



INTERIM FINANCIAL STATEMENTS
for the three months ended 31.03.2015
(Un-audited)

Bank of Ceylon

INCOME STATEMENT

1

Rs. 000

For the three months ended 31 March	Bank			Group		
	2015	2014	Change %	2015	2014	Change %
Total income	30,688,536	32,125,339	(4.5)	31,998,494	33,606,641	(4.8)
Interest income	26,759,854	26,683,575	0.3	27,797,882	27,905,195	(0.4)
Interest expenses	(15,714,157)	(18,442,187)	(14.8)	(16,202,262)	(19,073,245)	(15.1)
Net interest income	11,045,697	8,241,388	34.0	11,595,620	8,831,950	31.3
Fee and commission income	2,324,747	1,842,570	26.2	2,580,079	1,969,401	31.0
Fee and commission expenses	(264,663)	(189,215)	39.9	(287,736)	(219,735)	30.9
Net fee and commission income	2,060,084	1,653,355	24.6	2,292,343	1,749,666	31.0
Net gains / (losses) from trading	556,794	977,559	(43.0)	504,971	1,001,140	(49.6)
Net gains / (losses) from financial investments	69,819	1,887,910	(96.3)	69,819	1,891,036	(96.3)
Other operating income	977,322	733,725	33.2	1,045,743	839,869	24.5
	1,603,935	3,599,194	(55.4)	1,620,533	3,732,045	(56.6)
Total operating income	14,709,716	13,493,937	9.0	15,508,496	14,313,661	8.3
Impairment (charge) / reversal for loans and other losses	(3,921,254)	(3,345,986)	17.2	(4,160,343)	(3,522,103)	18.1
Individual impairment	(498,417)	(111,364)	347.6	(509,540)	(24,771)	1,957.0
Collective impairment	(3,422,837)	(3,234,622)	5.8	(3,650,803)	(3,497,332)	4.4
Other losses	-	-	-	-	-	-
Net operating income	10,788,462	10,147,951	6.3	11,348,153	10,791,558	5.2
Operating expenses						
Personnel expenses	(3,562,039)	(3,292,578)	8.2	(3,939,376)	(3,631,793)	8.5
Depreciation and amortisation	(329,421)	(296,161)	11.2	(464,151)	(400,977)	15.8
Other expenses	(1,746,909)	(1,965,886)	(11.1)	(1,941,603)	(2,177,696)	(10.8)
Total operating expenses	(5,638,369)	(5,554,625)	1.5	(6,345,130)	(6,210,466)	2.2
Operating profit before Value Added Tax (VAT) and Nation Building Tax (NBT)	5,150,093	4,593,326	12.1	5,003,023	4,581,092	9.2
Value added tax (VAT) and Nation Building Tax (NBT) on financial services	(794,085)	(796,976)	(0.4)	(797,095)	(805,001)	(1.0)
Operating profit after value added tax (VAT) and Nation Building Tax (NBT)	4,356,008	3,796,350	14.7	4,205,928	3,776,091	11.4
Share of profits of Associate companies before tax	-	-	-	56,732	90,849	(37.6)
Profit before income tax	4,356,008	3,796,350	14.7	4,262,660	3,866,940	10.2
Income tax expense	(1,381,610)	(1,203,494)	14.8	(1,417,124)	(1,254,129)	13.0
Profit for the period	2,974,398	2,592,856	14.7	2,845,536	2,612,811	8.9
Profit attributable to:						
Equity holder of the Bank	2,974,398	2,592,856	14.7	2,879,218	2,647,717	8.7
Non controlling interest	-	-	-	(33,682)	(34,906)	(3.5)
	2,974,398	2,592,856	14.7	2,845,536	2,612,811	8.9
Earnings per share:						
Basic earnings per share (Rs.)	2,379.52	2,074.28	14.7	2,303.37	2,118.17	8.7
Diluted earnings per share (Rs.)	1,189.76	2,074.28	(42.6)	1,151.69	2,118.17	(45.6)

STATEMENT OF OTHER COMPREHENSIVE INCOME

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Rs. 000

For the three months ended 31 March	Bank			Group		
	2015	2014	Change %	2015	2014	Change %
Profit for the period	2,974,398	2,592,856	14.7	2,845,536	2,612,811	8.9
Items that will not be reclassified to profit or loss						
Actuarial gains / (losses) on retirement benefit plans	-	-	-	131	351	(62.7)
	-	-	-	131	351	(62.7)
Items that are or may be reclassified to profit or loss						
Exchange differences on translation of foreign operations	95,226	56,034	69.9	(19,174)	71,575	(126.8)
Gains / (losses) on re-measuring available for sale financial assets	(474,845)	531,625	(189.3)	(670,531)	569,084	(217.8)
Share of other comprehensive income of Associate Companies	-	-	-	(3,195)	798	(500.4)
	(379,619)	587,659	(164.6)	(692,900)	641,457	(208.0)
Other comprehensive income for the period, net of tax	(379,619)	587,659	(164.6)	(692,769)	641,808	(207.9)
Total comprehensive income for the period	2,594,779	3,180,515	(18.4)	2,152,767	3,254,619	(33.9)
Attributable to:						
Equity holder of the Bank	2,594,779	3,180,515	(18.4)	2,199,806	3,282,956	(33.0)
Non controlling interest	-	-	-	(47,039)	(28,337)	66.0
	2,594,779	3,180,515	(18.4)	2,152,767	3,254,619	(33.9)

As at	Bank			Group		
	31-Mar-2015	31-Dec-2014 (Audited)	Change %	31-Mar-2015	31-Dec-2014 (Audited)	Change %
Assets						
Cash and short term funds	38,886,560	29,165,464	33.3	39,469,385	29,958,559	31.7
Balances with Central Banks	31,141,083	30,422,373	2.4	31,141,083	30,422,373	2.4
Placements with banks	15,983,402	19,766,889	(19.1)	19,125,466	21,393,574	(10.6)
Derivative financial instruments	1,817,754	1,714,556	6.0	1,817,754	1,714,556	6.0
Reverse repurchase agreements	5,014,397	58,953,093	(91.5)	5,677,959	60,236,389	(90.6)
Financial assets - Held for trading	30,385,046	17,862,433	70.1	30,896,240	18,437,958	67.6
Financial investments - Loans and receivables	155,823,868	129,145,330	20.7	156,828,179	129,966,806	20.7
Loans and advances to customers	805,370,365	741,347,635	8.6	827,705,374	763,772,052	8.4
Financial investments - Available for sale	13,462,371	14,361,543	(6.3)	18,052,991	17,611,160	2.5
Financial investments - Held to maturity	223,159,105	216,517,438	3.1	223,163,544	216,740,132	3.0
Investment in Subsidiary companies	6,213,048	6,213,048	-	-	-	-
Investment in Associate companies	842,988	842,988	-	1,884,041	1,870,035	0.7
Investment properties	-	-	-	148,673	148,876	(0.1)
Property, plant and equipment	16,171,783	16,188,333	(0.1)	25,535,158	25,646,016	(0.4)
Leasehold properties	106,868	107,467	(0.6)	143,560	144,501	(0.7)
Intangible assets	381,627	384,577	(0.8)	514,490	531,667	(3.2)
Deferred tax assets	-	-	-	7,149	8,933	(20.0)
Other assets	45,072,426	46,027,228	(2.1)	46,010,130	46,800,078	(1.7)
Total assets	1,389,832,691	1,329,020,395	4.6	1,428,121,176	1,365,403,665	4.6
Liabilities						
Due to banks	545,285	889,876	(38.7)	800,459	949,127	(15.7)
Derivative financial instruments	379,323	734,548	(48.4)	379,323	734,548	(48.4)
Due to customers	912,402,070	933,966,169	(2.3)	923,823,828	943,934,463	(2.1)
Other borrowings	325,301,049	246,736,462	31.8	331,083,781	252,168,157	31.3
Debt securities issued	21,296,928	20,762,198	2.6	26,518,332	26,218,337	1.1
Current tax liabilities	882,946	-	100.0	1,175,385	291,193	303.6
Deferred tax liabilities	1,206,127	1,071,335	12.6	3,409,579	3,288,860	3.7
Insurance provision - Life	-	-	-	370,372	349,901	5.9
Insurance provision - Non life	-	-	-	606,860	607,306	(0.1)
Other liabilities	17,259,249	17,534,179	(1.6)	19,394,175	19,103,242	1.5
Subordinated term debts	33,332,227	32,519,715	2.5	32,996,582	32,177,810	2.5
Total liabilities	1,312,605,204	1,254,214,482	4.7	1,340,558,676	1,279,822,944	4.7
Equity						
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	47,662,238	44,861,045	6.2	50,430,553	47,661,936	5.8
Other reserves	15,755,294	16,134,913	(2.4)	22,282,489	22,922,049	(2.8)
Total equity attributable to the Bank	77,227,487	74,805,913	3.2	86,522,997	84,393,940	2.5
Non controlling interest	-	-	-	1,039,503	1,186,781	(12.4)
Total equity	77,227,487	74,805,913	3.2	87,562,500	85,580,721	2.3
Total liabilities and equity	1,389,832,691	1,329,020,395	4.6	1,428,121,176	1,365,403,665	4.6
Commitments and contingencies	678,557,397	721,763,406	(6.0)	678,973,367	722,823,188	(6.1)

STATEMENT OF CHANGES IN EQUITY- BANK

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Rs. 000

	Share capital		Permanent reserve fund	Other reserves				Retained profit	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				531,625		56,034	-	2,592,856	2,592,856
Other comprehensive income, net of tax								-	587,659
Dividends for 2014								(173,205)	(173,205)
Transfers to investment fund account					210,031			(210,031)	-
Balance as at 31 March 2014	5,000,000	-	3,538,455	4,444,340	7,267,121	1,618,348	5,210,792	33,628,414	60,707,470
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				(474,845)		95,226	-	2,974,398	2,974,398
Other comprehensive income, net of tax								-	(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

STATEMENT OF CHANGES IN EQUITY -GROUP

Rs. 000

	Share capital		Permanent reserve fund	Other reserves				Retained profit	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				562,500		71,575	-	2,647,717	(34,906)	2,612,811
Other comprehensive income, net of tax								1,164	6,569	641,808
Dividends for 2014								(173,205)		(173,205)
Transfers to investment fund account					211,050			(211,050)		-
Balance as at 31 March 2014	5,000,000	-	3,538,455	5,078,161	7,439,598	2,543,630	9,600,314	35,525,926	1,267,363	69,993,447
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				(657,187)		(19,174)	-	2,879,218	(33,682)	2,845,536
Other comprehensive income, net of tax								(3,051)	(13,357)	(692,769)
Dividends for 2015								(173,205)		(173,205)
Merger 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

STATEMENT OF CASH FLOWS

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Rs '000

For the three months ended 31 March	Bank		Group	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit before income tax	4,356,008	3,796,350	4,262,660	3,866,940
Adjustments for :				
Net interest income	(11,045,697)	(8,241,388)	(11,595,620)	(8,831,950)
Dividend income on trading securities	(20,541)	(9,477)	(21,450)	(15,699)
Dividends from Subsidiaries and Associates	(36,250)	(6,736)	-	-
Share of profit of Associate companies before tax	-	-	(56,732)	(90,849)
Change in operating assets	(24,259,325)	8,764,204	(24,488,264)	8,853,283
Change in operating liabilities	26,301,802	30,997,034	26,750,952	32,794,720
Other non cash items included in profit before tax	3,639,361	4,425,410	3,725,055	5,079,949
Other net gains from investing activities	(69,820)	(1,887,910)	(69,820)	(1,891,036)
	(1,134,462)	37,837,487	(1,493,219)	39,765,358
Contribution paid to defined benefit plans	(1,360,863)	(1,088,269)	(1,364,943)	(1,092,778)
Interest received	19,451,562	18,722,160	20,142,183	19,693,673
Interest paid	(14,486,444)	(15,709,534)	(14,512,852)	(15,942,163)
Dividends received	20,541	9,477	21,450	15,699
Net cash from operating activities before income tax	2,490,334	39,771,321	2,792,619	42,439,789
Income tax paid	-	-	(41,444)	(40,706)
Net cash from operating activities	2,490,334	39,771,321	2,751,175	42,399,083
Cash flows from investing activities				
Net increase in financial investments - Held to maturity	(11,082,498)	(50,178,603)	(10,864,244)	(50,679,790)
Net (increase) / decrease in financial investments - Available for sale	431,358	3,647,260	(1,105,330)	3,680,012
Net (increase) / decrease in financial investment - Loans and receivables	(26,678,538)	4,801,619	(26,861,373)	4,662,519
Purchase of property plant & equipment and leasehold properties	(268,537)	(232,042)	(304,185)	(250,238)
Purchase of intangible assets	(45,050)	(52,979)	(50,640)	(59,853)
Proceeds from sale of property plant & equipment	-	-	283	400
Dividends received	99,039	106,646	99,039	103,036
Interest received	11,495,940	7,434,838	11,843,346	7,617,600
Net cash used in investing activities	(26,048,286)	(34,473,261)	(27,243,104)	(34,926,314)
Cash flows from financing activities				
Net increase / (decrease) in other borrowings	31,704,809	(2,477,617)	33,472,181	3,297,390
Payments on redemption of debentures	-	-	-	(25,000)
Dividends paid to Government of Sri Lanka	(173,205)	(173,205)	(173,205)	(173,205)
Interest payments on borrowings and debt securities	(919,276)	(610,240)	(1,447,736)	(941,324)
Net cash from / (used in) financing activities	30,612,328	(3,261,062)	31,851,240	2,157,861
Net increase in cash and cash equivalents during the period	7,054,376	2,036,998	7,359,311	9,630,630
Cash and cash equivalents at the beginning of the period	44,407,268	38,103,096	49,882,418	40,955,175
Cash and cash equivalents at the end of the period	51,461,644	40,140,094	57,241,729	50,585,805
Analysis of cash and cash equivalents				
Cash and short term funds	38,886,560	35,635,233	39,469,385	35,951,641
Due from banks with maturity less than three months	12,813,094	5,213,638	18,265,528	15,393,008
Bank overdrafts	(238,010)	(708,777)	(493,184)	(758,844)
	51,461,644	40,140,094	57,241,729	50,585,805

As at	Bank		Group	
	31-Mar-2015	31-Dec-2014 (Audited)	31-Mar-2015	31-Dec-2014 (Audited)
Net assets value per share (Rs) (No of shares 5,000,000)	15,445.50	14,961.18	17,304.60	16,878.79
Regulatory Capital Adequacy				
Core capital (Tier 1 capital), Rs. Mn	56,078	55,727	63,014	63,012
Total capital base, Rs. Mn	80,647	79,929	89,762	89,744
Core capital adequacy ratio, % of risk weighted assets (Minimum requirement, 5%)	8.64%	9.45%	9.03%	9.80%
Total capital adequacy ratio, % of risk weighted assets (Minimum requirement, 10%)	12.42%	13.55%	12.87%	13.96%
Profitability				
Interest margin	3.25%	3.05%	3.32%	3.15%
Return on assets (before tax)	1.28%	1.61%	1.22%	1.65%
Return on equity (after tax)	15.65%	20.49%	13.15%	18.85%
Assets Quality				
Gross non - performing advances ratio, (Net of interest in suspense)	4.39%	3.78%		
Net non - performing advances ratio, (Net of interest in suspense and provisions)	2.15%	1.64%		
Investor Information				
Debt equity (%)	285.99	293.09		
Interest cover (times)	1.85	2.04		
Regulatory Liquidity				
Statutory liquid assets,				
- Domestic banking unit (Rs. Mn)	275,216	325,451		
- Off-shore banking unit (US\$ Mn)	891	682		
Statutory liquid assets ratio, (minimum requirement, 20%)				
- Domestic banking unit	26.61%	30.78%		
- Off-shore banking unit	31.69%	25.93%		
Memorandum Information				
Number of employees	8,347	8,577		
Number of branches	575	573		

SHARE INFORMATION

Shareholder	31-Mar-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

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

1. These financial statements are presented in accordance with Sri Lanka Accounting Standards comprising of Sri Lanka Financial Reporting Standards (SLFRS) and Sri Lanka Accounting Standards (LKAS) laid down by the Institute of Chartered Accountants of Sri Lanka, together with comparative period data as at and for the three months ended 31 March 2015.
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. The Government of Sri Lanka, in its interim budget 2015 presented to the Parliament on 29 January 2015, has intimated a one-off Super Gain Tax of 25% on the profits of any company or an individual exceeding Rs. 2,000 million earned in the year of assessment 2013/14. As the relevant legislation is not yet gazetted, the Bank has not assessed the impact of this one-off tax on these financials.

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 2015 and its profit for the three months ended 31 March 2015.

Sgd.
W P Russel Fonseka
Actg. 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

14 May 2015
Colombo

As at 31 March		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 short term funds				38,886,560			38,886,560
Balances with Central Banks				31,141,083			31,141,083
Placements with banks				15,983,402			15,983,402
Derivative financial instruments	1,817,754						1,817,754
Reverse repurchased agreements				5,014,397			5,014,397
Loans and advances to customers				805,370,365			805,370,365
Financial investments	30,385,046	-	223,159,105	155,823,868	13,462,371		422,830,390
Total financial assets	32,202,800	-	223,159,105	1,052,219,675	13,462,371	-	1,321,043,951
Other assets						68,788,740	68,788,740
Total assets	32,202,800	-	223,159,105	1,052,219,675	13,462,371	68,788,740	1,389,832,691

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		545,285		545,285
Derivative financial instruments	379,323			379,323
Other financial liabilities held for trading				-
Due to customers		912,402,070		912,402,070
Other borrowings		325,301,049		325,301,049
Debt securities issued		21,296,928		21,296,928
Subordinated term debts		33,332,227		33,332,227
Total financial liabilities	379,323	1,292,877,559	-	1,293,256,882
Other liabilities			19,348,322	19,348,322
Total liabilities	379,323	1,292,877,559	19,348,322	1,312,605,204

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
Financial assets							
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
Total financial assets	19,576,989	-	216,517,438	1,008,800,784	14,361,543	-	1,259,256,754
Other assets						69,763,641	69,763,641
Total assets	19,576,989	-	216,517,438	1,008,800,784	14,361,543	69,763,641	1,329,020,395

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
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
Total financial liabilities	734,548	1,234,874,420	-	1,235,608,968
Other liabilities			18,605,514	18,605,514
Total liabilities	734,548	1,234,874,420	18,605,514	1,254,214,482

As at 31 March		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 short term funds				39,469,385			39,469,385
Balances with Central Banks				31,141,083			31,141,083
Placements with banks				19,125,466			19,125,466
Derivative financial instruments	1,817,754						1,817,754
Reverse repurchased agreements				5,677,959			5,677,959
Loans and advances to customers				827,705,374			827,705,374
Financial investments	30,896,240	-	223,163,544	156,828,179	18,052,991		428,940,954
Total financial assets	32,713,994	-	223,163,544	1,079,947,446	18,052,991	-	1,353,877,975
Other assets						74,243,201	74,243,201
Total assets	32,713,994	-	223,163,544	1,079,947,446	18,052,991	74,243,201	1,428,121,176

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		800,459		800,459
Derivative financial instruments	379,323			379,323
Other financial liabilities held for trading				-
Due to customers		923,823,828		923,823,828
Other borrowings		331,083,781		331,083,781
Debt securities issued		26,518,332		26,518,332
Subordinated term debts		32,996,582		32,996,582
Total financial liabilities	379,323	1,315,222,982	-	1,315,602,305
Other liabilities			24,956,371	24,956,371
Total liabilities	379,323	1,315,222,982	24,956,371	1,340,558,676

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
Financial assets							
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
Total financial assets	20,152,514	-	216,740,132	1,035,749,753	17,611,160	-	1,290,253,559
Other assets						75,150,106	75,150,106
Total assets	20,152,514	-	216,740,132	1,035,749,753	17,611,160	75,150,106	1,365,403,665

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
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
Total financial liabilities	734,548	1,255,447,894	-	1,256,182,442
Other liabilities			23,640,502	23,640,502
Total liabilities	734,548	1,255,447,894	23,640,502	1,279,822,944

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount	
					31.03.2015	31.12.2014		Bank	
					%	%		31.03.2015	31.12.2014
Fixed interest rate								Rs '000	Rs '000
Unsecured, subordinated, redeemable debentures	a	Annually	28.06.2010	27.06.2015	11.50	11.50	6.59	1,167,116	1,135,783
Unsecured, subordinated, redeemable debentures	a	Annually	08.12.2011	07.12.2016	11.00	11.00	7.56	4,029,177	3,926,514
Unsecured, subordinated, redeemable debentures	a	Semi annually	08.12.2011	07.12.2016	10.50	10.50	7.56	2,375	2,315
Unsecured, subordinated, redeemable debentures	a	Annually	30.11.2012	29.11.2017	16.00	16.00	7.92	6,262,151	6,034,052
Unsecured, subordinated, redeemable debentures	a	Semi annually	30.11.2012	29.11.2017	15.25	15.25	7.92	41,693	40,189
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2018	13.00	13.00	8.58	3,989,893	3,869,827
Unsecured, subordinated, redeemable debentures	a	Semi annually	25.10.2013	24.10.2018	12.60	12.60	8.58	227,205	220,369
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2021	13.25	13.25	8.98	1,265,349	1,226,594
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2022	13.25	13.25	9.33	1,266,404	1,227,617
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2023	13.75	13.75	9.69	1,691,763	1,638,142
Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2019	8.00	8.00	8.79	5,336,666	5,234,969
Unsecured, subordinated, redeemable debentures	a	Quarterly	22.09.2014	21.09.2019	7.75	7.75	8.79	216,182	216,182
Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2022	8.25	8.25	9.33	1,911,299	1,873,793
Unsecured, redeemable debentures		Annually	01.07.2010	30.06.2015	13.20	13.20	6.59	1,097,086	1,063,602
Unsecured, redeemable debentures		Annually	14.07.2010	13.07.2015	13.20	13.20	6.59	2,185,439	2,118,737
Unsecured, redeemable debentures		Annually	17.09.2010	16.09.2015	11.00	11.00	6.66	1,511,710	1,472,780
Unsecured, redeemable debentures		Semi annually	18.06.2012	17.06.2017	14.75	14.75	7.71	1,332,996	1,286,404
Unsecured, redeemable debentures		Annually	07.12.2012	06.12.2017	15.50	15.50	7.92	2,219,177	2,140,654
								35,753,680	34,728,523
Floating interest rate									
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	7.24	6.59	3,974,420	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	7.24	7.24	7.56	1,122,177	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	7.74	7.74	7.92	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	7.92	7.92	8.58	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	7.92	7.92	8.98	1,034	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	8.13	7.42	8.79	826,656	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	8.13	7.42	9.33	30	31
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 150 basis points)	c	Annually	03.08.2010	02.08.2015	8.81	8.81	6.68	5,497,363	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	8.81	6.68	1,850,074	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	8.81	6.68	5,603,082	5,486,050
								18,875,474	18,553,390
								54,629,155	53,281,913

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 of three months ended 31 March 2015.
2014/2022 - (Highest Price - Rs. 99.90, Lowest Price - Rs. 96.33, Last Transaction Price - Rs. 99.90)
- 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 31-Mar-2015 Rs.	01-Jan-2014 to 31-Dec-2014 Rs.
Market Value		
BoC Debentures 2010/2015 ,		
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
Market Value		
BoC Debentures 2011/2016 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (11.0%)		
Not Traded	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	Not Traded
Market Value		
BoC Debentures 2012/2017 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (16.0%)		
Highest , Lowest and Last transaction	Not Traded	104.00
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)		
Not Traded	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, fixed rate (15.3%)		
Not Traded	Not Traded	Not Traded
Market Value		
BoC Debentures 2013/2023 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (13.0%)		
Not Traded	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	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	Not Traded
Unsecured, subordinated, redeemable, 9 years, fixed rate (13.25%)		
Not Traded	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
Market Value		
BoC Debentures 2014/2022 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (8.0%)		
Highest	99.90	99.94
Lowest	96.33	99.94
Last transaction	99.90	99.94
Unsecured, subordinated, redeemable, 5 years, fixed rate (7.75%)		
Not Traded	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 50 basis points)		
Not Traded	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, fixed rate (8.25%)		
Not Traded	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 50 basis points)		
Not Traded	Not Traded	Not Traded

	31-Mar-2015 %	31-Dec-2014 %
Interest yield as at date of last trade done		
BoC Debentures 2010/2015 ,		
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
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	10.20
5 years, fixed rate (10.5%)	Not Traded	Not Traded
BoC Debentures 2012/2017 ,		
5 years, fixed rate (16.0%)	Not Traded	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
BoC Debentures 2013/2023 ,		
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
BoC Debentures 2014/2022 ,		
5 years, fixed rate (8.0%)	8.00	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
Yield to maturity of last trade done		
BoC Debentures 2010/2015 ,		
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
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	10.26
5 years, fixed rate (10.5%)	Not Traded	Not Traded
BoC Debentures 2012/2017 ,		
5 years, fixed rate (16.0%)	Not Traded	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
BoC Debentures 2013/2023 ,		
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
BoC Debentures 2014/2022 ,		
5 years, fixed rate (8.0%)	8.01	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	
	31-Mar-2015	31-Dec-2014 (Audited)	31-Mar-2015	31-Dec-2014 (Audited)
1) Loans and advances to customers				
Gross loans and advances	845,453,942	777,504,915	869,377,826	801,584,475
Less : Individual impairment	10,636,419	10,138,002	11,184,917	10,925,062
Collective impairment	29,447,158	26,019,278	30,487,535	26,887,361
Net loans and advances including those designated at fair value through profit or loss	805,370,365	741,347,635	827,705,374	763,772,052
Less : Loans and advances designated at fair value through profit or loss	-	-	-	-
Net loans and advances	805,370,365	741,347,635	827,705,374	763,772,052
2) Loans and advances to customers - By product				
Local currency				
Overdrafts	162,065,632	127,539,066	162,005,994	127,490,619
Term loans	138,154,669	124,099,056	144,283,182	130,526,349
Lease rentals receivable	36,055,417	30,239,149	49,396,821	43,173,127
Credit cards	2,899,609	2,829,387	2,899,609	2,829,387
Pawning	73,057,255	76,434,744	73,286,219	76,608,119
Loans under schemes	38,780,281	35,334,191	39,132,978	35,761,416
Housing loans	39,072,840	38,169,603	39,138,884	38,195,506
Trade finance	15,552,221	16,892,456	16,306,347	17,878,989
Personal loans	63,497,297	57,902,737	64,750,267	58,991,509
Staff loans	13,045,009	12,808,314	13,310,660	13,057,327
Foreclosed properties	675,659	657,434	675,659	657,434
Other loans	6,449,004	7,303,635	6,508,642	7,348,628
Total local currency loans and advances	589,304,893	530,209,772	611,695,262	552,518,410
Foreign currency				
Overdrafts	10,598,536	12,965,821	10,866,203	12,965,821
Term loans	201,390,024	186,862,571	202,375,327	188,313,799
Trade finance	40,424,803	43,908,470	40,424,803	43,908,470
Lease rentals receivable	562,120	598,066	562,120	598,066
Loans under schemes	1,189,712	825,587	1,189,712	825,587
Housing loans	-	-	267,667	301,370
Staff loans	16,775	12,937	29,653	31,261
Foreclosed properties	480,139	480,139	480,139	480,139
Other loans	1,486,940	1,641,552	1,486,940	1,641,552
Total foreign currency loans and advances	256,149,049	247,295,143	257,682,564	249,066,065
Total loans and advances to customers	845,453,942	777,504,915	869,377,826	801,584,475

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

Individual impairment				
Opening balance (01 January)	10,138,002	8,130,767	10,925,062	8,760,168
Charge during the period	709,701	2,721,983	721,039	3,110,171
Amount recovered / reversal during the period	(211,284)	(714,748)	(211,499)	(714,748)
Amount written-off during the period	-	-	-	(345)
Other movements	-	-	(249,685)	(230,184)
Closing balance	10,636,419	10,138,002	11,184,917	10,925,062
Collective impairment				
Opening balance (01 January)	26,019,278	21,922,413	26,887,361	22,595,377
Charge during the period	3,422,837	5,203,681	3,650,803	5,536,102
Amount written-off during the period	-	(54,691)	-	(224,057)
Impairment adjustment for gold stock	-	(1,055,794)	-	(1,055,794)
Other movements	5,043	3,669	(50,629)	35,733
Closing balance	29,447,158	26,019,278	30,487,535	26,887,361
Total impairment	40,083,577	36,157,280	41,672,452	37,812,423

DUE TO OTHER CUSTOMERS

4) Due to other customers - By product

Local currency				
Demand deposits (current accounts)	82,037,803	87,738,544	81,772,681	87,485,476
Savings deposits	251,665,214	236,352,334	252,115,522	236,863,162
Time deposits	352,632,797	379,759,684	362,490,257	388,469,837
Certificate of deposit	4,315	4,315	8,943	15,691
Other deposits	2,757,187	3,387,893	2,757,187	3,387,940
Total local currency deposits	689,097,316	707,242,770	699,144,590	716,222,106
Foreign currency				
Demand deposits (current accounts)	10,796,771	14,748,715	11,629,174	15,111,128
Savings deposits	67,291,971	64,607,010	67,699,140	65,057,262
Time deposits	144,745,486	146,962,493	144,880,398	147,138,786
Other deposits	470,526	405,181	470,526	405,181
Total foreign currency deposits	223,304,754	226,723,399	224,679,238	227,712,357
Total deposits	912,402,070	933,966,169	923,823,828	943,934,463

Rs. '000

For the three months ended 31 March	Retail banking		Corporate banking		International, treasury and investment		Group functions		Unallocated		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Revenue from external customers:												
Net interest income	5,205,270	4,470,135	2,858,242	2,263,322	3,359,008	2,045,851	549,668	590,562	(376,568)	(537,920)	11,595,620	8,831,950
Net fee and commission income	808,389	644,968	893,746	771,608	241,820	161,303	232,259	135,566	116,129	36,221	2,292,343	1,749,666
Other income	505,644	339,360	140,290	77,226	616,487	3,130,229	393,457	327,201	(35,345)	(141,971)	1,620,533	3,732,045
Total operating income	6,519,303	5,454,463	3,892,278	3,112,156	4,217,315	5,337,383	1,175,384	1,053,329	(295,784)	(643,670)	15,508,496	14,313,661
Expenses :												
Impairment (charge)/ reversal for loans and other losses	(2,504,482)	(2,432,630)	(1,178,158)	(933,273)			(239,089)	(176,117)	(238,614)	19,917	(4,160,343)	(3,522,103)
Total operating expenses	(3,103,426)	(2,337,115)	(1,415,542)	(1,696,348)	(956,344)	(1,349,016)	(934,305)	(746,178)	64,487	(81,809)	(6,345,130)	(6,210,466)
Total expenses	(5,607,908)	(4,769,745)	(2,593,700)	(2,629,621)	(956,344)	(1,349,016)	(1,173,394)	(922,295)	(174,127)	(61,892)	(10,505,473)	(9,732,569)
Operating profit before VAT and NBT	911,395	684,718	1,298,578	482,535	3,260,971	3,988,367	1,990	131,034	(469,911)	(705,562)	5,003,023	4,581,092
VAT and NBT on financial services											(797,095)	(805,001)
Operating profit after VAT and NBT											4,205,928	3,776,091
Share of profit / (loss) of Associate companies before tax							56,732	90,849			56,732	90,849
Profit / (loss) before income tax	911,395	684,718	1,298,578	482,535	3,260,971	3,988,367	58,722	221,883	(469,911)	(705,562)	4,262,660	3,866,940
Income tax expense											(1,417,124)	(1,254,129)
Profit for the period											2,845,536	2,612,811
Total assets	392,710,962	362,700,171	563,680,014	476,654,931	355,480,648	316,902,089	47,614,395	48,765,838	68,635,157	62,146,994	1,428,121,176	1,267,170,023
Total liabilities	370,889,572	344,779,635	532,358,553	453,104,040	335,727,999	301,244,375	35,915,147	36,155,557	65,667,405	61,892,969	1,340,558,676	1,197,176,576
Cash flows from operating activities	756,530	12,135,826	1,085,890	15,948,714	684,809	10,603,437	91,726	1,631,689	132,220	2,079,417	2,751,175	42,399,083
Cash flows used in investing activities	(7,491,427)	(9,996,906)	(10,752,864)	(13,137,779)	(6,781,215)	(8,734,599)	(908,301)	(1,344,106)	(1,309,297)	(1,712,924)	(27,243,104)	(34,926,314)
Cash flows from financing activities	8,812,216	621,451	12,648,667	816,701	7,976,789	542,980	853,332	65,169	1,560,236	111,560	31,851,240	2,157,861
Capital expenditure to non-current assets											354,825	310,091
Depreciation and amortisation expenses	93,081	87,425	133,605	114,893	84,257	76,386	70,548	54,407	82,660	67,866	464,151	400,977