,000,000	5,000,000	3,809,955	7,762,004	1,352,418	13,807,627	47,661,936	1,186,781	85,580,721
Total comprehensive income for the period									
Profit for the period							2,879,218	(33,682)	2,845,536
Other comprehensive income, net of tax				(657,187)	(19,174)		(3,051)	(13,357)	(692,769)
Dividends for 2015							(173,205)		(173,205)
Acquisition and changes in non controlling interest				(4,305)	41,106		65,655	(100,239)	2,217
Balance as at 31 March 2015	5,000,000	5,000,000	3,809,955	7,100,512	1,374,350	13,807,627	50,430,553	1,039,503	87,562,500
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							5,836,076	(55,935)	5,780,141
Other comprehensive income, net of tax				(1,269,446)	(121,513)	-	(9,301)	(19,468)	(1,419,728)
Dividends for 2016							(173,205)		(173,205)
Changes in non controlling interest								52,525	52,525
Balance as at 31 March 2016	10,000,000	-	5,209,955	5,270,069	1,835,287	14,469,008	59,541,865	987,762	97,313,946

For the period ended 31 March	Bank		Group	
	2016	2015	2016	2015
Cash flows from operating activities				
Profit before income tax	7,846,562	4,356,008	7,846,573	4,262,660
Adjustments for :				
Net interest income	(12,738,557)	(11,045,697)	(13,369,738)	(11,595,620)
Dividend income on trading securities	(15,607)	(20,541)	(18,550)	(21,450)
Dividends from Subsidiaries and Associates	(2,500)	(36,250)	-	-
Share of profit of Associate companies before tax	-	-	(1,450)	(56,732)
Change in operating assets	(22,536,613)	(21,905,434)	(24,066,254)	(22,845,500)
Change in operating liabilities	35,506,574	26,301,802	36,823,025	26,750,951
Other non cash items included in profit before tax	2,577,730	3,639,361	3,010,796	3,725,055
Other net gains from investing activities	(106,238)	(69,819)	(106,238)	(69,819)
	10,531,351	1,219,430	10,118,164	149,545
Contribution paid to defined benefit plans	(1,605,826)	(1,360,863)	(1,607,218)	(1,364,943)
Interest received	21,262,298	19,451,562	22,297,884	20,142,183
Interest paid	(14,662,815)	(14,486,444)	(15,095,888)	(14,512,852)
Dividends received	15,607	20,541	18,550	21,450
Net cash from operating activities before income tax	15,540,615	4,844,226	15,731,492	4,435,383
Income tax paid	(568,000)	-	(616,200)	(41,444)
Net cash from operating activities	14,972,615	4,844,226	15,115,292	4,393,939
Cash flows from investing activities				
Net increase in financial investments - Held to maturity	(5,094,384)	(11,082,498)	(5,095,994)	(10,864,244)
Net (increase)/ decrease in financial investments - Available for sale	818,785	431,358	106,714	(1,105,330)
Net increase in financial investments - Loans and receivables	(18,526,491)	(26,678,538)	(18,542,566)	(26,861,373)
Purchase of property plant and equipment and leasehold properties	(288,347)	(268,537)	(303,405)	(304,185)
Purchase of intangible assets	(43,316)	(45,050)	(43,918)	(50,640)
Proceeds from sale of property plant and equipment	-	-	-	283
Dividends received	74,199	99,039	71,699	99,039
Interest received	12,599,907	11,495,940	12,720,941	11,843,346
Net cash used in investing activities	(10,459,647)	(26,048,286)	(11,086,528)	(27,243,104)
Cash flows from financing activities				
Net increase / (decrease) in other borrowings	(11,977,625)	31,704,809	(12,016,414)	33,472,181
Dividends paid to Government of Sri Lanka	(173,205)	(173,205)	(173,205)	(173,205)
Interest payments on borrowings and debt securities	(3,145,395)	(919,276)	(3,237,761)	(1,447,736)
Net cash from/(used in) financing activities	(15,296,225)	30,612,328	(15,427,380)	31,851,240
Net increase/(decrease) in cash and cash equivalents during the period	(10,783,257)	9,408,268	(11,398,616)	9,002,075
Cash and cash equivalents at the beginning of the period	78,529,331	35,032,877	82,333,074	37,263,183
Cash and cash equivalents at the end of the period	67,746,074	44,441,145	70,934,458	46,265,258
Analysis of cash and cash equivalents				
Cash and cash equivalents	68,015,175	44,679,155	71,234,391	46,758,442
Bank overdrafts	(269,101)	(238,010)	(299,933)	(493,184)
	67,746,074	44,441,145	70,934,458	46,265,258

As at	Bank		Group	
	31-Mar-2016	31-Dec-2015 (Audited)	31-Mar-2016	31-Dec-2015 (Audited)
Net assets value per share (Rs)	8,604.77	8,148.46	9,632.62	9,206.36
Regulatory Capital Adequacy				
Core capital (Tier 1 capital), Rs. Mn	64,221	64,207	71,126	71,112
Total capital base, Rs. Mn	92,345	92,245	101,430	101,330
Core capital adequacy ratio, % of risk weighted assets (Minimum requirement, 5%)	8.87%	9.10%	9.24%	9.36%
Total capital adequacy ratio, % of risk weighted assets (Minimum requirement, 10%)	12.76%	13.07%	13.18%	13.33%
Profitability				
Interest margin	3.22%	3.30%	3.29%	3.37%
Return on assets (before tax)	1.98%	1.74%	1.93%	1.71%
Return on equity (after tax)	27.75%	22.21%	24.29%	19.46%
Assets Quality				
Gross non - performing advances ratio, (Net of interest in suspense)	3.83%	4.30%		
Net non - performing advances ratio, (Net of interest in suspense and provisions)	1.37%	1.77%		
Investor Information				
Debt equity (%)	218.02	228.20		
Interest cover (times)	2.36	2.15		
Regulatory Liquidity				
Statutory liquid assets,				
- Domestic banking unit (Rs. Mn)	298,733	340,029		
- Off-shore banking unit (US\$ Mn)	1,261	1,299		
Statutory liquid assets ratio, (minimum requirement, 20%)				
- Domestic banking unit	23.91%	28.18%		
- Off-shore banking unit	35.46%	37.60%		
Memorandum Information				
Number of employees	7,790	7,980		
Number of branches	579	578		

SHARE INFORMATION

Shareholder	31-Mar-2016		31-Dec-2015	
	No of Ordinary Shares	Holding %	No of Ordinary Shares	Holding %
Government of Sri Lanka	10,000,000	100	10,000,000	100

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 2015. 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 2015.
3. 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, Mireka Capital Land (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 31 March 2016 and its profit for the three months ended 31 March 2016.

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.
Ranel T Wijesinha
Director
(Independent Non-Executive)

Sgd.
D M Gunasekara
General Manager

11 May 2016

Colombo

As at 31 March							
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				68,015,175			68,015,175
Balances with Central Banks				50,723,668			50,723,668
Placements with banks				13,590,749			13,590,749
Derivative financial instruments	7,307,458						7,307,458
Securities purchased under resale agreements				3,027,755			3,027,755
Loans and advances to customers				869,096,096			869,096,096
Financial investments	7,140,389	-	247,811,185	251,087,760	10,182,031		516,221,365
Total financial assets	14,447,847	-	247,811,185	1,255,541,203	10,182,031	-	1,527,982,266
Other assets						69,593,884	69,593,884
Total assets	14,447,847	-	247,811,185	1,255,541,203	10,182,031	69,593,884	1,597,576,150

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		1,402,386		1,402,386
Derivative financial instruments	86,521			86,521
Other financial liabilities held for trading				-
Due to customers		1,100,833,117		1,100,833,117
Other borrowings		343,402,880		343,402,880
Debt securities issued		3,552,174		3,552,174
Subordinated term debts		36,641,213		36,641,213
Total financial liabilities	86,521	1,485,831,770	-	1,485,918,291
Other liabilities			25,610,187	25,610,187
Total liabilities	86,521	1,485,831,770	25,610,187	1,511,528,478

As at 31 December							
2015							
	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				79,916,559			79,916,559
Balances with Central Banks				38,939,790			38,939,790
Placements with banks				27,975,582			27,975,582
Derivative financial instruments	7,419,288						7,419,288
Securities purchased under resale agreements				12,299,088			12,299,088
Loans and advances to customers				826,789,630			826,789,630
Financial investments	12,173,304	-	246,288,625	232,561,268	12,021,569		503,044,766
Total financial assets	19,592,592	-	246,288,625	1,218,481,917	12,021,569	-	1,496,384,703
Other assets						71,903,997	71,903,997
Total assets	19,592,592	-	246,288,625	1,218,481,917	12,021,569	71,903,997	1,568,288,700

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		2,630,408		2,630,408
Derivative financial instruments	156,302			156,302
Other financial liabilities held for trading				-
Due to customers		1,082,337,118		1,082,337,118
Other borrowings		337,442,256		337,442,256
Debt securities issued		3,427,058		3,427,058
Subordinated term debts		35,627,450		35,627,450
Total financial liabilities	156,302	1,461,464,290	-	1,461,620,592
Other liabilities			25,183,488	25,183,488
Total liabilities	156,302	1,461,464,290	25,183,488	1,486,804,080

As at 31 March	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				71,234,391			71,234,391
Balances with Central Banks				50,723,668			50,723,668
Placements with banks				13,970,746			13,970,746
Derivative financial instruments	7,307,458						7,307,458
Securities purchased under resale agreements				4,073,091			4,073,091
Loans and advances to customers				894,477,159			894,477,159
Financial investments	7,599,461	-	247,873,681	251,546,312	14,902,271		521,921,725
Total financial assets	14,906,919	-	247,873,681	1,286,025,367	14,902,271	-	1,563,708,238
Other assets						75,827,035	75,827,035
Total assets	14,906,919	-	247,873,681	1,286,025,367	14,902,271	75,827,035	1,639,535,273

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		1,433,218		1,433,218
Derivative financial instruments	86,521			86,521
Other financial liabilities held for trading				-
Due to customers		1,117,728,313		1,117,728,313
Other borrowings		347,064,697		347,064,697
Debt securities issued		8,708,346		8,708,346
Subordinated term debts		36,311,211		36,311,211
Total financial liabilities	86,521	1,511,245,785	-	1,511,332,306
Other liabilities			30,889,021	30,889,021
Total liabilities	86,521	1,511,245,785	30,889,021	1,542,221,327

As at 31 December	2015						
	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				83,722,721			83,722,721
Balances with Central Banks				38,939,790			38,939,790
Placements with banks				28,355,579			28,355,579
Derivative financial instruments	7,419,288						7,419,288
Securities purchased under resale agreements				13,678,789			13,678,789
Loans and advances to customers				851,905,227			851,905,227
Financial investments	12,726,045	-	246,349,511	233,003,742	16,266,652		508,345,950
Total financial assets	20,145,333	-	246,349,511	1,249,605,848	16,266,652	-	1,532,367,344
Other assets						77,831,976	77,831,976
Total assets	20,145,333	-	246,349,511	1,249,605,848	16,266,652	77,831,976	1,610,199,320

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		2,632,827		2,632,827
Derivative financial instruments	156,302			156,302
Other financial liabilities held for trading				-
Due to customers		1,097,950,702		1,097,950,702
Other borrowings		342,009,044		342,009,044
Debt securities issued		8,703,747		8,703,747
Subordinated term debts		35,290,007		35,290,007
Total financial liabilities	156,302	1,486,586,327	-	1,486,742,629
Other liabilities			30,382,478	30,382,478
Total liabilities	156,302	1,486,586,327	30,382,478	1,517,125,107

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount	
					31.03.2016	31.12.2015		31.03.2016	31.12.2015
					%	%		Rs '000	Rs '000
Fixed interest rate									
Unsecured, subordinated, redeemable debentures	a	Annually	08.12.2011	07.12.2016	11.00	11.00	10.02	4,029,177	3,926,514
Unsecured, subordinated, redeemable debentures	a	Semi annually	08.12.2011	07.12.2016	10.50	10.50	10.02	2,375	2,315
Unsecured, subordinated, redeemable debentures	a	Annually	30.11.2012	29.11.2017	16.00	16.00	10.99	6,262,151	6,034,052
Unsecured, subordinated, redeemable debentures	a	Semi annually	30.11.2012	29.11.2017	15.25	15.25	10.99	41,693	40,189
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2018	13.00	13.00	11.58	3,989,893	3,869,827
Unsecured, subordinated, redeemable debentures	a	Semi annually	25.10.2013	24.10.2018	12.60	12.60	11.58	227,205	220,369
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2021	13.25	13.25	12.55	1,265,349	1,226,594
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2022	13.25	13.25	12.80	1,266,404	1,227,617
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2023	13.75	13.75	12.85	1,691,763	1,638,142
Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2019	8.00	8.00	12.26	5,336,666	5,234,969
Unsecured, subordinated, redeemable debentures	a	Quarterly	22.09.2014	21.09.2019	7.75	7.75	12.26	216,182	216,182
Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2022	8.25	8.25	12.80	1,911,299	1,873,793
Unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2020	8.25	8.25	12.40	299,876	293,991
Unsecured, subordinated, redeemable debentures	a	Quarterly	06.10.2015	05.10.2020	8.00	8.00	12.40	12,449	12,449
Unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2023	9.50	9.50	12.85	1,233,245	1,205,580
Unsecured, redeemable debentures		Semi annually	18.06.2012	17.06.2017	14.75	14.75	10.69	1,332,997	1,286,404
Unsecured, redeemable debentures		Annually	07.12.2012	06.12.2017	15.50	15.50	10.99	2,219,177	2,140,654
								31,337,901	30,449,641
Floating interest rate									
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 75 basis points)	a/b	Semi annually	08.12.2011	07.12.2016	7.75	7.75	10.02	1,124,356	1,103,186
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	30.11.2012	29.11.2017	8.36	8.36	10.99	432	423
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 100 basis points)	a/b	Semi annually	25.10.2013	24.10.2018	8.81	8.81	11.58	208	203
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 100 basis points)	a/b	Semi annually	25.10.2013	24.10.2021	8.81	8.81	12.55	1,038	1,016
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 50 basis points)	a/b	Semi annually	22.09.2014	21.09.2019	9.93	8.36	12.26	829,444	843,802
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 50 basis points)	a/b	Semi annually	22.09.2014	21.09.2022	9.93	8.36	12.80	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	9.11	9.11	12.40	4,740,156	4,572,690
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	06.10.2015	05.10.2023	9.11	9.11	12.80	2,159,822	2,083,516
								8,855,486	8,604,867
								40,193,387	39,054,508

Notes

- Debentures that are listed in the Colombo Stock Exchange. Some of these have been traded in the Colombo Stock Exchange during the period ended 31 March 2016.
2012/2017 - (Highest Price - Rs. 102.65, Lowest Price - Rs. 102.65, Last Transaction Price - Rs. 102.65)
2014/2019 - (Highest Price - Rs. 96.87, Lowest Price - Rs. 96.87, Last Transaction Price - Rs. 96.87)
- 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.
- Weighted average 12 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-2016 to 31-Mar-2016 Rs.	01-Jan-2015 to 31-Dec-2015 Rs.
Market Value		
Market Value		
BoC Debentures 2011/2016 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (11.0%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)		
Highest , Lowest and Last transaction	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, fixed rate (10.5%)	Not Traded	Not Traded
Market Value		
BoC Debentures 2012/2017 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (16.0%)		
Highest , Lowest and Last transaction	102.65	100.00
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
Market Value		
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%)		
Highest , Lowest and Last transaction	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%)		
Highest , Lowest and Last transaction	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	117.32
Lowest	Not Traded	117.32
Last transaction	Not Traded	117.32
Market Value		
BoC Debentures 2014/2022 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (8.0%)		
Highest	96.87	99.90
Lowest	96.87	95.50
Last transaction	96.87	95.50
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
Market Value		
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)	Not Traded	Not Traded
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

	31-Mar-2016 %	31-Dec-2015 %
Interest yield as at date of last trade done		
BoC Debentures 2011/2016 ,		
5 years, fixed rate (11.0%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
5 years, fixed rate (10.5%)	Not Traded	Not Traded
BoC Debentures 2012/2017 ,		
5 years, fixed rate (16.0%)	13.94	15.87
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	10.39
BoC Debentures 2014/2022 ,		
5 years, fixed rate (8.0%)	9.06	9.47
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)	Not Traded	Not Traded
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
Yield to maturity of last trade done		
BoC Debentures 2011/2016 ,		
5 years, fixed rate (11.0%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
5 years, fixed rate (10.5%)	Not Traded	Not Traded
BoC Debentures 2012/2017 ,		
5 years, fixed rate (16.0%)	15.59	16.00
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	11.72
BoC Debentures 2014/2022 ,		
5 years, fixed rate (8.0%)	8.26	8.38
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)	Not Traded	Not Traded
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

LOANS AND ADVANCES TO OTHER CUSTOMERS

Rs '000

As at	Bank		Group	
	31-Mar-2016	31-Dec-2015 (Audited)	31-Mar-2016	31-Dec-2015 (Audited)
1) Loans and advances to customers				
Gross loans and advances	913,568,348	870,729,910	940,471,318	897,353,046
Less : Individual impairment	12,471,852	12,629,562	13,265,149	13,396,778
Collective impairment	32,000,400	31,310,718	32,729,010	32,051,041
Net loans and advances including those designated at fair value through profit or loss	869,096,096	826,789,630	894,477,159	851,905,227
Less : Loans and advances designated at fair value through profit or loss	-	-	-	-
Net loans and advances	869,096,096	826,789,630	894,477,159	851,905,227
2) Loans and advances to customers - By product				
Local currency				
Overdrafts	156,500,367	130,276,382	156,500,367	130,276,382
Term loans	184,729,395	183,589,269	186,936,509	188,572,506
Lease rentals receivable	46,531,097	46,688,101	63,317,424	61,589,220
Credit cards	3,148,691	3,053,597	3,148,691	3,053,597
Pawning	51,362,482	56,900,717	51,534,374	57,097,560
Loans under schemes	47,819,091	49,975,989	48,715,348	50,870,448
Housing loans	44,216,271	42,804,370	44,285,453	42,863,284
Trade finance	27,280,564	25,429,477	27,983,985	26,157,989
Personal loans	112,546,519	107,539,804	115,468,330	110,137,186
Staff loans	14,596,462	14,044,875	14,835,115	14,277,198
Foreclosed properties	595,793	590,991	595,793	590,991
Other loans	6,442,034	7,516,305	6,508,929	7,629,454
Total local currency loans and advances	695,768,766	668,409,877	719,830,318	693,115,815
Foreign currency				
Overdrafts	11,717,639	11,697,581	11,970,912	11,954,817
Term loans	182,241,645	167,977,440	183,860,922	168,644,758
Trade finance	21,027,470	19,927,355	21,027,470	19,927,355
Lease rentals receivable	414,925	454,146	414,925	454,146
Loans under schemes	867,226	726,483	867,226	726,483
Housing loans	-	-	946,533	964,386
Staff loans	10,884	11,813	25,504	30,528
Foreclosed properties	492,827	497,450	492,827	497,450
Other loans	1,026,966	1,027,765	1,034,681	1,037,308
Total foreign currency loans and advances	217,799,582	202,320,033	220,641,000	204,237,231
Total loans and advances to customers	913,568,348	870,729,910	940,471,318	897,353,046

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

Individual impairment				
Opening balance (01 January)	12,629,562	10,138,002	13,396,778	10,925,062
Charge during the period	509,024	3,672,310	535,105	4,019,917
Amount recovered / reversal during the period	(625,205)	(1,625,626)	(625,205)	(1,625,626)
Exchange rate variance on foreign currency impairment	(41,529)	444,876	(41,529)	444,876
Amount written-off during the period	-	(86,794)	-	(86,794)
Other movements	-	86,794	-	(280,657)
Closing balance	12,471,852	12,629,562	13,265,149	13,396,778
Collective impairment				
Opening balance (01 January)	31,310,718	26,019,278	32,051,041	26,887,361
Charge during the period	688,255	5,270,751	676,542	5,385,295
Exchange rate variance on foreign currency impairment	(981)	18,236	(981)	18,236
Amount written-off during the period	-	(22,603)	-	(22,603)
Other movements	2,408	25,056	2,408	(217,248)
Closing balance	32,000,400	31,310,718	32,729,010	32,051,041
Total impairment	44,472,252	43,940,280	45,994,159	45,447,819

DUE TO OTHER CUSTOMERS

4) Due to other customers - By product

Local currency				
Demand deposits (current accounts)	94,500,218	108,093,327	94,299,491	107,843,116
Savings deposits	310,420,612	298,982,460	310,953,344	299,654,895
Time deposits	420,394,982	391,998,852	435,875,928	406,049,403
Certificate of deposit	4,315	4,315	8,918	8,918
Other deposits	2,379,262	3,408,403	2,379,262	3,408,403
Total local currency deposits	827,699,389	802,487,357	843,516,943	816,964,735
Foreign currency				
Demand deposits (current accounts)	20,216,830	18,988,483	20,798,495	19,564,488
Savings deposits	77,772,865	77,085,118	78,205,175	77,558,608
Time deposits	174,238,432	183,214,749	174,302,099	183,301,459
Other deposits	905,601	561,411	905,601	561,412
Total foreign currency deposits	273,133,728	279,849,761	274,211,370	280,985,967
Total deposits	1,100,833,117	1,082,337,118	1,117,728,313	1,097,950,702

For the three months ended 31 March	Retail banking		Corporate banking		International, treasury and investment		Group functions		Unallocated		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenue from external customers:												
Net interest income	6,118,367	5,205,270	4,947,059	4,045,041	2,304,315	2,172,209	631,435	549,668	(631,438)	(376,568)	13,369,738	11,595,620
Net fee and commission income	822,133	808,389	559,065	913,760	204,325	221,806	118,403	232,259	162,765	116,129	1,866,691	2,292,343
Other income	614,933	505,644	45,326	124,923	380,981	631,854	294,297	393,457	(233,986)	(35,345)	1,101,551	1,620,533
Total operating income	7,555,433	6,519,303	5,551,450	5,083,724	2,889,621	3,025,869	1,044,135	1,175,384	(702,659)	(295,784)	16,337,980	15,508,496
Expenses :												
Impairment (charge)/ reversal for loans and other losses	(324,395)	(2,504,482)	(273,297)	(1,178,158)	-	-	(14,368)	(239,089)	25,618	(238,614)	(586,442)	(4,160,343)
Total operating expenses	(2,439,713)	(3,103,426)	(1,537,809)	(1,195,724)	(1,669,789)	(956,344)	(836,095)	(934,305)	(135,112)	(155,331)	(6,618,518)	(6,345,130)
Total expenses	(2,764,108)	(5,607,908)	(1,811,106)	(2,373,882)	(1,669,789)	(956,344)	(850,463)	(1,173,394)	(109,494)	(393,945)	(7,204,960)	(10,505,473)
Operating profit before VAT and NBT on financial services	4,791,325	911,395	3,740,344	2,709,842	1,219,832	2,069,525	193,672	1,990	(812,153)	(689,729)	9,133,020	5,003,023
VAT and NBT on financial services											(1,287,897)	(797,095)
Operating profit after VAT and NBT on financial services											7,845,123	4,205,928
Share of profit/ (loss) of associate companies before tax							1,450	56,732			1,450	56,732
Profit/(loss) before income tax	4,791,325	911,395	3,740,344	2,709,842	1,219,832	2,069,525	195,122	58,722	(812,153)	(689,729)	7,846,573	4,262,660
Income tax expense											(2,066,432)	(1,417,124)
Profit for the period											5,780,141	2,845,536
Total assets	507,846,055	392,710,962	448,855,725	458,579,877	566,015,017	460,580,785	59,249,681	47,614,395	57,568,795	68,635,157	1,639,535,273	1,428,121,176
Total liabilities	480,492,761	370,889,572	424,679,733	433,098,413	535,528,663	434,988,139	47,310,054	35,915,147	54,210,116	65,667,405	1,542,221,327	1,340,558,676
Cash flows from operating activities	4,681,962	1,208,265	4,138,115	1,734,290	5,218,236	1,093,717	546,238	91,726	530,741	265,941	15,115,292	4,393,939
Cash flows used in investing activities	(3,434,052)	(7,491,427)	(3,035,160)	(8,747,955)	(3,827,391)	(8,786,124)	(400,646)	(908,301)	(389,279)	(1,309,297)	(11,086,528)	(27,243,104)
Cash flows from / (used in) financing activities	(4,806,537)	8,812,216	(4,248,220)	10,290,278	(5,357,081)	10,335,178	(473,259)	853,332	(542,283)	1,560,236	(15,427,380)	31,851,240
Capital expenditure to non current assets	-	-	-	-	-	-	-	-	-	-	347,323	354,825
Depreciation and amortization expenses	129,176	93,081	111,520	108,694	140,628	109,168	59,932	70,548	90,585	82,660	531,841	464,151