



INTERIM FINANCIAL STATEMENTS
for the three months ended 31.03.2014
(Un-audited)

Bank of Ceylon

31st March	Bank			Group		
	For the three months ended			For the three months ended		
	2014	2013	Change %	2014	2013	Change %
Interest income	26,683,575	26,274,194	1.56	27,905,195	27,338,046	2.07
Interest expense	(18,442,187)	(18,180,168)	1.44	(19,073,245)	(18,730,805)	1.83
Net interest income	8,241,388	8,094,026	1.82	8,831,950	8,607,241	2.61
Fee and commission income	1,842,570	1,414,036	30.31	1,969,401	1,592,420	23.67
Fee and commission expense	(189,215)	(173,927)	8.79	(219,735)	(205,629)	6.86
Net fee and commission income	1,653,355	1,240,109	33.32	1,749,666	1,386,791	26.17
Net gain / (loss) from trading	977,559	530,612	84.23	1,001,140	559,370	78.98
Net gain / (loss) from financial investments	1,887,910	99,626	1,795.00	1,891,036	108,568	1,641.80
Net gain / (loss) on financial instruments designated at fair value through profit or loss	-	-	-	-	(12,700)	100.00
Other operating income	733,725	423,540	73.24	839,869	711,322	18.07
	3,599,194	1,053,778	241.55	3,732,045	1,366,560	173.10
Total operating income	13,493,937	10,387,913	29.90	14,313,661	11,360,592	25.99
Impairment (charge) / reversal for loans and other losses						
Impairment (charge) / reversal for loans and advances	(3,345,986)	(1,113,267)	200.56	(3,522,103)	(1,186,054)	196.96
Impairment (charge) / reversal for others losses	-	-	-	-	3,237	(100.00)
Net operating income	10,147,951	9,274,646	9.42	10,791,558	10,177,775	6.03
Personnel expenses	(3,292,578)	(3,257,094)	1.09	(3,631,793)	(3,583,228)	1.36
Depreciation and amortisation	(296,161)	(265,430)	11.58	(400,977)	(360,367)	11.27
Other expenses	(2,079,765)	(1,458,049)	42.64	(2,291,575)	(1,799,059)	27.38
Total operating expenses	(5,668,504)	(4,980,573)	13.81	(6,324,345)	(5,742,654)	10.13
Operating profit before value added tax (VAT)	4,479,447	4,294,073	4.32	4,467,213	4,435,121	0.72
Value added tax (VAT) on financial services	(683,097)	(612,259)	11.57	(691,122)	(622,846)	10.96
Operating profit after value added tax (VAT)	3,796,350	3,681,814	3.11	3,776,091	3,812,275	(0.95)
Share of profit / (loss) of Associate Companies before tax	-	-	-	90,849	33,275	173.03
Profit before income tax	3,796,350	3,681,814	3.11	3,866,940	3,845,550	0.56
Income tax expense	(1,203,494)	(1,084,487)	10.97	(1,254,129)	(1,146,736)	9.37
Profit for the period	2,592,856	2,597,327	(0.17)	2,612,811	2,698,814	(3.19)
Profit attributable to:						
Equity holder of the parent	2,592,856	2,597,327	(0.17)	2,647,717	2,700,343	(1.95)
Non controlling interest	-	-	-	(34,906)	(1,529)	2,182.90
Profit for the period	2,592,856	2,597,327	(0.17)	2,612,811	2,698,814	(3.19)
Earnings per share:						
Basic earnings per share (LKR)	2,074.28	2,077.86	(0.17)	2,118.17	2,160.27	(1.95)
Diluted earnings per share (LKR)	2,074.28	2,077.86	(0.17)	2,118.17	2,160.27	(1.95)

31st March	Bank			Group		
	For the three months ended			For the three months ended		
	2014	2013	Change %	2014	2013	Change %
Profit for the period	2,592,856	2,597,327	(0.17)	2,612,811	2,698,814	(3.19)
Other comprehensive income						
Exchange differences on translation of foreign operations	56,034	4,692	1,094.25	71,575	(210,327)	134.03
Actuarial gains / (losses) on retirement benefit plans	-	-	-	351	133	163.91
Gains /(losses) on re-measuring available for sale financial assets	531,625	691,811	(23.15)	569,084	607,629	(6.34)
Share of other comprehensive income of Associate Companies	-	-	-	798	-	100.00
Total other comprehensive income for the period, net of tax	587,659	696,503	(15.63)	641,808	397,435	61.49
Total comprehensive income for the period	3,180,515	3,293,830	(3.44)	3,254,619	3,096,249	5.11
Attributable to:						
Equity holder of the parent	3,180,515	3,293,830	(3.44)	3,282,956	3,102,392	5.82
Non controlling interest	-	-	-	(28,337)	(6,143)	(361.28)
Total comprehensive income for the period	3,180,515	3,293,830	(3.44)	3,254,619	3,096,249	5.11

As at	Bank			Group		
	31-Mar-2014	31-Dec-2013 (Audited)	Change %	31-Mar-2014	31-Dec-2013 (Audited)	Change %
Assets						
Cash and short term funds	35,635,234	24,901,189	43.11	35,951,641	25,182,043	42.77
Balances with Central Banks	28,003,033	28,699,132	(2.43)	28,003,033	28,699,132	(2.43)
Placements with banks	8,586,344	19,315,520	(55.55)	15,393,008	21,157,190	(27.24)
Derivative financial instruments	2,661,701	3,261,073	(18.38)	2,661,701	3,261,073	(18.38)
Reverse repurchase agreements	22,270,570	22,319,717	(0.22)	22,784,470	22,851,895	(0.30)
Financial assets - Held for trading	13,198,837	13,539,791	(2.52)	13,596,827	13,898,242	(2.17)
Financial investments - Loans and receivables	124,306,994	129,108,613	(3.72)	125,527,777	130,190,296	(3.58)
Loans and advances to customers	733,431,464	725,331,966	1.12	755,344,971	746,571,819	1.18
Financial investments - Available for sale	8,997,579	10,325,214	(12.86)	11,529,517	12,852,445	(10.29)
Financial investments - Held to maturity	205,868,576	156,899,761	31.21	206,911,574	157,441,572	31.42
Investment in Subsidiary Companies	6,828,699	6,828,699	-	-	-	-
Investment in Associate Companies	842,988	842,988	-	1,549,459	1,471,267	5.31
Investment properties	-	-	-	151,024	151,914	(0.59)
Property, plant and equipment	11,963,375	12,006,180	(0.36)	20,502,346	20,622,161	(0.58)
Leasehold properties	100,712	83,026	21.30	138,761	121,417	14.28
Intangible assets	515,042	501,064	2.79	683,391	669,657	2.05
Deferred tax assets	-	-	-	4,610	47,818	(90.36)
Other assets	25,469,080	39,616,967	(35.71)	26,435,913	40,572,450	(34.84)
Total assets	1,228,680,228	1,193,580,900	2.94	1,267,170,023	1,225,762,391	3.38
Liabilities						
Due to banks	963,315	1,166,427	(17.41)	1,013,382	1,336,267	(24.16)
Derivative financial instruments	157,693	274,948	(42.65)	157,693	274,948	(42.65)
Due to customers	854,863,617	842,070,000	1.52	864,237,302	850,767,521	1.58
Other borrowings	254,155,597	235,370,269	7.98	265,175,177	240,802,111	10.12
Debt securities issued	21,637,976	20,968,357	3.19	25,541,184	24,986,818	2.22
Current tax liabilities	-	-	-	268,508	251,475	6.77
Deferred tax liabilities	104,974	151,623	(30.77)	1,978,280	2,034,216	(2.75)
Insurance provision - life	-	-	-	278,581	220,748	26.20
Insurance provision - non life	-	-	-	686,932	670,073	2.52
Other liabilities	10,970,052	11,521,521	(4.79)	12,730,687	13,158,933	(3.25)
Subordinated term debts	25,119,534	24,357,595	3.13	25,108,850	24,347,248	3.13
Total liabilities	1,167,972,758	1,135,880,740	2.83	1,197,176,576	1,158,850,358	3.31
Equity						
Share capital	5,000,000	5,000,000	-	5,000,000	5,000,000	-
Permanent reserve fund	3,538,455	3,538,455	-	3,538,455	3,538,455	-
Retained earnings	33,628,414	31,418,794	7.03	35,525,926	33,261,300	6.81
Other reserves	18,540,601	17,742,911	4.50	24,661,703	23,816,578	3.55
Total equity attributable to the parent	60,707,470	57,700,160	5.21	68,726,084	65,616,333	4.74
Non controlling interest	-	-	-	1,267,363	1,295,700	(2.19)
Total equity	60,707,470	57,700,160	5.21	69,993,447	66,912,033	4.61
Total liabilities and equity	1,228,680,228	1,193,580,900	2.94	1,267,170,023	1,225,762,391	3.38
Commitments and contingencies	676,530,927	655,441,409	3.22	676,860,925	656,226,093	3.14

STATEMENT OF CHANGES IN EQUITY- BANK

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LKR' 000

	Share capital	Permanent reserve fund	Other reserves				Retained profit	Total Equity
			Available for sale reserve	Investment fund account	Other reserves	Revaluation reserve		
Balance as at 01 January 2013	5,000,000	3,285,955	3,403,188	4,716,685	1,685,594	5,222,314	27,639,146	50,952,882
Total comprehensive income for the period								
Profit for the period							2,597,327	2,597,327
Other comprehensive income, net of tax			691,811		4,692	-	-	696,503
Dividends for 2013							(173,205)	(173,205)
Transfers to investment fund account				632,797			(632,797)	-
Balance as at 31 March 2013	5,000,000	3,285,955	4,094,999	5,349,482	1,690,286	5,222,314	29,430,471	54,073,507
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							2,592,856	2,592,856
Other comprehensive income, net of tax			531,625		56,034	-	-	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

STATEMENT OF CHANGES IN EQUITY -GROUP

LKR' 000

	Share capital	Permanent reserve fund	Other reserves				Retained profit	Non controlling interest	Total Equity
			Available for sale reserve	Investment fund account	Other reserves	Revaluation reserve			
Balance as at 01 January 2013	5,000,000	3,285,955	3,970,915	4,849,948	2,432,526	8,367,737	29,318,089	1,417,493	58,642,663
Total comprehensive income for the period									
Profit for the period							2,700,343	(1,529)	2,698,814
Other comprehensive income, net of tax			612,243		(210,327)	-	133	(4,614)	397,435
Dividends for 2013							(173,205)		(173,205)
Transfers to investment fund account				649,443			(649,443)		-
Transfers to other reserves					6,229		(6,229)		-
Acquisition, disposal and changes in non controlling interest							-	(7,019)	(7,019)
Adjustments			(24,892)		8,027		(70,885)	(28,873)	(116,623)
Balance as at 31 March 2013	5,000,000	3,285,955	4,558,266	5,499,391	2,236,455	8,367,737	31,118,803	1,375,458	61,442,065
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							2,647,717	(34,906)	2,612,811
Other comprehensive income, net of tax			562,500		71,575	-	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

For the three months ended 31 March	Bank		Group	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit before income tax	3,796,350	3,681,814	3,866,940	3,845,550
Adjustments for :				
Net interest income	(8,241,388)	(8,094,026)	(8,831,950)	(8,607,241)
Dividend income on trading securities	(9,477)	(13,452)	(15,699)	(13,691)
Dividends from Subsidiaries and Associates	(6,736)	(6,038)	-	-
Share of (profit) / loss of Associate companies before tax	-	-	(90,849)	(33,275)
Change in operating assets	8,764,204	(95,521,634)	8,853,283	(98,379,758)
Change in operating liabilities	30,997,033	58,617,569	32,794,720	63,062,511
Other non cash items included in profit before tax	4,425,410	2,852,518	5,079,949	3,008,400
Other net (gain) / loss from investing activities	(1,887,910)	(88,174)	(1,891,036)	(88,711)
	37,837,486	(38,571,423)	39,765,358	(37,206,215)
Contribution paid to defined benefit plans	(1,088,269)	(1,095,389)	(1,092,778)	(1,096,515)
Interest received	18,722,160	22,346,738	19,693,673	23,341,166
Interest paid	(15,709,534)	(12,880,991)	(15,942,163)	(13,991,051)
Dividend received	9,477	13,452	15,699	13,691
Net cash from / (used in) operating activities before income tax	39,771,320	(30,187,613)	42,439,789	(28,938,924)
Income tax paid	-	431,573	(40,706)	387,330
Net cash from / (used in) operating activities	39,771,320	(29,756,040)	42,399,083	(28,551,594)
Cash flows from investing activities				
Net (increase) /decrease in financial investments - Held to maturity	(50,178,603)	1,253,124	(50,679,790)	1,497,759
Net decrease in financial investments - Available for sale	3,647,260	826,681	3,680,012	326,387
Net (increase) /decrease in financial investment - Loans and receivables	4,801,619	(157,729)	4,662,519	46,992
Increase in interest in Subsidiaries	-	(35,851)	-	-
Purchase of property plant & equipment and leasehold properties	(232,042)	(354,915)	(250,238)	(377,187)
Purchase of intangible assets	(52,979)	(5,944)	(59,853)	(11,944)
Proceeds from sale of property plant and equipment	-	8,241	400	8,387
Dividend received	106,646	85,971	103,036	86,475
Interest received	7,434,838	4,347,488	7,617,600	5,226,007
Net cash from / (used in) investing activities	(34,473,261)	5,967,066	(34,926,314)	6,802,876
Cash flows from financing activities				
Net increase in other borrowings	(2,477,617)	29,845,783	3,297,390	24,463,707
Proceeds from non controlling interest on issue of rights in Subsidiary	-	-	-	14,935
Proceeds from issue of debentures	-	-	-	2,000,000
Payments on redemption of debentures	-	-	(25,000)	(31,800)
Dividends paid to Government of Sri Lanka	(173,205)	(173,205)	(173,205)	(173,205)
Interest payments on borrowings and debt securities	(610,240)	(2,649,685)	(941,324)	(2,896,371)
Net cash generated from / (used in) financing activities	(3,261,062)	27,022,893	2,157,861	23,377,266
Net increase / (decrease) in cash and cash equivalents during the period	2,036,998	3,233,919	9,630,630	1,628,548
Cash and cash equivalents at the beginning of the period	38,103,096	46,780,915	40,955,175	55,296,768
Cash and cash equivalents at the end of the period	40,140,094	50,014,834	50,585,805	56,925,316
Analysis of cash and cash equivalents				
Cash and short term funds	35,635,233	45,823,130	35,951,641	46,221,643
Due from banks with maturity less than three months	5,213,638	14,989,534	15,393,008	21,343,581
Bank overdrafts	(708,777)	(10,797,830)	(758,844)	(10,639,908)
	40,140,094	50,014,834	50,585,805	56,925,316

As at	Bank		Group	
	31-Mar-2014	31-Dec-2013 (Audited)	31-Mar-2014	31-Dec-2013 (Audited)
Net assets value per share (LKR)	12,141	11,540	13,745	13,123
Regulatory Capital Adequacy				
Core capital (Tier 1 capital), LKR. Mn	45,282	45,291	51,971	51,980
Total capital base, LKR. Mn	65,464	65,382	74,622	74,540
Core capital adequacy ratio, % of risk weighted assets (Minimum requirement, 5%)	8.47%	8.38%	8.93%	8.93%
Total capital adequacy ratio, % of risk weighted assets (Minimum requirement, 10%)	12.25%	12.10%	12.82%	12.81%
Profitability				
Interest margin	2.72%	3.31%	2.83%	3.41%
Return on assets (before tax)	1.25%	1.40%	1.24%	1.40%
Return on equity (after tax)	17.52%	22.25%	15.27%	19.35%
Assets Quality				
Gross non - performing advances ratio, (Net of interest in suspense)	5.42%	4.32%		
Net non - performing advances ratio, (Net of interest in suspense and provisions)	3.72%	2.76%		
Investor Information				
Debt equity (%)	324.77	336.32		
Interest cover (times)	1.82	1.70		
Regulatory Liquidity				
Statutory liquid assets,				
- Domestic banking unit (LKR. Mn)	269,185	246,775		
- Off-shore banking unit (US\$ Mn)	643	742		
Statutory liquid assets ratio, (minimum requirement, 20%)				
- Domestic banking unit	28.83%	27.67%		
- Off-shore banking unit	28.79%	31.39%		
Memorandum Information				
Number of employees	8,695	8,883		
Number of branches	568	567		

SHARE INFORMATION

Shareholder	31-Mar-2014		31-Dec-2013	
	No of Ordinary Shares	Holding %	No of Ordinary Shares	Holding %
Government of Sri Lanka	5,000,000	100	5,000,000	100

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 31st March 2014.
2. There are no changes in accounting policies and methods of computation since the publication of annual accounts for the year 2013.
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 PLC, MCSL Financial Services Limited, 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, MBSL Savings Bank 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 true and fair view of the state of affairs of Bank of Ceylon and the Group as at 31st March 2014 and its profit for the three months ended 31st March 2014.

Sgd.
Asoka Rupasinghe
Chief Financial Officer

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

- a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka and Rule 7.4 of Colombo Stock Exchange.
- b) the information contained in these statements have been extracted from the un-audited financial statements of the Bank and the Group.

Sgd.
Harsha Abeywickrema
Chairman
(Independent Non-Executive)

Sgd.
Raju Sivaraman
Director
(Independent Non-Executive)

Sgd.
D M Gunasekara
General Manager

08th May 2014

Colombo

As at 31 March		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				35,635,234			35,635,234
Balances with Central Banks				28,003,033			28,003,033
Placements with banks				8,586,344			8,586,344
Derivative financial instruments	2,661,701						2,661,701
Reverse repurchased agreements				22,270,570			22,270,570
Loans and advances to customers				733,431,464			733,431,464
Financial investments	13,198,837	-	205,868,576	124,306,994	8,997,579		352,371,986
Total financial assets	15,860,538	-	205,868,576	952,233,639	8,997,579	-	1,182,960,332
Other assets						45,719,896	45,719,896
Total assets	15,860,538	-	205,868,576	952,233,639	8,997,579	45,719,896	1,228,680,228

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		963,315		963,315
Derivative financial instruments	157,693			157,693
Other financial liabilities held for trading				-
Due to customers		854,863,617		854,863,617
Other borrowings		254,155,597		254,155,597
Debt securities issued		21,637,976		21,637,976
Subordinated term debts		25,119,534		25,119,534
Total financial liabilities	157,693	1,156,740,039	-	1,156,897,732
Other liabilities			11,075,026	11,075,026
Total liabilities	157,693	1,156,740,039	11,075,026	1,167,972,758

As at 31 December		2013					
	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				24,901,189			24,901,189
Balances with Central Banks				28,699,132			28,699,132
Placements with banks				19,315,520			19,315,520
Derivative financial instruments	3,261,073						3,261,073
Reverse repurchased agreements				22,319,717			22,319,717
Loans and advances to customers				725,331,966			725,331,966
Financial investments	13,539,791	-	156,899,761	129,108,613	10,325,214		309,873,379
Total financial assets	16,800,864	-	156,899,761	949,676,137	10,325,214	-	1,133,701,976
Other assets						59,878,924	59,878,924
Total assets	16,800,864	-	156,899,761	949,676,137	10,325,214	59,878,924	1,193,580,900

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		1,166,427		1,166,427
Derivative financial instruments	274,948			274,948
Other financial liabilities held for trading				-
Due to customers		842,070,000		842,070,000
Other borrowings		235,370,269		235,370,269
Debt securities issued		20,968,357		20,968,357
Subordinated term debts		24,357,595		24,357,595
Total financial liabilities	274,948	1,123,932,648	-	1,124,207,596
Other liabilities			11,673,144	11,673,144
Total liabilities	274,948	1,123,932,648	11,673,144	1,135,880,740

As at 31 March	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				35,951,641			35,951,641
Balances with Central Banks				28,003,033			28,003,033
Placements with banks				15,393,008			15,393,008
Derivative financial instruments	2,661,701						2,661,701
Reverse repurchased agreements				22,784,470			22,784,470
Loans and advances to customers				755,344,971			755,344,971
Financial investments	13,596,827	-	206,911,574	125,527,777	11,529,517		357,565,695
Total financial assets	16,258,528	-	206,911,574	983,004,900	11,529,517	-	1,217,704,519
Other assets						49,465,504	49,465,504
Total assets	16,258,528	-	206,911,574	983,004,900	11,529,517	49,465,504	1,267,170,023

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		1,013,382		1,013,382
Derivative financial instruments	157,693			157,693
Other financial liabilities held for trading				-
Due to customers		864,237,302		864,237,302
Other borrowings		265,175,177		265,175,177
Debt securities issued		25,541,184		25,541,184
Subordinated term debts		25,108,850		25,108,850
Total financial liabilities	157,693	1,181,075,895	-	1,181,233,588
Other liabilities			15,942,989	15,942,989
Total liabilities	157,693	1,181,075,895	15,942,989	1,197,176,576

As at 31 December	2013						
	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				25,182,043			25,182,043
Balances with Central Banks				28,699,132			28,699,132
Placements with banks				21,157,190			21,157,190
Derivative financial instruments	3,261,073						3,261,073
Reverse repurchased agreements				22,851,895			22,851,895
Loans and advances to customers				746,571,819			746,571,819
Financial investments	13,898,242	-	157,441,572	130,190,296	12,852,445		314,382,555
Total financial assets	17,159,315	-	157,441,572	974,652,375	12,852,445	-	1,162,105,707
Other assets						63,656,684	63,656,684
Total assets	17,159,315	-	157,441,572	974,652,375	12,852,445	63,656,684	1,225,762,391

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		1,336,267		1,336,267
Derivative financial instruments	274,948			274,948
Other financial liabilities held for trading				-
Due to customers		850,767,521		850,767,521
Other borrowings		240,802,111		240,802,111
Debt securities issued		24,986,818		24,986,818
Subordinated term debts		24,347,248		24,347,248
Total financial liabilities	274,948	1,142,239,965	-	1,142,514,913
Other liabilities			16,335,445	16,335,445
Total liabilities	274,948	1,142,239,965	16,335,445	1,158,850,358

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount	
					31.03.2014	31.12.2013		Bank	
					%	%		31.03.2014	31.12.2013
								LKR '000	LKR '000
A - Sri Lanka rupee debentures									
Fixed interest rate									
Unsecured, subordinated, redeemable debentures	a	Annually	28.06.2010	27.06.2015	11.50	11.50	7.13	1,167,150	1,135,783
Unsecured, subordinated, redeemable debentures	a	Annually	08.12.2011	07.12.2016	11.00	11.00	8.07	4,030,305	3,926,514
Unsecured, subordinated, redeemable debentures	a	Semi annually	08.12.2011	07.12.2016	10.50	10.50	8.07	2,375	2,315
Unsecured, subordinated, redeemable debentures	a	Annually	30.11.2012	29.11.2017	16.00	16.00	8.83	6,262,151	6,034,052
Unsecured, subordinated, redeemable debentures	a	Semi annually	30.11.2012	29.11.2017	15.25	15.25	8.83	41,693	40,189
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2018	13.00	13.00	9.04	3,989,893	3,869,827
Unsecured, subordinated, redeemable debentures	a	Semi annually	25.10.2013	24.10.2018	12.60	12.60	9.04	227,205	220,369
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2021	13.25	13.25	9.96	1,265,349	1,226,594
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2022	13.25	13.25	10.05	1,266,404	1,227,617
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2023	13.75	13.75	10.09	1,691,763	1,638,142
Unsecured, redeemable debentures		Annually	01.07.2010	30.06.2015	13.20	13.20	7.13	1,097,086	1,063,602
Unsecured, redeemable debentures		Annually	14.07.2010	13.07.2015	13.20	13.20	7.17	2,185,439	2,118,737
Unsecured, redeemable debentures		Annually	17.09.2010	16.09.2015	11.00	11.00	7.27	1,511,710	1,472,780
Unsecured, redeemable debentures		Semi annually	18.06.2012	17.06.2017	14.75	14.75	8.31	1,332,996	1,286,404
Unsecured, redeemable debentures		Annually	07.12.2012	06.12.2017	15.50	15.50	8.83	2,219,177	2,140,654
								28,290,697	27,403,579
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	9.47	9.47	7.13	4,040,559	3,928,928
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 75 basis points)	a/b	Semi annually	08.12.2011	07.12.2016	10.36	10.36	8.07	1,132,994	1,105,616
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	30.11.2012	29.11.2017	11.03	11.03	8.83	435	424
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 100 basis points)	a/b	Semi annually	25.10.2013	24.10.2018	11.12	11.12	9.04	210	204
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 100 basis points)	a/b	Semi annually	25.10.2013	24.10.2021	11.12	11.12	9.96	1,048	1,020
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 150 basis points)	c	Annually	03.08.2010	02.08.2015	13.19	13.19	7.27	5,642,135	5,470,052
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 150 basis points)	c	Annually	03.08.2010	02.08.2015	13.19	13.19	7.27	1,898,795	1,840,883
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 150 basis points)	c	Annually	03.08.2010	02.08.2015	13.19	13.19	7.27	5,750,637	5,575,245
								18,466,813	17,922,372
								46,757,510	45,325,952

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 31 March 2014
2010/2015 - (Highest Price - LKR 95.00, Lowest Price - LKR 95.00, Last Transaction Price - LKR 95.00)
2013/2021 - (Highest Price - LKR 111.13, Lowest Price - LKR 111.13, Last Transaction Price - LKR 111.13)
2013/2023 - (Highest Price - LKR 117.32, Lowest Price - LKR 112.50, Last Transaction Price - LKR 117.32)
- 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-2014 to 31-Mar-2014 LKR	01-Jan-2013 to 31-Dec-2013 LKR
Market Value		
BoC Debentures 2010/2015 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (11.5%)		
Highest	95.00	91.00
Lowest	95.00	91.00
Last transaction	95.00	91.00
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
Market Value		
BoC Debentures 2011/2016 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (11.0%)		
Highest	Not Traded	95.00
Lowest	Not Traded	89.00
Last transaction	Not Traded	89.00
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	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%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, fixed rate (15.3%)	Not Traded	Not Traded
Market Value		
BoC Debentures 2013/2023 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (13.0%)		
Highest	Not Traded	100.00
Lowest	Not Traded	100.00
Last transaction	Not Traded	100.00
Unsecured, subordinated, redeemable, 5 years, fixed rate (12.60%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, fixed rate (13.25%)		
Highest	111.13	Not Traded
Lowest	111.13	Not Traded
Last transaction	111.13	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	117.32	Not Traded
Lowest	112.50	Not Traded
Last transaction	117.32	Not Traded

	31-Mar-2014 %	31-Dec-2013 %
Interest yield as at date of last trade done		
BoC Debentures 2010/2015 ,		
5 years, fixed rate (11.5%)	16.04	18.76
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
BoC Debentures 2011/2016 ,		
5 years, fixed rate (11.0%)	Not Traded	15.96
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%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
5 years, fixed rate (15.3%)	Not Traded	Not Traded
BoC Debentures 2013/2023 ,		
5 years, fixed rate (13.0%)	Not Traded	12.96
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%)	11.04	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%)	10.80	Not Traded
Yield to maturity of last trade done		
BoC Debentures 2010/2015 ,		
5 years, fixed rate (11.5%)	12.11	12.64
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
BoC Debentures 2011/2016 ,		
5 years, fixed rate (11.0%)	Not Traded	12.36
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%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
5 years, fixed rate (15.3%)	Not Traded	Not Traded
BoC Debentures 2013/2023 ,		
5 years, fixed rate (13.0%)	Not Traded	13.00
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%)	11.92	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%)	11.72	Not Traded

As at	Bank		LKR '000	
	31.03.2014	31.12.2013 (Audited)	31.03.2014	31.12.2013 (Audited)
LOANS AND RECEIVABLES TO OTHER CUSTOMERS				
1) Loans and advances to customers				
Gross loans and advances	766,832,540	755,385,146	790,224,529	777,927,364
Less : Individual impairment	8,242,131	8,130,767	8,784,939	8,760,168
Collective impairment	25,158,945	21,922,413	26,094,619	22,595,377
Net loans and advances including those designated at fair value through profit or loss	733,431,464	725,331,966	755,344,971	746,571,819
Less : loans and advances designated at fair value through profit or loss	-	-	-	-
Net loans and advances	733,431,464	725,331,966	755,344,971	746,571,819
2) Loans and advances to customers - By product				
By product - Domestic currency				
Overdrafts	146,977,094	117,018,469	146,972,689	116,943,334
Term loans	114,612,179	107,828,340	118,739,416	112,094,142
Lease rentals receivable	21,891,675	22,044,606	31,895,248	32,352,554
Credit cards	2,708,291	2,651,703	2,708,291	2,651,703
Pawning	121,337,908	131,386,116	121,845,345	131,660,366
Loans under schemes	38,365,812	34,017,331	39,719,672	34,665,221
Housing loans	36,020,931	33,711,540	36,020,931	33,711,540
Trade finance	19,659,795	17,431,503	20,045,861	18,328,059
Personal loans	46,108,099	40,882,088	46,971,582	41,501,777
Staff loans	13,084,399	12,937,347	13,293,456	13,147,526
Foreclosed properties	880,854	839,056	880,854	839,056
Other loans	5,809,042	9,587,751	9,896,546	13,084,714
Sub total	567,456,079	530,335,850	588,989,891	550,979,992
By product - Foreign currency				
Overdrafts	8,224,637	9,283,688	8,589,791	9,687,350
Term loans	142,488,736	171,111,928	143,709,963	172,299,818
Trade finance	47,965,439	44,011,953	47,965,439	44,011,953
Lease rentals receivable	697,649	641,727	697,649	641,727
Housing loans	-	-	266,819	300,912
Staff loans	-	-	4,977	5,612
Sub total	199,376,461	225,049,296	201,234,638	226,947,372
Total	766,832,540	755,385,146	790,224,529	777,927,364
3) Movement in individual and collective impairment during the period for loans and advances to customers				
Individual impairment				
Opening balance	8,130,767	8,969,765	8,760,168	8,991,553
Charge /(write back) to income statement	111,364	(838,998)	24,771	(665,354)
Write-off during the period	-	-	-	(412)
Other movements	-	-	-	434,381
Closing balance	8,242,131	8,130,767	8,784,939	8,760,168
Collective impairment				
Opening balance	21,922,413	13,977,744	22,595,377	14,781,310
Charge /(write back) to income statement	3,234,622	7,761,900	3,497,332	7,996,490
Write-off during the period	-	(50,371)	(4,874)	(101,201)
Other movements	1,910	233,140	6,784	(81,222)
Closing balance	25,158,945	21,922,413	26,094,619	22,595,377
Total impairment	33,401,076	30,053,180	34,879,558	31,355,545
DUE TO OTHER CUSTOMERS				
4) Due to other customers - By product				
By product - Domestic currency				
Demand deposits (current accounts)	65,977,168	66,054,550	65,707,493	65,865,409
Savings deposits	189,124,210	180,765,449	189,600,844	181,240,336
Fixed deposits	396,239,159	387,972,612	404,459,645	395,417,150
Certificate of deposit	4,315	4,315	18,037	17,822
Other deposits	1,870,847	2,093,399	1,870,896	2,093,448
Sub total	653,215,699	636,890,325	661,656,915	644,634,165
By product - Foreign currency				
Demand deposits (current accounts)	12,150,544	16,462,897	12,540,330	16,868,071
Savings deposits	56,076,200	55,774,778	56,455,276	56,228,521
Fixed deposits	132,983,913	132,296,839	133,147,520	132,391,603
Other deposits	437,261	645,161	437,261	645,161
Sub total	201,647,918	205,179,675	202,580,387	206,133,356
Total	854,863,617	842,070,000	864,237,302	850,767,521

For the three months ended 31 March	Retail banking		Corporate banking		International, treasury and investment		Government		Group functions		Unallocated		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenue from external customers:														
Interest Income	9,864,362	9,750,216	5,993,177	6,603,078	1,125,275	452,846	9,420,063	8,855,074	1,306,537	1,228,123	195,781	448,709	27,905,195	27,338,046
Fee Income	700,824	349,372	460,200	140,317	210,106	175,749	384,812	713,589	183,246	189,654	30,213	23,739	1,969,401	1,592,420
Other Income	339,360	254,272	77,226	41,354	1,342,181	799,731	1,796,717	23,535	327,201	506,249	(150,640)	(258,580)	3,732,045	1,366,561
Total revenue	10,904,546	10,353,860	6,530,603	6,784,749	2,677,562	1,428,326	11,601,592	9,592,198	1,816,984	1,924,026	75,354	213,868	33,606,641	30,297,027
Total expenses	(13,008,860)	(11,902,091)	(6,790,546)	(6,420,310)	(1,845,933)	(1,683,810)	(5,129,009)	(4,133,738)	(1,693,975)	(1,761,949)	(1,362,227)	(2,344,803)	(29,830,550)	(26,484,752)
Inter segment transaction	3,133,221	3,649,498	3,225,691	1,355,616	372,238	518,804	(5,732,412)	(4,615,448)			(998,738)	(908,470)	-	-
Net operating income	1,028,907	2,101,267	2,965,748	1,720,055	1,203,867	263,320	740,171	843,012	123,009	162,077	(2,285,611)	(3,039,405)	3,776,091	3,812,275
Share of profit of Associate companies						-			90,849	33,275			90,849	33,275
Profit / (loss) before income tax	1,028,907	2,101,267	2,965,748	1,720,055	1,203,867	263,320	740,171	843,012	213,858	195,352	(2,285,611)	(3,039,405)	3,866,940	3,845,550
Income tax expenses													(1,254,129)	(1,146,736)
Profit for the period													2,612,811	2,698,814
Total assets	351,649,816	328,231,396	160,917,118	161,743,016	61,804,344	36,974,994	581,916,358	564,644,465	48,765,838	46,765,267	62,116,549	47,744,061	1,267,170,023	1,186,103,199
Total liabilities	511,073,923	475,869,587	419,727,159	421,583,378	38,620,857	61,395,559	139,603,983	82,348,893	36,155,557	35,003,151	51,995,097	48,460,567	1,197,176,576	1,124,661,135
Cash flows from operating activities	14,987,887	(9,963,904)	9,106,019	(6,788,211)	1,709,741	(448,263)	14,312,819	(8,871,194)	1,985,149	(1,282,640)	297,468	(1,197,382)	42,399,083	(28,551,594)
Cash flows from investing activities	(9,692,331)	1,568,290	(4,435,270)	1,241,950	(1,703,479)	212,069	(16,039,042)	3,238,509	(1,344,106)	268,221	(1,712,086)	273,837	(34,926,314)	6,802,876
Cash flows from financing activities	995,131	9,891,451	817,266	8,763,055	75,200	6,622,581	98,623	(3,634,702)	70,400	727,577	101,241	1,007,304	2,157,861	23,377,266