



**INTERIM FINANCIAL STATEMENTS**  
**for the nine months ended 30.09.2015**  
**(Un-audited)**

**Bank of Ceylon**

30 September	Bank						Group					
	For the nine months ended			For the quarter ended			For the nine months ended			For the quarter ended		
	2015	2014	Change %	2015	2014	Change %	2015	2014	Change %	2015	2014	Change %
<b>Total income</b>	97,303,905	92,023,282	5.7	34,228,395	30,646,044	11.7	101,979,341	96,960,481	5.2	36,539,381	32,912,456	11.0
Interest income	83,880,725	77,454,619	8.3	28,842,816	25,991,314	11.0	87,101,347	80,992,949	7.5	29,962,465	27,139,855	10.4
Interest expenses	(48,370,440)	(52,429,598)	(7.7)	(16,669,938)	(16,295,486)	2.3	(49,872,533)	(54,184,454)	(8.0)	(17,195,033)	(16,824,624)	2.2
<b>Net interest income</b>	<b>35,510,285</b>	<b>25,025,021</b>	<b>41.9</b>	<b>12,172,878</b>	<b>9,695,828</b>	<b>25.5</b>	<b>37,228,814</b>	<b>26,808,495</b>	<b>38.9</b>	<b>12,767,432</b>	<b>10,315,231</b>	<b>23.8</b>
Fee and commission income	6,593,089	6,243,284	5.6	2,422,032	2,219,117	9.1	6,840,206	6,409,255	6.7	2,480,052	2,259,376	9.8
Fee and commission expenses	(879,949)	(460,243)	91.2	(304,579)	(122,185)	149.3	(959,463)	(545,728)	75.8	(336,951)	(151,679)	122.1
<b>Net fee and commission income</b>	<b>5,713,140</b>	<b>5,783,041</b>	<b>(1.2)</b>	<b>2,117,453</b>	<b>2,096,932</b>	<b>1.0</b>	<b>5,880,743</b>	<b>5,863,527</b>	<b>0.3</b>	<b>2,143,101</b>	<b>2,107,697</b>	<b>1.7</b>
Net gains / (losses) from trading	2,645,197	3,937,788	(32.8)	995,030	1,549,271	(35.8)	2,675,120	4,107,229	(34.9)	1,023,319	1,648,859	(37.9)
Net gains / (losses) from financial investments	152,763	2,152,496	(92.9)	27,887	14,768	88.8	162,361	2,157,376	(92.5)	27,887	16,638	67.6
Other operating income	4,032,131	2,235,095	80.4	1,940,630	871,574	122.7	5,200,307	3,293,672	57.9	3,045,658	1,847,728	64.8
	<b>6,830,091</b>	<b>8,325,379</b>	<b>(18.0)</b>	<b>2,963,547</b>	<b>2,435,613</b>	<b>21.7</b>	<b>8,037,788</b>	<b>9,558,277</b>	<b>(15.9)</b>	<b>4,096,864</b>	<b>3,513,225</b>	<b>16.6</b>
<b>Total operating income</b>	<b>48,053,516</b>	<b>39,133,441</b>	<b>22.8</b>	<b>17,253,878</b>	<b>14,228,373</b>	<b>21.3</b>	<b>51,147,345</b>	<b>42,230,299</b>	<b>21.1</b>	<b>19,007,397</b>	<b>15,936,153</b>	<b>19.3</b>
<b>Impairment (charge) / reversal for loans and other losses</b>	<b>(8,725,394)</b>	<b>(2,576,585)</b>	<b>238.6</b>	<b>(1,441,079)</b>	<b>(439,925)</b>	<b>227.6</b>	<b>(9,141,472)</b>	<b>(3,109,777)</b>	<b>194.0</b>	<b>(1,545,214)</b>	<b>(577,318)</b>	<b>167.7</b>
Individual impairment	(2,477,291)	(225,539)	998.4	(1,491,937)	147,500	(1,111.5)	(2,774,300)	(537,801)	415.9	(1,772,288)	13,689	(13,046.8)
Collective impairment	(6,248,103)	(2,351,046)	165.8	50,858	(587,425)	(108.7)	(6,367,172)	(2,571,976)	147.6	227,074	(591,007)	(138.4)
Other losses	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net operating income</b>	<b>39,328,122</b>	<b>36,556,856</b>	<b>7.6</b>	<b>15,812,799</b>	<b>13,788,448</b>	<b>14.7</b>	<b>42,005,873</b>	<b>39,120,522</b>	<b>7.4</b>	<b>17,462,183</b>	<b>15,358,835</b>	<b>13.7</b>
<b>Operating expenses</b>												
Personnel expenses	(12,315,293)	(10,359,104)	18.9	(4,488,923)	(3,528,500)	27.2	(13,316,747)	(11,374,117)	17.1	(4,834,997)	(3,889,932)	24.3
Depreciation and amortization	(986,920)	(888,868)	11.0	(329,426)	(296,128)	11.2	(1,355,917)	(1,207,618)	12.3	(454,565)	(402,987)	12.8
Other expenses	(6,547,779)	(7,589,495)	(13.7)	(2,427,773)	(2,609,784)	(7.0)	(7,927,636)	(8,805,305)	(10.0)	(3,534,956)	(3,530,110)	0.1
<b>Total operating expenses</b>	<b>(19,849,992)</b>	<b>(18,837,467)</b>	<b>5.4</b>	<b>(7,246,122)</b>	<b>(6,434,412)</b>	<b>12.6</b>	<b>(22,600,300)</b>	<b>(21,387,040)</b>	<b>5.7</b>	<b>(8,824,518)</b>	<b>(7,823,029)</b>	<b>12.8</b>
<b>Operating profit before Value Added Tax (VAT) and Nation Building Tax (NBT)</b>	<b>19,478,130</b>	<b>17,719,389</b>	<b>9.9</b>	<b>8,566,677</b>	<b>7,354,036</b>	<b>16.5</b>	<b>19,405,573</b>	<b>17,733,482</b>	<b>9.4</b>	<b>8,637,665</b>	<b>7,535,806</b>	<b>14.6</b>
Value Added Tax (VAT) and Nation Building Tax (NBT) on financial services	(2,926,696)	(2,755,290)	6.2	(1,098,368)	(967,106)	13.6	(2,966,022)	(2,793,456)	6.2	(1,115,101)	(988,583)	12.8
<b>Operating profit after Value Added Tax (VAT) and Nation Building Tax (NBT)</b>	<b>16,551,434</b>	<b>14,964,099</b>	<b>10.6</b>	<b>7,468,309</b>	<b>6,386,930</b>	<b>16.9</b>	<b>16,439,551</b>	<b>14,940,026</b>	<b>10.0</b>	<b>7,522,564</b>	<b>6,547,223</b>	<b>14.9</b>
Share of profit / (loss) of Associate companies before tax	-	-	-	-	-	-	94,647	326,973	(71.1)	16,229	160,137	(89.9)
<b>Profit before income tax</b>	<b>16,551,434</b>	<b>14,964,099</b>	<b>10.6</b>	<b>7,468,309</b>	<b>6,386,930</b>	<b>16.9</b>	<b>16,534,198</b>	<b>15,266,999</b>	<b>8.3</b>	<b>7,538,793</b>	<b>6,707,360</b>	<b>12.4</b>
Income tax expense	(4,261,677)	(3,771,120)	13.0	(1,845,737)	(1,384,421)	33.3	(4,368,524)	(3,985,235)	9.6	(1,878,310)	(1,470,196)	27.8
<b>Profit for the period</b>	<b>12,289,757</b>	<b>11,192,979</b>	<b>9.8</b>	<b>5,622,572</b>	<b>5,002,509</b>	<b>12.4</b>	<b>12,165,674</b>	<b>11,281,764</b>	<b>7.8</b>	<b>5,660,483</b>	<b>5,237,164</b>	<b>8.1</b>
<b>Profit attributable to:</b>												
Equity holder of the Bank	12,289,757	11,192,979	9.8	5,622,572	5,002,509	12.4	12,169,319	11,319,026	7.5	5,661,772	5,226,000	8.3
Non controlling interest	-	-	-	-	-	-	(3,645)	(37,262)	(90.2)	(1,289)	11,164	111.5
	<b>12,289,757</b>	<b>11,192,979</b>	<b>9.8</b>	<b>5,622,572</b>	<b>5,002,509</b>	<b>12.4</b>	<b>12,165,674</b>	<b>11,281,764</b>	<b>7.8</b>	<b>5,660,483</b>	<b>5,237,164</b>	<b>8.1</b>
<b>Earnings per share:</b>												
Basic earnings per share (Rs.)	1,228.98	2,238.60	(45.1)	562.26	1,000.50	(43.8)	1,216.93	2,263.81	(46.2)	566.18	1,045.20	(45.8)
Diluted earnings per share (Rs.)	1,228.98	2,238.60	(45.1)	562.26	1,000.50	(43.8)	1,216.93	2,263.81	(46.2)	566.18	1,045.20	(45.8)

## STATEMENT OF OTHER COMPREHENSIVE INCOME

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Rs. 000

30 September	Bank						Group			Rs. 000		
	For the nine months ended			For the quarter ended			For the nine months ended			For the quarter ended		
	2015	2014	Change %	2015	2014	Change %	2015	2014	Change %	2015	2014	Change %
<b>Profit for the period</b>	12,289,757	11,192,979	9.8	5,622,572	5,002,509	12.4	12,165,674	11,281,764	7.8	5,660,483	5,237,164	8.1
<b>Items that will not be reclassified to profit or loss</b>												
Actuarial gains / (losses) on defined benefit plans	-	-	-	-	-	-	(1,438)	(757)	90.0	(905)	(426)	112.4
	-	-	-	-	-	-	(1,438)	(757)	90.0	(905)	(426)	112.4
<b>Items that are or may be reclassified to profit or loss</b>												
Exchange differences on translation of foreign operations	316,486	26,709	1,084.9	213,530	(18,319)	1,265.6	435,375	(41,050)	1,160.6	267,568	(164,870)	262.3
Net gains / (losses) on re measuring available for sale financial investments	(646,544)	2,850,908	(122.7)	(472,212)	1,707,167	(127.7)	(635,432)	3,243,846	(119.6)	(379,994)	2,009,625	(118.9)
Share of other comprehensive income of Associate companies	-	-	-	-	-	-	(2,183)	5,964	(136.6)	397	3,261	(87.8)
	(330,058)	2,877,617	(111.5)	(258,682)	1,688,848	(115.3)	(202,240)	3,208,760	(106.3)	(112,029)	1,848,016	(106.1)
<b>Other comprehensive income for the period, net of tax</b>	<b>(330,058)</b>	<b>2,877,617</b>	<b>(111.5)</b>	<b>(258,682)</b>	<b>1,688,848</b>	<b>(115.3)</b>	<b>(203,678)</b>	<b>3,208,003</b>	<b>(106.3)</b>	<b>(112,934)</b>	<b>1,847,590</b>	<b>(106.1)</b>
<b>Total comprehensive income for the period</b>	<b>11,959,699</b>	<b>14,070,596</b>	<b>(15.0)</b>	<b>5,363,890</b>	<b>6,691,357</b>	<b>(19.8)</b>	<b>11,961,996</b>	<b>14,489,767</b>	<b>(17.4)</b>	<b>5,547,549</b>	<b>7,084,754</b>	<b>(21.7)</b>
<b>Attributable to:</b>												
Equity holder of the Bank	11,959,699	14,070,596	(15.0)	5,363,890	6,691,357	(19.8)	11,972,726	14,493,472	(17.4)	5,548,757	7,050,657	(21.3)
Non controlling interest	-	-	-	-	-	-	(10,730)	(3,705)	189.6	(1,208)	34,097	103.5
	<b>11,959,699</b>	<b>14,070,596</b>	<b>(15.0)</b>	<b>5,363,890</b>	<b>6,691,357</b>	<b>(19.8)</b>	<b>11,961,996</b>	<b>14,489,767</b>	<b>(17.4)</b>	<b>5,547,549</b>	<b>7,084,754</b>	<b>(21.7)</b>

As at	Bank			Group		
	30-Sep-2015	31-Dec-2014 (Audited)	Change %	30-Sep-2015	31-Dec-2014 (Audited)	Change %
<b>Assets</b>						
Cash and short term funds	35,265,178	29,165,464	20.9	35,599,535	29,958,559	18.8
Balances with Central Banks	41,191,533	30,422,373	35.4	41,191,533	30,422,373	35.4
Placements with banks	41,311,238	19,766,889	109.0	45,260,191	21,393,574	111.6
Derivative financial instruments	2,201,433	1,714,556	28.4	2,201,433	1,714,556	28.4
Reverse repurchase agreements	6,929,229	58,953,093	(88.2)	7,578,399	60,236,389	(87.4)
Financial assets - Held for trading	21,338,517	17,862,433	19.5	21,897,222	18,437,958	18.8
Financial investments - Loans and receivables	191,366,278	129,145,330	48.2	192,062,487	129,966,806	47.8
Loans and advances to customers	834,919,087	741,347,635	12.6	858,610,026	763,772,052	12.4
Financial investments - Available for sale	11,862,707	14,361,543	(17.4)	16,019,117	17,611,160	(9.0)
Financial investments - Held to maturity	221,907,384	216,517,438	2.5	221,982,770	216,740,132	2.4
Investment in Subsidiary companies	6,213,048	6,213,048	-	-	-	-
Investment in Associate companies	842,988	842,988	-	1,909,624	1,870,035	2.1
Investment properties	-	-	-	148,264	148,876	(0.4)
Property, plant and equipment	16,266,891	16,188,333	0.5	25,458,684	25,646,016	(0.7)
Leasehold properties	105,667	107,467	(1.7)	149,755	144,501	3.6
Intangible assets	367,257	384,577	(4.5)	491,341	531,667	(7.6)
Deferred tax assets	-	-	-	7,580	8,933	(15.1)
Other assets	51,740,847	46,027,228	12.4	52,503,509	46,800,078	12.2
<b>Total assets</b>	<b>1,483,829,282</b>	<b>1,329,020,395</b>	<b>11.6</b>	<b>1,523,071,470</b>	<b>1,365,403,665</b>	<b>11.5</b>
<b>Liabilities</b>						
Due to banks	1,488,341	889,876	67.3	1,555,725	949,127	63.9
Derivative financial instruments	11,524	734,548	(98.4)	11,524	734,548	(98.4)
Due to customers	997,623,267	933,966,169	6.8	1,012,697,749	943,934,463	7.3
Other borrowings	350,642,395	246,736,462	42.1	353,644,377	252,168,157	40.2
Debt securities issued	3,716,525	20,762,198	(82.1)	9,145,093	26,218,337	(65.1)
Current tax liabilities	1,403,519	-	100.0	1,641,475	291,193	463.7
Deferred tax liabilities	1,212,304	1,071,335	13.2	3,377,888	3,288,860	2.7
Insurance provision - Life	-	-	-	422,603	349,901	20.8
Insurance provision - Non life	-	-	-	511,640	607,306	(15.8)
Other liabilities	15,475,318	17,534,179	(11.7)	17,367,492	19,103,242	(9.1)
Subordinated term debts	29,136,887	32,519,715	(10.4)	28,806,191	32,177,810	(10.5)
<b>Total liabilities</b>	<b>1,400,710,080</b>	<b>1,254,214,482</b>	<b>11.7</b>	<b>1,429,181,757</b>	<b>1,279,822,944</b>	<b>11.7</b>
<b>Equity</b>						
Share capital	10,000,000	10,000,000	-	10,000,000	10,000,000	-
Permanent reserve fund	3,809,955	3,809,955	-	3,809,955	3,809,955	-
Retained earnings	53,504,392	44,861,045	19.3	56,284,716	47,661,936	18.1
Other reserves	15,804,855	16,134,913	(2.0)	22,728,041	22,922,049	(0.8)
<b>Total equity attributable to the Bank</b>	<b>83,119,202</b>	<b>74,805,913</b>	<b>11.1</b>	<b>92,822,712</b>	<b>84,393,940</b>	<b>10.0</b>
Non controlling interest	-	-	-	1,067,001	1,186,781	(10.1)
<b>Total equity</b>	<b>83,119,202</b>	<b>74,805,913</b>	<b>11.1</b>	<b>93,889,713</b>	<b>85,580,721</b>	<b>9.7</b>
<b>Total liabilities and equity</b>	<b>1,483,829,282</b>	<b>1,329,020,395</b>	<b>11.6</b>	<b>1,523,071,470</b>	<b>1,365,403,665</b>	<b>11.5</b>
Commitments and contingencies	709,508,839	721,763,406	(1.7)	710,183,543	722,823,188	(1.7)

## 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	Investment fund account	Other reserves	Revaluation reserve		
Balance as at 01 January 2014	5,000,000	-	3,538,455	3,912,715	7,057,090	1,562,314	5,210,792	31,418,794	57,700,160
Total comprehensive income for the period									
Profit for the period				2,850,908		26,709	-	11,192,979	11,192,979
Other comprehensive income, net of tax								-	2,877,617
Dividends for 2014								(3,346,410)	(3,346,410)
Transfers to investment fund account					480,067			(480,067)	-
<b>Balance as at 30 September 2014</b>	<b>5,000,000</b>	<b>-</b>	<b>3,538,455</b>	<b>6,763,623</b>	<b>7,537,157</b>	<b>1,589,023</b>	<b>5,210,792</b>	<b>38,785,296</b>	<b>68,424,346</b>
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				(646,544)		316,486	-	12,289,757	12,289,757
Other comprehensive income, net of tax								-	(330,058)
Dividends for 2015								(3,646,410)	(3,646,410)
Transferred to share capital	5,000,000	(5,000,000)							-
<b>Balance as at 30 September 2015</b>	<b>10,000,000</b>	<b>-</b>	<b>3,809,955</b>	<b>6,317,121</b>	<b>-</b>	<b>900,567</b>	<b>8,587,167</b>	<b>53,504,392</b>	<b>83,119,202</b>

## 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	Investment fund account	Other reserves	Revaluation reserve			
Balance as at 01 January 2014	5,000,000	-	3,538,455	4,515,661	7,228,548	2,472,055	9,600,314	33,261,300	1,295,700	66,912,033
Total comprehensive income for the period										
Profit for the period				3,210,245		(41,050)	-	11,319,026	(37,262)	11,281,764
Other comprehensive income, net of tax								5,251	33,557	3,208,003
Dividends for 2014								(3,346,410)		(3,346,410)
Subsidiary dividends to non controlling interest									(30,237)	(30,237)
Transfers to investment fund account					481,086			(481,086)		-
Transfers to other reserves						7,123		(7,123)		-
Acquisition and changes in non controlling interest				9,498			61,342	(72,868)	(97,028)	(99,056)
<b>Balance as at 30 September 2014</b>	<b>5,000,000</b>	<b>-</b>	<b>3,538,455</b>	<b>7,735,404</b>	<b>7,709,634</b>	<b>2,438,128</b>	<b>9,661,656</b>	<b>40,678,090</b>	<b>1,164,730</b>	<b>77,926,097</b>
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				(628,419)		435,374	-	12,169,319	(3,645)	12,165,674
Other comprehensive income, net of tax								(3,548)	(7,085)	(203,678)
Dividends for 2015								(3,646,410)		(3,646,410)
Subsidiary dividends to non controlling interest									(8,811)	(8,811)
Merger and changes in non controlling interest				(4,305)		3,342	-	103,419	(100,239)	2,217
Transferred to share capital	5,000,000	(5,000,000)								-
<b>Balance as at 30 September 2015</b>	<b>10,000,000</b>	<b>-</b>	<b>3,809,955</b>	<b>7,129,280</b>	<b>-</b>	<b>1,791,134</b>	<b>13,807,627</b>	<b>56,284,716</b>	<b>1,067,001</b>	<b>93,889,713</b>

For the nine months ended 30 September	Bank		Group	
	2015	2014	2015	2014
<b>Cash flows from operating activities</b>				
Profit before income tax	16,551,434	14,964,099	16,534,198	15,266,999
<b>Adjustments for :</b>				
Net interest income	(35,510,285)	(25,025,021)	(37,228,814)	(26,808,495)
Dividend income on trading securities	(93,593)	(83,354)	(102,589)	(86,964)
Dividends from Subsidiaries and Associates	(254,818)	(281,618)	-	-
Share of profit of Associate companies before tax	-	-	(94,647)	(326,973)
Change in operating assets	(69,662,068)	(12,193,354)	(65,786,494)	(12,313,763)
Change in operating liabilities	114,678,602	81,071,780	114,953,848	82,831,358
Other non cash items included in profit before tax	8,470,546	4,756,595	9,059,003	5,664,316
Other net gains from investing activities	(152,763)	(2,379,789)	(162,361)	(2,384,668)
	<b>34,027,055</b>	<b>60,829,338</b>	<b>37,172,144</b>	<b>61,841,810</b>
Contribution paid to defined benefit plans	(4,657,955)	(3,724,384)	(4,669,173)	(3,736,659)
Interest received	58,061,078	59,598,323	60,723,868	62,685,519
Interest paid	(36,854,469)	(43,586,360)	(37,046,607)	(45,077,645)
Dividends received	93,593	83,354	102,589	86,964
<b>Net cash from operating activities before income tax</b>	<b>50,669,302</b>	<b>73,200,271</b>	<b>56,282,820</b>	<b>75,799,989</b>
Income tax paid	(1,764,528)	(1,000,000)	(1,997,350)	(1,159,557)
<b>Net cash from operating activities</b>	<b>48,904,774</b>	<b>72,200,271</b>	<b>54,285,470</b>	<b>74,640,432</b>
<b>Cash flows from investing activities</b>				
Net increase in financial investments - Held to maturity	(9,389,000)	(48,262,349)	(9,241,693)	(48,540,177)
Net (increase)/ decrease in financial investments - Available for sale	1,873,113	(3,218,321)	977,433	(3,346,796)
Net (increase)/decrease in financial investment - Loans and receivables	(62,220,948)	1,628,925	(62,095,681)	1,146,614
Increase in interest in Subsidiaries	-	(84,350)	-	(84,350)
Purchase of property plant & equipment and leasehold properties	(639,695)	(1,143,225)	(759,621)	(1,193,987)
Purchase of intangible assets	(32,381)	(60,366)	(93,088)	(67,073)
Proceeds from sale of property plant and equipment	-	66,209	4,974	66,671
Dividends received	386,762	646,066	141,542	364,448
Interest received	26,350,492	20,344,879	27,120,101	21,768,289
<b>Net cash used in investing activities</b>	<b>(43,671,657)</b>	<b>(30,082,532)</b>	<b>(43,946,033)</b>	<b>(29,886,361)</b>
<b>Cash flows from financing activities</b>				
Net increase / (decrease) in other borrowings	54,953,889	(21,765,051)	58,733,318	(21,727,909)
Proceeds from issue of debentures	-	8,000,000	-	7,675,000
Payments on redemption of debentures	(21,678,813)	-	(21,673,813)	(31,800)
Dividends paid to Government of Sri Lanka	(3,646,410)	(3,346,410)	(3,646,410)	(3,346,410)
Dividends paid to non controlling interest	-	-	(8,811)	(30,237)
Interest payments on borrowings and debt securities	(12,620,027)	(9,100,474)	(13,951,346)	(9,079,671)
<b>Net cash from/(used in) financing activities</b>	<b>17,008,639</b>	<b>(26,211,935)</b>	<b>19,452,938</b>	<b>(26,541,027)</b>
Net increase in cash and cash equivalents during the period	22,241,756	15,905,804	29,792,375	18,213,044
Cash and cash equivalents at the beginning of the period	44,407,268	38,103,096	49,882,418	40,955,175
<b>Cash and cash equivalents at the end of the period</b>	<b>66,649,024</b>	<b>54,008,900</b>	<b>79,674,793</b>	<b>59,168,219</b>
<b>Analysis of cash and cash equivalents</b>				
Cash and short term funds	35,265,178	31,860,156	35,599,535	32,018,666
Due from banks with maturity less than three months	31,641,454	22,579,993	44,400,250	27,629,744
Bank overdrafts	(257,608)	(431,249)	(324,992)	(480,191)
	<b>66,649,024</b>	<b>54,008,900</b>	<b>79,674,793</b>	<b>59,168,219</b>

As at	Bank		Group	
	30-Sep-2015	31-Dec-2014 (Audited)	30-Sep-2015	31-Dec-2014 (Audited)
Net assets value per share (Rs)	8,311.92	14,961.18	9,282.27	16,878.79
<b>Regulatory Capital Adequacy</b>				
Core capital (Tier 1 capital), Rs. Mn	56,128	55,727	63,063	63,012
Total capital base, Rs. Mn	79,005	79,929	88,120	89,744
Core capital adequacy ratio, % of risk weighted assets (Minimum requirement, 5%)	8.35%	9.45%	8.69%	9.80%
Total capital adequacy ratio, % of risk weighted assets (Minimum requirement, 10%)	11.75%	13.55%	12.14%	13.96%
<b>Profitability</b>				
Interest margin	3.37%	3.05%	3.44%	3.15%
Return on assets (before tax)	1.57%	1.61%	1.53%	1.65%
Return on equity (after tax)	20.75%	20.49%	18.08%	18.85%
<b>Assets Quality</b>				
Gross non - performing advances ratio, (Net of interest in suspense)	5.07%	3.78%		
Net non - performing advances ratio, (Net of interest in suspense and provisions)	2.64%	1.64%		
<b>Investor Information</b>				
Debt equity (%)	252.18	293.09		
Interest cover (times)	2.05	2.04		
<b>Regulatory Liquidity</b>				
Statutory liquid assets,				
- Domestic banking unit (Rs. Mn )	294,696	325,451		
- Off-shore banking unit (US\$ Mn)	1,011	682		
Statutory liquid assets ratio, (minimum requirement, 20%)				
- Domestic banking unit	25.99%	30.78%		
- Off-shore banking unit	31.25%	25.93%		
<b>Memorandum Information</b>				
Number of employees	8,089	8,577		
Number of branches	575	573		

SHARE INFORMATION

Shareholder	30-Sep-2015		31-Dec-2014	
	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 2014. 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 2014.
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.
7. Bank's subsidiaries, MCSL Financial Services Limited and MBSL Savings Bank Limited have been amalgamated with Merchant Bank of Sri Lanka & Finance PLC with effect from 1 January 2015. Bank has prepared the quarterly consolidated financial statements using provisional figures related to the merger as the audit on the same is yet to be finalized.
8. In accordance with the Finance Act No. 10 of 2015, the Bank has effected the 1<sup>st</sup> installment of the Super Gain Tax (SGT) on 30 October 2015. This one-off tax has not been adjusted in these financial statements.

### 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 2015 and its profit for the nine months ended 30 September 2015.

Sgd.

W P Russel Fonseka

**Actg. 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.

Ranel T Wijesinha

**Director**

**(Independent Non-Executive)**

Sgd.

Pushpa Wellappili

**Director**

**(Non-Executive Ex officio)**

Sgd.

D M Gunasekara

**General Manager**

12 November 2015

Colombo

As at 30 September		2015					
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised Cost	Available for sale	Others	Total
<b>Financial assets</b>							
Cash and short term funds				35,265,178			35,265,178
Balances with Central Banks				41,191,533			41,191,533
Placements with banks				41,311,238			41,311,238
Derivative financial instruments	2,201,433						2,201,433
Reverse repurchased agreements				6,929,229			6,929,229
Loans and advances to customers				834,919,087			834,919,087
Financial investments	21,338,517	-	221,907,384	191,366,278	11,862,707		446,474,886
<b>Total financial assets</b>	<b>23,539,950</b>	<b>-</b>	<b>221,907,384</b>	<b>1,150,982,543</b>	<b>11,862,707</b>	<b>-</b>	<b>1,408,292,584</b>
Other assets						75,536,698	75,536,698
<b>Total assets</b>	<b>23,539,950</b>	<b>-</b>	<b>221,907,384</b>	<b>1,150,982,543</b>	<b>11,862,707</b>	<b>75,536,698</b>	<b>1,483,829,282</b>

	Held for trading	Amortised Cost	Others	Total
<b>Financial liabilities</b>				
Due to banks		1,488,341		1,488,341
Derivative financial instruments	11,524			11,524
Other financial liabilities held for trading				-
Due to customers		997,623,267		997,623,267
Other borrowings		350,642,395		350,642,395
Debt securities issued		3,716,525		3,716,525
Subordinated term debts		29,136,887		29,136,887
<b>Total financial liabilities</b>	<b>11,524</b>	<b>1,382,607,415</b>	<b>-</b>	<b>1,382,618,939</b>
Other liabilities			18,091,141	18,091,141
<b>Total liabilities</b>	<b>11,524</b>	<b>1,382,607,415</b>	<b>18,091,141</b>	<b>1,400,710,080</b>

As at 31 December		2014					
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised Cost	Available for sale	Others	Total
<b>Financial assets</b>							
Cash and short term funds				29,165,464			29,165,464
Balances with Central Banks				30,422,373			30,422,373
Placements with banks				19,766,889			19,766,889
Derivative financial instruments	1,714,556						1,714,556
Reverse repurchased agreements				58,953,093			58,953,093
Loans and advances to customers				741,347,635			741,347,635
Financial investments	17,862,433	-	216,517,438	129,145,330	14,361,543		377,886,744
<b>Total financial assets</b>	<b>19,576,989</b>	<b>-</b>	<b>216,517,438</b>	<b>1,008,800,784</b>	<b>14,361,543</b>	<b>-</b>	<b>1,259,256,754</b>
Other assets						69,763,641	69,763,641
<b>Total assets</b>	<b>19,576,989</b>	<b>-</b>	<b>216,517,438</b>	<b>1,008,800,784</b>	<b>14,361,543</b>	<b>69,763,641</b>	<b>1,329,020,395</b>

	Held for trading	Amortised Cost	Others	Total
<b>Financial liabilities</b>				
Due to banks		889,876		889,876
Derivative financial instruments	734,548			734,548
Other financial liabilities held for trading				-
Due to customers		933,966,169		933,966,169
Other borrowings		246,736,462		246,736,462
Debt securities issued		20,762,198		20,762,198
Subordinated term debts		32,519,715		32,519,715
<b>Total financial liabilities</b>	<b>734,548</b>	<b>1,234,874,420</b>	<b>-</b>	<b>1,235,608,968</b>
Other liabilities			18,605,514	18,605,514
<b>Total liabilities</b>	<b>734,548</b>	<b>1,234,874,420</b>	<b>18,605,514</b>	<b>1,254,214,482</b>

As at 30 September		2015					
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised Cost	Available for sale	Others	Total
<b>Financial assets</b>							
Cash and short term funds				35,599,535			35,599,535
Balances with Central Banks				41,191,533			41,191,533
Placements with banks				45,260,191			45,260,191
Derivative financial instruments	2,201,433						2,201,433
Reverse repurchased agreements				7,578,399			7,578,399
Loans and advances to customers				858,610,026			858,610,026
Financial investments	21,897,222	-	221,982,770	192,062,487	16,019,117		451,961,596
<b>Total financial assets</b>	<b>24,098,655</b>	<b>-</b>	<b>221,982,770</b>	<b>1,180,302,171</b>	<b>16,019,117</b>	<b>-</b>	<b>1,442,402,713</b>
Other assets						80,668,757	80,668,757
<b>Total assets</b>	<b>24,098,655</b>	<b>-</b>	<b>221,982,770</b>	<b>1,180,302,171</b>	<b>16,019,117</b>	<b>80,668,757</b>	<b>1,523,071,470</b>

	Held for trading	Amortised Cost	Others	Total
<b>Financial liabilities</b>				
Due to banks		1,555,725		1,555,725
Derivative financial instruments	11,524			11,524
Other financial liabilities held for trading				-
Due to customers		1,012,697,749		1,012,697,749
Other borrowings		353,644,377		353,644,377
Debt securities issued		9,145,093		9,145,093
Subordinated term debts		28,806,191		28,806,191
<b>Total financial liabilities</b>	<b>11,524</b>	<b>1,405,849,135</b>	<b>-</b>	<b>1,405,860,659</b>
Other liabilities			23,321,098	23,321,098
<b>Total liabilities</b>	<b>11,524</b>	<b>1,405,849,135</b>	<b>23,321,098</b>	<b>1,429,181,757</b>

As at 31 December		2014					
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised Cost	Available for sale	Others	Total
<b>Financial assets</b>							
Cash and short term funds				29,958,559			29,958,559
Balances with Central Banks				30,422,373			30,422,373
Placements with banks				21,393,574			21,393,574
Derivative financial instruments	1,714,556						1,714,556
Reverse repurchased agreements				60,236,389			60,236,389
Loans and advances to customers				763,772,052			763,772,052
Financial investments	18,437,958	-	216,740,132	129,966,806	17,611,160		382,756,056
<b>Total financial assets</b>	<b>20,152,514</b>	<b>-</b>	<b>216,740,132</b>	<b>1,035,749,753</b>	<b>17,611,160</b>	<b>-</b>	<b>1,290,253,559</b>
Other assets						75,150,106	75,150,106
<b>Total assets</b>	<b>20,152,514</b>	<b>-</b>	<b>216,740,132</b>	<b>1,035,749,753</b>	<b>17,611,160</b>	<b>75,150,106</b>	<b>1,365,403,665</b>

	Held for trading	Amortised Cost	Others	Total
<b>Financial liabilities</b>				
Due to banks		949,127		949,127
Derivative financial instruments	734,548			734,548
Other financial liabilities held for trading				-
Due to customers		943,934,463		943,934,463
Other borrowings		252,168,157		252,168,157
Debt securities issued		26,218,337		26,218,337
Subordinated term debts		32,177,810		32,177,810
<b>Total financial liabilities</b>	<b>734,548</b>	<b>1,255,447,894</b>	<b>-</b>	<b>1,256,182,442</b>
Other liabilities			23,640,502	23,640,502
<b>Total liabilities</b>	<b>734,548</b>	<b>1,255,447,894</b>	<b>23,640,502</b>	<b>1,279,822,944</b>

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount	
					30.09.2015	31.12.2014		Bank	
					%	%		30.09.2015	31.12.2014
							Rs '000	Rs '000	
<b>Fixed interest rate</b>									
Unsecured, subordinated, redeemable debentures	a	Annually	28.06.2010	27.06.2015	-	11.50	-	-	1,135,783
Unsecured, subordinated, redeemable debentures	a	Annually	08.12.2011	07.12.2016	11.00	11.00	7.66	4,244,684	3,926,514
Unsecured, subordinated, redeemable debentures	a	Semi annually	08.12.2011	07.12.2016	10.50	10.50	7.66	2,374	2,315
Unsecured, subordinated, redeemable debentures	a	Annually	30.11.2012	29.11.2017	16.00	16.00	8.35	6,744,543	6,034,052
Unsecured, subordinated, redeemable debentures	a	Semi annually	30.11.2012	29.11.2017	15.25	15.25	8.35	41,693	40,189
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2018	13.00	13.00	8.76	4,240,149	3,869,827
Unsecured, subordinated, redeemable debentures	a	Semi annually	25.10.2013	24.10.2018	12.60	12.60	8.76	227,143	220,369
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2021	13.25	13.25	9.68	1,346,195	1,226,594
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2022	13.25	13.25	10	1,347,318	1,227,617
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2023	13.75	13.75	10.13	1,803,804	1,638,142
Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2019	8.00	8.00	9.35	5,134,429	5,234,969
Unsecured, subordinated, redeemable debentures	a	Quarterly	22.09.2014	21.09.2019	7.75	7.75	9.35	216,149	216,182
Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2022	8.25	8.25	10	1,836,736	1,873,793
Unsecured, redeemable debentures		Annually	01.07.2010	30.06.2015	-	13.20	-	-	1,063,602
Unsecured, redeemable debentures		Annually	14.07.2010	13.07.2015	-	13.20	-	-	2,118,737
Unsecured, redeemable debentures		Annually	17.09.2010	16.09.2015	-	11.00	-	-	1,472,780
Unsecured, redeemable debentures		Semi annually	18.06.2012	17.06.2017	14.75	14.75	8.02	1,332,690	1,286,404
Unsecured, redeemable debentures		Annually	07.12.2012	06.12.2017	15.50	15.50	8.35	2,383,835	2,140,654
								<b>30,901,742</b>	<b>34,728,523</b>
<b>Floating interest rate</b>									
Unsecured, subordinated, redeemable debentures (6 months TB rate (Gross) plus 75 basis points)	a/b	Semi annually	28.06.2010	27.06.2015	-	7.24	-	-	3,927,586
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 75 basis points)	a/b	Semi annually	08.12.2011	07.12.2016	7.62	7.24	7.66	1,123,400	1,102,401
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	30.11.2012	29.11.2017	8.12	7.74	8.35	431	423
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 100 basis points)	a/b	Semi annually	25.10.2013	24.10.2018	8.06	7.92	8.76	207	203
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 100 basis points)	a/b	Semi annually	25.10.2013	24.10.2021	8.06	7.92	9.68	1,035	1,014
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 50 basis points)	a/b	Semi annually	22.09.2014	21.09.2019	8.36	7.42	9.35	826,567	841,711
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 50 basis points)	a/b	Semi annually	22.09.2014	21.09.2022	8.36	7.42	10.00	30	31
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 150 basis points)	c	Annually	03.08.2010	02.08.2015	-	8.81	-	-	5,382,540
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 150 basis points)	c	Annually	03.08.2010	02.08.2015	-	8.81	-	-	1,811,431
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 150 basis points)	c	Annually	03.08.2010	02.08.2015	-	8.81	-	-	5,486,050
								<b>1,951,670</b>	<b>18,553,390</b>
								<b>32,853,412</b>	<b>53,281,913</b>

**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 20 2012/2017 - ( Highest Price - Rs. 100.00, Lowest Price - Rs. 100.00, Last Transaction Price - Rs. 100.00)  
2014/2022 - ( Highest Price - Rs. 99.90, Lowest Price - Rs. 96.33, Last Transaction Price - Rs. 96.64)
- 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.
- c) 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-2015 to 30-Sep-2015 Rs.	01-Jan-2014 to 31-Dec-2014 Rs.
<b>Market Value</b>		
<b>BoC Debentures 2010/2015 ,</b> Unsecured, subordinated, redeemable, 5 years, fixed rate (11.5%)		
Highest , Lowest and Last transaction	Not Traded	95.00
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 75 basis points )		
Highest , Lowest and Last transaction	Not Traded	100.00
<b>Market Value</b>		
<b>BoC Debentures 2011/2016 ,</b> 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	100.00
Unsecured, subordinated, redeemable, 5 years, fixed rate (10.5%)	Not Traded	Not Traded
<b>Market Value</b>		
<b>BoC Debentures 2012/2017 ,</b> Unsecured, subordinated, redeemable, 5 years, fixed rate (16.0%)		
Highest , Lowest and Last transaction	100.00	104.00
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
<b>Market Value</b>		
<b>BoC Debentures 2013/2023 ,</b> 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	111.85
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	Not Traded	125.55
Lowest	Not Traded	111.13
Last transaction	Not Traded	125.55
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	131.43
Lowest	Not Traded	112.50
Last transaction	Not Traded	131.43
<b>Market Value</b>		
<b>BoC Debentures 2014/2022 ,</b> Unsecured, subordinated, redeemable, 5 years, fixed rate (8.0%)		
Highest	99.90	99.94
Lowest	96.33	99.94
Last transaction	96.64	99.94
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

	30-Sep-2015 %	31-Dec-2014 %
<b>Interest yield as at date of last trade done</b>		
<b>BoC Debentures 2010/2015 ,</b>		
5 years, fixed rate (11.5%)	Not Traded	16.04
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points )	Not Traded	10.62
<b>BoC Debentures 2011/2016 ,</b>		
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	10.20
5 years, fixed rate (10.5%)	Not Traded	Not Traded
<b>BoC Debentures 2012/2017 ,</b>		
5 years, fixed rate (16.0%)	15.87	14.46
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
<b>BoC Debentures 2013/2023 ,</b>		
5 years, fixed rate (13.0%)	Not Traded	Not Traded
5 years, fixed rate (12.6%)	Not Traded	8.86
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	8.26
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	8.59
<b>BoC Debentures 2014/2022 ,</b>		
5 years, fixed rate (8.0%)	9.04	8.01
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
<b>Yield to maturity of last trade done</b>		
<b>BoC Debentures 2010/2015 ,</b>		
5 years, fixed rate (11.5%)	Not Traded	12.11
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points )	Not Traded	10.67
<b>BoC Debentures 2011/2016 ,</b>		
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	10.26
5 years, fixed rate (10.5%)	Not Traded	Not Traded
<b>BoC Debentures 2012/2017 ,</b>		
5 years, fixed rate (16.0%)	16.00	15.38
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
<b>BoC Debentures 2013/2023 ,</b>		
5 years, fixed rate (13.0%)	Not Traded	Not Traded
5 years, fixed rate (12.6%)	Not Traded	11.27
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	10.55
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	10.46
<b>BoC Debentures 2014/2022 ,</b>		
5 years, fixed rate (8.0%)	8.28	8.00
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

LOANS AND ADVANCES TO OTHER CUSTOMERS

Rs '000

As at	Bank		Group	
	30-Sep-2015	31-Dec-2014 (Audited)	30-Sep-2015	31-Dec-2014 (Audited)
<b>1) Loans and advances to customers</b>				
Gross loans and advances	879,804,208	777,504,915	905,249,925	801,584,475
Less : Individual impairment	12,700,051	10,138,002	14,006,260	10,925,062
Collective impairment	32,185,070	26,019,278	32,633,639	26,887,361
<b>Net loans and advances including those designated at fair value through profit or loss</b>	<b>834,919,087</b>	<b>741,347,635</b>	<b>858,610,026</b>	<b>763,772,052</b>
Less : Loans and advances designated at fair value through profit or loss	-	-	-	-
<b>Net loans and advances</b>	<b>834,919,087</b>	<b>741,347,635</b>	<b>858,610,026</b>	<b>763,772,052</b>
<b>2) Loans and advances to customers - By product</b>				
<b>Local currency</b>				
Overdrafts	144,875,861	127,539,066	144,836,743	127,490,619
Term loans	162,089,948	124,099,056	168,468,659	130,526,349
Lease rentals receivable	42,682,700	30,239,149	56,888,086	43,173,127
Credit cards	2,954,222	2,829,387	2,954,222	2,829,387
Pawning	63,499,067	76,434,744	63,671,879	76,608,119
Loans under schemes	56,294,343	35,334,191	56,720,256	35,761,416
Housing loans	41,628,598	38,169,603	41,873,688	38,195,506
Trade finance	18,173,863	16,892,456	18,175,598	17,878,989
Personal loans	64,299,742	57,902,737	66,223,611	58,991,509
Staff loans	13,379,458	12,808,314	13,593,015	13,057,327
Foreclosed properties	758,622	657,434	758,622	657,434
Other loans	7,586,958	7,303,635	7,731,552	7,348,628
<b>Total local currency loans and advances</b>	<b>618,223,382</b>	<b>530,209,772</b>	<b>641,895,931</b>	<b>552,518,410</b>
<b>Foreign currency</b>				
Overdrafts	10,461,324	12,965,821	10,716,731	12,965,821
Term loans	205,684,202	186,862,571	206,876,330	188,313,799
Trade finance	42,162,807	43,908,470	42,162,807	43,908,470
Lease rentals receivable	474,041	598,066	474,041	598,066
Loans under schemes	1,443,921	825,587	1,443,921	825,587
Housing loans	-	-	315,407	301,370
Staff loans	12,460	12,937	22,686	31,261
Foreclosed properties	515,719	480,139	515,719	480,139
Other loans	826,352	1,641,552	826,352	1,641,552
<b>Total foreign currency loans and advances</b>	<b>261,580,826</b>	<b>247,295,143</b>	<b>263,353,994</b>	<b>249,066,065</b>
<b>Total loans and advances to customers</b>	<b>879,804,208</b>	<b>777,504,915</b>	<b>905,249,925</b>	<b>801,584,475</b>

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

<b>Individual impairment</b>				
Opening balance (01 January)	10,138,002	8,130,767	10,925,062	8,760,168
Charge during the period	2,810,837	2,721,983	3,111,988	3,110,171
Amount recovered / reversal during the period	(333,546)	(714,748)	(337,688)	(714,748)
Amount written-off during the period	(86,886)	-	(114,474)	(345)
Other movements	171,644	-	421,372	(230,184)
<b>Closing balance</b>	<b>12,700,051</b>	<b>10,138,002</b>	<b>14,006,260</b>	<b>10,925,062</b>
<b>Collective impairment</b>				
Opening balance (01 January)	26,019,278	21,922,413	26,887,361	22,595,377
Charge during the period	6,248,103	5,203,681	6,367,172	5,536,102
Amount written-off during the period	(79,714)	(54,691)	(79,714)	(224,057)
Impairment adjustment for gold stock	-	(1,055,794)	-	(1,055,794)
Other movements	(2,597)	3,669	(541,180)	35,733
<b>Closing balance</b>	<b>32,185,070</b>	<b>26,019,278</b>	<b>32,633,639</b>	<b>26,887,361</b>
<b>Total impairment</b>	<b>44,885,121</b>	<b>36,157,280</b>	<b>46,639,899</b>	<b>37,812,423</b>

DUE TO OTHER CUSTOMERS

**4) Due to other customers - By product**

<b>Local currency</b>				
Demand deposits (current accounts)	85,529,328	87,738,544	85,352,864	87,485,476
Savings deposits	287,312,359	236,352,334	287,931,234	236,863,162
Time deposits	363,416,922	379,759,684	376,874,465	388,469,837
Certificate of deposit	4,315	4,315	8,918	15,691
Other deposits	2,671,214	3,387,893	2,671,214	3,387,940
<b>Total local currency deposits</b>	<b>738,934,138</b>	<b>707,242,770</b>	<b>752,838,695</b>	<b>716,222,106</b>
<b>Foreign currency</b>				
Demand deposits (current accounts)	13,760,392	14,748,715	14,324,773	15,111,128
Savings deposits	73,070,973	64,607,010	73,534,859	65,057,262
Time deposits	171,262,674	146,962,493	171,404,332	147,138,786
Other deposits	595,090	405,181	595,090	405,181
<b>Total foreign currency deposits</b>	<b>258,689,129</b>	<b>226,723,399</b>	<b>259,859,054</b>	<b>227,712,357</b>
<b>Total deposits</b>	<b>997,623,267</b>	<b>933,966,169</b>	<b>1,012,697,749</b>	<b>943,934,463</b>

For the nine months ended 30 September	Retail banking		Corporate banking		International, treasury and investment		Group functions		Unallocated		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<b>Revenue from external customers:</b>												
Net interest income	16,858,837	14,541,779	13,413,674	9,651,787	6,322,103	2,618,063	1,718,326	1,783,209	(1,084,126)	(1,786,343)	37,228,814	26,808,495
Net fee and commission income	2,545,461	2,095,926	2,193,125	2,845,394	609,912	522,007	167,603	75,118	364,642	325,082	5,880,743	5,863,527
Other income	1,661,961	1,298,829	173,592	218,219	2,834,916	6,484,526	2,061,287	2,224,164	1,306,032	(667,461)	8,037,788	9,558,277
<b>Total operating income</b>	<b>21,066,259</b>	<b>17,936,534</b>	<b>15,780,391</b>	<b>12,715,400</b>	<b>9,766,931</b>	<b>9,624,596</b>	<b>3,947,216</b>	<b>4,082,491</b>	<b>586,548</b>	<b>(2,128,722)</b>	<b>51,147,345</b>	<b>42,230,299</b>
<b>Expenses :</b>												
Impairment (charge)/ reversal for loans and other losses	(3,939,928)	(1,754,733)	(4,754,750)	(823,173)			(416,078)	(533,192)	(30,716)	1,321	(9,141,472)	(3,109,777)
Total operating expenses	(12,333,645)	(11,453,688)	(3,320,496)	(3,212,553)	(3,708,815)	(3,626,435)	(3,115,747)	(3,026,129)	(121,597)	(68,235)	(22,600,300)	(21,387,040)
<b>Total expenses</b>	<b>(16,273,573)</b>	<b>(13,208,421)</b>	<b>(8,075,246)</b>	<b>(4,035,726)</b>	<b>(3,708,815)</b>	<b>(3,626,435)</b>	<b>(3,531,825)</b>	<b>(3,559,321)</b>	<b>(152,313)</b>	<b>(66,914)</b>	<b>(31,741,772)</b>	<b>(24,496,817)</b>
<b>Operating profit before VAT and NBT</b>	<b>4,792,686</b>	<b>4,728,113</b>	<b>7,705,145</b>	<b>8,679,674</b>	<b>6,058,116</b>	<b>5,998,161</b>	<b>415,391</b>	<b>523,170</b>	<b>434,235</b>	<b>(2,195,636)</b>	<b>19,405,573</b>	<b>17,733,482</b>
VAT and NBT on financial services											(2,966,022)	(2,793,456)
<b>Operating profit after VAT and NBT</b>											<b>16,439,551</b>	<b>14,940,026</b>
Share of profit/ (loss) of Associate companies before tax							94,647	326,973			94,647	326,973
<b>Profit/(loss) before income tax</b>	<b>4,792,686</b>	<b>4,728,113</b>	<b>7,705,145</b>	<b>8,679,674</b>	<b>6,058,116</b>	<b>5,998,161</b>	<b>510,038</b>	<b>850,143</b>	<b>434,235</b>	<b>(2,195,636)</b>	<b>16,534,198</b>	<b>15,266,999</b>
Income tax expense											(4,368,524)	(3,985,235)
<b>Profit for the period</b>											<b>12,165,674</b>	<b>11,281,764</b>
<b>Total assets</b>	<b>441,037,098</b>	<b>352,196,451</b>	<b>445,954,474</b>	<b>397,405,017</b>	<b>513,197,597</b>	<b>439,527,660</b>	<b>50,224,127</b>	<b>50,040,072</b>	<b>72,658,174</b>	<b>65,431,752</b>	<b>1,523,071,470</b>	<b>1,304,600,952</b>
<b>Total liabilities</b>	<b>416,331,661</b>	<b>333,228,274</b>	<b>420,973,582</b>	<b>376,002,051</b>	<b>484,449,967</b>	<b>415,856,103</b>	<b>38,022,718</b>	<b>37,264,940</b>	<b>69,403,829</b>	<b>64,323,487</b>	<b>1,429,181,757</b>	<b>1,226,674,855</b>
Cash flows from operating activities	15,719,490	20,150,296	15,894,756	22,736,824	18,291,442	25,146,796	1,790,094	2,862,954	2,589,688	3,743,562	54,285,470	74,640,432
Cash flows used in investing activities	(12,725,490)	(8,068,268)	(12,867,374)	(9,103,925)	(14,807,577)	(10,068,889)	(1,449,145)	(1,146,340)	(2,096,447)	(1,498,939)	(43,946,033)	(29,886,361)
Cash flows from/ (used in) financing activities	5,666,791	(7,209,914)	5,729,973	(8,135,392)	6,593,965	(8,997,696)	517,536	(806,285)	944,673	(1,391,740)	19,452,938	(26,541,027)
Capital expenditure to non-current assets											852,709	1,261,060
Depreciation and amortization expenses	293,341	246,407	296,612	278,036	341,336	307,506	176,450	167,522	248,178	208,147	1,355,917	1,207,618