



INTERIM FINANCIAL STATEMENTS
for the nine months ended 30.09.2013
(Un-audited)

Bank of Ceylon

CONSOLIDATED INCOME STATEMENT

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Rs. 000

30th September	Bank						Group					
	For the nine months ended			For the quarter ended			For the nine months ended			For the quarter ended		
	2013	2012	Change %	2013	2012	Change %	2013	2012	Change %	2013	2012	Change %
Interest and similar income	84,286,729	66,463,797	26.82	28,813,173	25,331,108	13.75	87,794,191	69,148,467	26.96	30,108,919	26,311,120	14.43
Interest and similar expenses	(58,096,412)	(41,516,517)	39.94	(19,933,432)	(16,884,417)	18.06	(59,935,733)	(42,824,618)	39.96	(20,581,823)	(17,391,832)	18.34
Net interest income	26,190,317	24,947,280	4.98	8,879,741	8,446,691	5.13	27,858,458	26,323,849	5.83	9,527,096	8,919,288	6.81
Fee and commission income	4,344,523	5,347,913	(18.76)	1,647,876	1,649,486	(0.10)	4,586,482	5,550,330	(17.37)	1,672,811	1,525,669	9.64
Fee and commission expenses	(526,313)	(482,824)	9.01	(192,218)	(170,221)	12.92	(651,818)	(574,566)	13.45	(238,800)	(214,307)	11.43
Net fee and commission income	3,818,210	4,865,089	(21.52)	1,455,658	1,479,265	(1.60)	3,934,664	4,975,764	(20.92)	1,434,011	1,311,362	9.35
Net gain / (loss) from trading	2,220,530	2,594,529	(14.41)	667,905	2,451,191	(72.75)	2,232,825	2,581,181	(13.50)	657,182	2,415,783	(72.80)
Net gain / (loss) from financial investments	363,444	357,505	1.66	(169,688)	(249,436)	(31.97)	378,494	373,703	1.28	(188,380)	(118,128)	59.47
Net gain / (loss) on financial instruments designated at fair value through profit & loss	-	-	-	-	-	-	-	-	-	-	-	-
Other operating income	2,206,144	3,801,055	(41.96)	1,047,075	441,523	137.15	3,280,615	4,685,968	(29.99)	2,030,096	1,187,550	70.95
	4,790,118	6,753,089	(29.07)	1,545,292	2,643,278	(41.54)	5,891,934	7,640,852	(22.89)	2,498,898	3,485,205	(28.30)
Total operating income	34,798,645	36,565,458	(4.83)	11,880,691	12,569,234	(5.48)	37,685,056	38,940,465	(3.22)	13,460,005	13,715,855	(1.87)
Impairment (charge) / reversal for loans and other losses	(6,105,658)	(2,547,639)	139.66	(2,604,974)	(1,299,147)	100.51	(6,451,957)	(2,655,122)	143.00	(2,834,141)	(1,349,600)	110.00
Impairment (charge) / reversal for others	-	-	-	-	-	-	(8,008)	282	2,939.72	(11,890)	5,240	326.91
Net operating income	28,692,987	34,017,819	(15.65)	9,275,717	11,270,087	(17.70)	31,225,091	36,285,625	(13.95)	10,613,974	12,371,495	(14.21)
Personnel expenses	(10,934,762)	(10,299,144)	6.17	(3,842,024)	(3,727,567)	3.07	(11,937,521)	(11,166,111)	6.91	(4,192,021)	(4,027,108)	4.10
Depreciation and amortisation	(795,433)	(786,054)	1.19	(264,868)	(262,470)	0.91	(1,085,440)	(1,028,707)	5.52	(363,847)	(345,986)	5.16
Other operating expenses	(5,224,897)	(4,797,546)	8.91	(1,977,481)	(1,568,653)	26.06	(6,366,481)	(5,690,966)	11.87	(2,878,199)	(2,157,367)	33.41
Operating expenses	(16,955,092)	(15,882,744)	6.75	(6,084,373)	(5,558,690)	9.46	(19,389,442)	(17,885,784)	8.41	(7,434,067)	(6,530,461)	13.84
Operating profit / (loss) before value added tax (VAT)	11,737,895	18,135,075	(35.28)	3,191,344	5,711,397	(44.12)	11,835,649	18,399,841	(35.68)	3,179,907	5,841,034	(45.56)
Value added tax (VAT) on financial services	(2,026,049)	(2,516,375)	(19.49)	(631,958)	(833,574)	(24.19)	(2,056,024)	(2,552,179)	(19.44)	(643,295)	(847,708)	(24.11)
Operating profit/(loss) after value added tax (VAT)	9,711,846	15,618,700	(37.82)	2,559,386	4,877,823	(47.53)	9,779,625	15,847,662	(38.29)	2,536,612	4,993,326	(49.20)
Share of profit / (loss) of Associate Companies before tax	-	-	-	-	-	-	148,884	(70,022)	312.62	94,031	48,337	(94.53)
Profit before income tax	9,711,846	15,618,700	(37.82)	2,559,386	4,877,823	(47.53)	9,928,509	15,777,640	(37.07)	2,630,643	5,041,663	(47.82)
Income tax expense	(2,981,517)	(4,361,390)	(31.64)	(880,212)	(1,426,413)	(38.29)	(3,194,689)	(4,604,738)	(30.62)	(931,446)	(1,521,915)	(38.80)
Profit for the period	6,730,329	11,257,310	(40.21)	1,679,174	3,451,410	(51.35)	6,733,820	11,172,902	(39.73)	1,699,197	3,519,748	(51.72)
Profit attributable to:												
Equity holder of the parent	6,730,329	11,257,310	(40.21)	1,679,174	3,451,410	(51.35)	6,770,148	11,163,537	(39.35)	1,734,822	3,493,202	(50.34)
Non controlling interest	-	-	-	-	-	-	(36,328)	9,365	487.92	(35,625)	26,546	234.20
	6,730,329	11,257,310	(40.21)	1,679,174	3,451,410	(51.35)	6,733,820	11,172,902	(39.73)	1,699,197	3,519,748	(51.72)
Earnings per share:												
Basic earnings per share (Rs.)	1,346.07	2,251.46	(40.21)	335.83	690.28	(51.35)	1,354.03	2,232.71	(39.35)	346.96	698.64	(50.34)
Diluted earnings per share (Rs.)	1,346.07	2,251.46	(40.21)	335.83	690.28	(51.35)	1,354.03	2,232.71	(39.35)	346.96	698.64	(50.34)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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Rs. 000

30th September	Bank						Group					
	For the nine months ended			For the quarter ended			For the nine months ended			For the quarter ended		
	2013	2012	Change %	2013	2012	Change %	2013	2012	Change %	2013	2012	Change %
Profit for the period	6,730,329	11,257,310	(40.21)	1,679,174	3,451,410	(51.35)	6,733,820	11,172,902	(39.73)	1,699,197	3,519,748	(51.72)
Gains /(losses) arising from translating the financial statements of a foreign operation	(174,261)	853,895	(120.41)	(294,511)	56,338	(622.76)	(58,288)	938,189	(106.21)	157,117	85,954	82.79
Actuarial gains / (losses) on retirement benefit plans	-	-	-	-	-	-	976	(1,487)	165.64	(282)	(496)	43.15
Revaluation gains /(losses) on property, plant and equipments	-	-	-	-	-	-	-	-	-	-	-	-
Gains /(Losses) on re-measuring available for sale financial assets	629,660	23,805	2,545.07	3,752	1,669,450	(99.78)	656,069	(25,813)	2,641.62	(214)	2,089,954	(100.01)
Share of other comprehensive income of Associate Companies	-	-	-	-	-	-	1,535	-	100.00	(1,349)	-	(100.00)
Total other comprehensive income	455,399	877,700	(48.11)	(290,759)	1,725,788	(116.85)	600,292	910,889	(34.10)	155,272	2,175,412	(92.86)
Income tax income /(expense) relating to components of other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period, net of tax	455,399	877,700	(48.11)	(290,759)	1,725,788	(116.85)	600,292	910,889	(34.10)	155,272	2,175,412	(92.86)
Total comprehensive income for the period, net of tax	7,185,728	12,135,010	(40.79)	1,388,415	5,177,198	(73.18)	7,334,112	12,083,791	(39.31)	1,854,469	5,695,160	(67.44)
Attributable to:												
Equity holder of the parent	7,185,728	12,135,010	(40.79)	1,388,415	5,177,198	(73.18)	7,278,464	12,080,326	(39.75)	1,793,226	5,642,499	(68.22)
Non controlling interest	-	-	-	-	-	-	55,648	3,465	1,506.01	61,243	52,661	16.30
	7,185,728	12,135,010	(40.79)	1,388,415	5,177,198	(73.18)	7,334,112	12,083,791	(39.31)	1,854,469	5,695,160	(67.44)

As at	Bank			Group		
	30-Sep-2013	31-Dec- 2012 (Audited)	Change %	30-Sep-2013	31-Dec- 2012 (Audited)	Change %
Assets						
Cash and cash equivalents	33,854,410	31,544,558	7.32	33,985,896	31,955,777	6.35
Balances with Central Banks	25,251,991	29,963,240	(15.72)	25,251,991	29,963,240	(15.72)
Placements with banks	23,665,068	19,394,466	22.02	27,283,610	25,577,197	6.67
Derivative financial instruments	6,458,140	507,451	1,172.66	6,458,140	507,451	1,172.66
Reverse repurchase agreements	50,071,654	797,425	6,179.17	50,520,117	1,423,796	3,448.27
Financial assets - held for trading	11,151,370	15,541,185	(28.25)	11,722,553	16,028,758	(26.87)
Financial investments - loans and receivable	127,847,581	99,206,859	28.87	129,049,014	99,182,351	30.11
Loans and advances to customers	697,767,866	691,899,207	0.85	718,496,675	709,933,498	1.21
Financial investments - available for sale	15,335,761	12,080,988	26.94	17,292,362	14,361,925	20.40
Financial investments - held to maturity	149,658,558	110,956,202	34.88	150,377,431	111,706,459	34.62
Investment in Subsidiary Companies	6,828,698	6,792,848	0.53	-	-	-
Investment in Associate Companies	842,988	842,988	-	1,394,742	1,268,995	9.91
Investment properties	-	-	-	152,366	147,047	3.62
Property, plant and equipment	11,904,799	11,430,827	4.15	18,794,870	18,437,863	1.94
Leasehold properties	100,703	84,976	18.51	139,431	124,724	11.79
Intangible assets	517,150	376,002	37.54	611,839	461,955	32.45
Deferred tax assets	-	-	-	39,875	73,042	(45.41)
Other assets	33,784,169	16,801,769	101.08	34,943,324	18,199,140	92.01
Total assets	1,195,040,906	1,048,220,991	14.01	1,226,514,236	1,079,353,218	13.63
Liabilities						
Due to banks	369,296	10,127,983	(96.35)	500,648	10,329,510	(95.15)
Derivative financial instruments	200,685	74,314	170.05	200,685	74,314	170.05
Due to customers	801,028,714	693,440,642	15.52	808,684,428	700,168,802	15.50
Other borrowings	276,396,410	233,795,515	18.22	285,429,901	245,140,679	16.44
Debt securities issued	20,731,186	23,296,349	(11.01)	23,745,792	24,481,798	(3.01)
Current tax liabilities	883,396	2,208,461	(60.00)	1,109,032	2,418,079	(54.14)
Deferred tax liabilities	360,787	351,279	2.71	1,705,544	1,699,612	0.35
Insurance provision - life	-	-	-	191,978	166,087	15.59
Insurance provision - non life	-	-	-	611,495	571,068	7.08
Other liabilities	15,542,612	10,155,542	53.05	17,220,175	11,859,101	45.21
Subordinated term debts	24,985,620	23,818,024	4.90	24,967,938	23,801,505	4.90
Total liabilities	1,140,498,706	997,268,109	14.36	1,164,367,616	1,020,710,555	14.07
Equity						
Share capital	5,000,000	5,000,000	-	5,000,000	5,000,000	-
Permanent reserve fund	3,285,955	3,285,955	-	3,285,955	3,285,955	-
Retained earnings	28,507,786	27,639,146	3.14	30,104,501	29,318,089	2.68
Other reserves	17,748,459	15,027,781	18.10	22,390,982	19,621,126	14.12
Total equity attributable to the parent	54,542,200	50,952,882	7.04	60,781,438	57,225,170	6.21
Non controlling interest	-	-	-	1,365,182	1,417,493	(3.69)
Total equity	54,542,200	50,952,882	7.04	62,146,620	58,642,663	5.98
Total liabilities and equity	1,195,040,906	1,048,220,991	14.01	1,226,514,236	1,079,353,218	13.63
Commitments and contingencies	346,338,020	455,180,815	(23.91)	347,298,602	455,863,271	(35.64)

STATEMENT OF CHANGES IN EQUITY - BANK

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Rs. 000

	Share capital	Permanent reserve fund	Other reserves				Retained profit	Total Equity
			Available for sale reserve	Investment fund	Other reserves	Revaluation reserves		
Balance as at 01st January 2012	5,000,000	3,008,000	4,169,463	1,484,073	1,346,600	4,612,661	21,733,008	41,353,805
Total comprehensive income								-
Net profit for the period							11,257,310	11,257,310
Other comprehensive income, net of tax			23,805		853,895		-	877,700
Dividends							(3,346,410)	(3,346,410)
Transfers to investment fund account				2,524,113			(2,524,113)	-
Balance as at 30th September 2012	5,000,000	3,008,000	4,193,268	4,008,186	2,200,495	4,612,661	27,119,795	50,142,405
Balance as at 01st 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								-
Net profit for the period							6,730,329	6,730,329
Other comprehensive income, net of tax			629,660		(174,261)		-	455,399
Dividends							(3,596,410)	(3,596,410)
Transfers to investment fund account				2,265,279			(2,265,279)	-
Balance as at 30th September 2013	5,000,000	3,285,955	4,032,848	6,981,964	1,511,333	5,222,314	28,507,786	54,542,200

STATEMENT OF CHANGES IN EQUITY -GROUP

Rs. 000

	Share capital	Permanent reserve fund	Other reserves				Retained profit	Non controlling interest	Total Equity
			Available for sale reserve	Investment fund	Other reserves	Revaluation reserves			
Balance as at 01st January 2012	5,000,000	3,008,000	4,987,494	1,570,276	1,754,075	7,716,172	23,355,259	1,449,031	48,840,307
Total comprehensive income									-
Net profit for the period							11,163,537	9,365	11,172,902
Other comprehensive income, net of tax			(19,987)		938,189		(1,413)	(5,900)	910,889
Dividends							(3,346,410)		(3,346,410)
Subsidiary dividends to non controlling interest								(61,144)	(61,144)
Transfers to investment fund account				2,552,021			(2,552,021)		-
Transfers to other reserves					177		(177)		-
Acquisition, disposal and changes in non controlling interest							740	14,103	14,843
Adjustments			(3,527)				9,462	(67,899)	(61,964)
Balance as at 30th September 2012	5,000,000	3,008,000	4,963,980	4,122,297	2,692,441	7,716,172	28,628,977	1,337,556	57,469,423
Balance as at 01st 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									-
Net profit for the period							6,770,148	(36,328)	6,733,820
Other comprehensive income, net of tax			564,095		(58,288)		2,508	91,977	600,292
Dividends							(3,596,410)		(3,596,410)
Subsidiary dividends to non controlling interest								(30,952)	(30,952)
Transfers to investment fund account				2,301,322			(2,301,322)		-
Transfers to other reserves					8,412		(8,412)		-
Acquisition, disposal, merger and changes in non controlling interest							(33,469)	(48,999)	(82,468)
Adjustments			(53,711)		8,026		(46,631)	(28,009)	(120,325)
Balance as at 30th September 2013	5,000,000	3,285,955	4,481,299	7,151,270	2,390,676	8,367,737	30,104,501	1,365,182	62,146,620

For the nine months ended 30th September	Bank		Group	
	2013	2012	2013	2012
Operating Activities				
Profit before income tax	9,711,846	15,618,700	9,928,509	15,777,640
Adjustments for :				
Net interest income	(26,190,317)	(24,947,280)	(27,858,458)	(26,323,849)
Dividend income on trading securities	(56,999)	(86,700)	(63,829)	(95,943)
Dividends from Subsidiaries and Associates	(229,942)	(289,764)	-	-
Share of profits in Associates	-	-	(148,884)	70,022
Change in operating assets	(66,876,030)	(114,016,851)	(71,756,750)	(115,158,359)
Change in operating liabilities	106,391,414	82,393,890	107,281,203	80,960,071
Other non-cash items included in profit before tax	6,863,097	4,273,842	7,609,074	5,078,980
Other net (gain)/loss from investing activities	(341,176)	(348,382)	(356,686)	(362,501)
	29,271,893	(37,402,545)	24,634,179	(40,053,940)
Contribution paid to defined benefit plans	(3,458,731)	(2,904,810)	(3,462,716)	(2,923,808)
Interest received	62,501,747	49,517,079	65,820,067	51,968,177
Interest paid	(39,233,050)	(23,661,380)	(40,060,319)	(24,215,314)
Dividend received	56,999	86,700	63,829	95,943
Net cash used in operating activities before income tax	49,138,858	(14,364,956)	46,995,040	(15,128,942)
Income tax paid	(4,115,553)	(2,542,129)	(4,456,654)	(2,654,987)
Net cash used in operating activities	45,023,305	(16,907,085)	42,538,386	(17,783,929)
Investing Activities				
Net increase in financial investments - Held to maturity	(39,615,294)	(55,608,469)	(39,583,910)	(55,617,235)
Net increase in financial investments - Available for sale	(2,625,113)	(2,562,157)	(2,220,657)	(2,046,191)
Net increase in financial investment - Loans & receivables	(28,640,722)	(9,587,868)	(29,866,663)	(9,749,873)
Net increase in interest in Subsidiaries	(35,850)	(596,624)	-	(1,350)
Purchase of property plant & equipment & leasedhold properties	(1,184,602)	(782,097)	(1,358,443)	(1,117,408)
Purchase of intangible assets	(241,678)	(143,440)	(253,914)	(160,960)
Proceeds from sale of property plant & equipment	10,550	34,967	15,736	38,421
Dividend received	560,568	603,179	340,950	324,080
Interest received	16,493,918	9,268,820	16,683,060	9,502,392
Net cash generated from/ (used in) investing activities	(55,278,221)	(59,373,689)	(56,243,839)	(58,828,124)
Financing Activities				
Net increase in other borrowings	33,210,031	98,900,499	31,083,921	105,674,974
Proceeds from minority on issue of rights in Subsidiary	-	-	23,204	-
Proceeds from issue of debentures	-	1,280,000	2,000,000	1,280,000
Payments on redemption of debentures	(2,300,000)	(2,500,000)	(2,536,800)	(2,550,000)
Dividends paid to Government of Sri Lanka	(3,596,410)	(3,346,410)	(3,596,410)	(3,346,410)
Dividends paid to non controlling interest	-	-	(30,952)	(61,144)
Interest payments on borrowings and debt securites	(9,754,390)	(8,403,872)	(10,890,791)	(9,104,309)
Net cash generated from financing activities	17,559,231	85,930,217	16,052,172	91,893,111
Net increase/ (decrease) in cash and cash equivalents during the period	7,304,315	9,649,443	2,346,719	15,281,058
Cash and cash equivalents at the beginning of the period	46,780,915	29,376,816	55,296,768	31,139,634
Cash and cash equivalents at the end of the period Note I	54,085,230	39,026,259	57,643,487	46,420,692
Note I				
Analysis of Cash and Cash Equivalents				
Cash and cash equivalents	33,854,410	26,606,948	33,985,896	27,103,097
Due from banks with original maturity less than three months	20,325,798	13,114,636	23,821,043	20,289,076
Bank overdrafts	(94,978)	(695,325)	(163,452)	(971,481)
	54,085,230	39,026,259	57,643,487	46,420,692

As at	Bank		Group	
	30-Sep-2013	31-Dec- 2012 (Audited)	30-Sep-2013	31-Dec- 2012 (Audited)
Net assets value per share (Rs)	10,908	10,191	12,156	11,445
Regulatory Capital Adequacy				
Core capital (Tier 1 capital), Rs. Mn	39,033	39,013	45,479	45,633
Total capital base, Rs. Mn	54,011	53,968	62,926	63,230
Core capital adequacy ratio, % of risk weighted assets (Minimum requirement, 5%)	7.66%	8.23%	8.52%	8.91%
Total capital adequacy ratio, % of risk weighted assets (Minimum requirement, 10%)	10.60%	11.38%	11.79%	12.35%
Profitability				
Interest margin	3.11%	3.74%	3.22%	3.83%
Return on assets (before tax)	1.15%	2.10%	1.15%	2.08%
Return on equity (after tax)	17.01%	31.24%	14.87%	27.18%
Assets Quality				
Gross non - performing advances ratio, (Net of interest in suspense)	4.47%	2.76%		
Net non - performing advances ratio, (Net of interest in suspense and provisions)	3.14%	1.62%		
Investor Information				
Debt equity (%)	360.16	273.43		
Interest cover (times)	1.57	1.94		
Regulatory Liquidity				
Statutory liquid assets, - Domestic banking unit (Rs. Mn)	218,451	159,213		
- Off-shore banking unit (US\$ Mn)	710	480		
Statutory liquid assets ratio, (minimum requirement, 20%) - Domestic banking unit	27.20%	21.80%		
- Off-shore banking unit	34.62%	24.95%		
Memorandum Information				
Number of employees	9,029	7,790		
Number of branches	518	324		

SHARE INFORMATION

Shareholder	30-Sep-2013		31-Dec-2012	
	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 nine months ended 30th September 2013.
2. No circumstances have arisen and no material events have occurred since the reporting date, which require disclosures or adjustments to the financial statements.
3. During the period there were no material changes in the composition of assets, liabilities and contingent liabilities.
4. All known expenses have been charged in these Financial Statements.
5. 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 30th September 2013 and its profit for the nine months ended 30th September 2013.

Sgd.
Asoka Rupasinghe
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 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 unless indicated as audited.

Sgd.
Raju Sivaraman
Director
(Independent Non-Executive)

Sgd.
K M M Siriwardana
Director
(Non-Executive Ex officio)

Sgd.
D M Gunasekara
General Manager

13th November 2013

Colombo

LOANS AND RECEIVABLES TO OTHER CUSTOMERS

Rs. '000

As at	Bank		Group	
	30-Sep-2013	31-Dec-2012	30-Sep-2013	31-Dec-2012
1) Loans and receivables to other customers				
Gross loans and receivables	727,060,333	714,846,716	749,030,431	733,706,361
Less : Individual impairment	8,234,408	8,969,765	8,722,611	8,991,553
Collective impairment	21,058,059	13,977,744	21,811,145	14,781,310
Net loans and receivables including those designated at fair value through profit or loss	697,767,866	691,899,207	718,496,675	709,933,498
Less : Loans and receivables designated at fair value through profit or loss	-	-	-	-
Net loans and receivables	697,767,866	691,899,207	718,496,675	709,933,498
2) Loans and receivables to other customers - By product				
By product - Domestic Currency				
Overdrafts	108,746,848	117,691,970	108,652,643	117,482,092
Term loans	197,166,281	171,574,028	201,053,309	173,499,488
Lease rentals receivable	23,586,753	22,573,943	37,899,666	36,109,520
Credit cards	2,551,246	2,352,679	2,551,246	2,352,679
Pawning	136,713,579	146,666,011	136,981,729	146,865,207
Other loans	26,331,476	23,535,874	28,185,068	25,552,729
Sub Total	495,096,183	484,394,505	515,323,661	501,861,715
By product - Foreign Currency				
Overdrafts	9,114,942	3,029,812	9,397,465	3,212,936
Term loans	182,322,346	187,021,107	183,777,206	188,222,702
Other loans	40,526,862	40,401,292	40,532,099	40,409,008
Sub Total	231,964,150	230,452,211	233,706,770	231,844,646
Total	727,060,333	714,846,716	749,030,431	733,706,361
3) Movement in individual and collective impairment during the period for loans and receivables to other customers				
Individual impairment				
Opening balance (01st January)	8,969,765	7,517,055	8,991,553	7,546,778
Charge /(write back) to income statement	(735,357)	1,452,710	(531,573)	1,456,790
Write-off during the year	-	-	-	(21,530)
Other movements	-	-	262,631	9,515
Closing balance	8,234,408	8,969,765	8,722,611	8,991,553
Collective impairment				
Opening balance (01st January)	13,977,744	11,099,620	14,781,310	11,886,876
Charge /(write back) to income statement	6,841,015	2,663,572	6,983,530	2,754,949
Write-off during the year	-	(66,086)	-	(218,274)
Other movements	239,300	280,638	46,305	357,759
Closing balance	21,058,059	13,977,744	21,811,145	14,781,310
Total impairment	29,292,467	22,947,509	30,533,756	23,772,863

DUE TO OTHER CUSTOMERS

4) Due to other customers - By product

By product - Domestic Currency				
Demand deposits (current accounts)	61,534,649	60,936,287	61,288,589	60,750,646
Savings deposits	173,941,123	167,695,050	174,326,736	168,123,441
Fixed deposits	369,428,071	278,752,460	375,963,014	284,294,209
Certificate of deposit	4,315	4,401	17,489	14,496
Other deposits	2,700,080	2,008,636	2,700,080	2,008,636
Sub Total	607,608,238	509,396,834	614,295,908	515,191,428
By product - Foreign Currency				
Demand deposits (current accounts)	13,115,693	15,798,381	13,442,622	16,145,168
Savings deposits	55,722,633	53,973,646	56,197,797	54,431,188
Fixed deposits	124,141,792	112,015,617	124,307,743	112,144,853
Other deposits	440,358	2,256,164	440,358	2,256,165
Sub Total	193,420,476	184,043,808	194,388,520	184,977,374
Total	801,028,714	693,440,642	808,684,428	700,168,802

BANK

As at 30th September	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				33,854,410			33,854,410
Balances with Central Banks				25,251,991			25,251,991
Placements with banks				23,665,068			23,665,068
Derivative financial instruments	6,458,140						6,458,140
Reverse repurchased agreements				50,071,654			50,071,654
Loans and advances to customers				697,767,866			697,767,866
Financial investments	11,151,370	-	149,658,558	127,847,581	15,335,761		303,993,270
Total financial assets	17,609,510	-	149,658,558	958,458,570	15,335,761	-	1,141,062,399
Other assets						53,978,507	53,978,507
Total assets	17,609,510	-	149,658,558	958,458,570	15,335,761	53,978,507	1,195,040,906

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		369,296		369,296
Derivative financial instruments	200,685			200,685
Other financial liabilities held for trading				-
Due to customers		801,028,714		801,028,714
Other borrowings		276,396,410		276,396,410
Debt securities issued		20,731,186		20,731,186
Subordinated term debts		24,985,620		24,985,620
Total financial liabilities	200,685	1,123,511,226	-	1,123,711,911
Other liabilities			16,786,795	16,786,795
Total liabilities	200,685	1,123,511,226	16,786,795	1,140,498,706

As at 30th September	2012						
	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				26,606,948			26,606,948
Balances with Central Banks				32,579,833			32,579,833
Placements with banks				16,403,144			16,403,144
Derivative financial instruments	414,646						414,646
Reverse repurchased agreements				4,572,019			4,572,019
Loans and advances to customers				664,381,954			664,381,954
Financial investments	21,430,649	-	107,730,290	99,327,152	15,450,263		243,938,354
Total financial assets	21,845,295	-	107,730,290	843,871,050	15,450,263	-	988,896,898
Other assets						50,314,086	50,314,086
Total assets	21,845,295	-	107,730,290	843,871,050	15,450,263	50,314,086	1,039,210,984

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		6,002,601		6,002,601
Derivative financial instruments	1,032,848			1,032,848
Other financial liabilities held for trading				-
Due to customers		672,788,096		672,788,096
Other borrowings		249,692,655		249,692,655
Debt securities issued		23,788,853		23,788,853
Subordinated term debts		18,424,705		18,424,705
Total financial liabilities	1,032,848	970,696,910	-	971,729,758
Other liabilities			17,338,821	17,338,821
Total liabilities	1,032,848	970,696,910	17,338,821	989,068,579

GROUP

As at 30th September		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				33,985,896			33,985,896
Balances with Central Banks				25,251,991			25,251,991
Placements with banks				27,283,610			27,283,610
Derivative financial instruments	6,458,140						6,458,140
Reverse repurchased agreements				50,520,117			50,520,117
Loans and advances to customers				718,496,675			718,496,675
Financial investments	11,722,553	-	150,377,431	129,049,014	17,292,362		308,441,360
Total financial assets	18,180,693	-	150,377,431	984,587,303	17,292,362	-	1,170,437,789
Other assets						56,076,447	56,076,447
Total assets	18,180,693	-	150,377,431	984,587,303	17,292,362	56,076,447	1,226,514,236

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		500,648		500,648
Derivative financial instruments	200,685			200,685
Other financial liabilities held for trading				-
Due to customers		808,684,428		808,684,428
Other borrowings		285,429,901		285,429,901
Debt securities issued		23,745,792		23,745,792
Subordinated term debts		24,967,938		24,967,938
Total financial liabilities	200,685	1,143,328,707	-	1,143,529,392
Other liabilities			20,838,224	20,838,224
Total liabilities	200,685	1,143,328,707	20,838,224	1,164,367,616

As at 30th September		2012					
	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				27,103,097			27,103,097
Balances with Central Banks				32,579,833			32,579,833
Placements with banks				23,577,583			23,577,583
Derivative financial instruments	414,646						414,646
Reverse repurchased agreements				4,833,652			4,833,652
Loans and advances to customers				681,553,276			681,553,276
Financial investments	22,076,762	-	108,195,080	99,386,557	17,919,992		247,578,391
Total financial assets	22,491,408	-	108,195,080	869,033,998	17,919,992	-	1,017,640,478
Other assets						52,427,307	52,427,307
Total assets	22,491,408	-	108,195,080	869,033,998	17,919,992	52,427,307	1,070,067,785

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		6,278,757		6,278,757
Derivative financial instruments	1,032,848			1,032,848
Other financial liabilities held for trading				-
Due to customers		679,600,327		679,600,327
Other borrowings		261,449,523		261,449,523
Debt securities issued		24,985,674		24,985,674
Subordinated term debts		18,412,681		18,412,681
Total financial liabilities	1,032,848	990,726,962	-	991,759,810
Other liabilities			20,838,552	20,838,552
Total liabilities	1,032,848	990,726,962	20,838,552	1,012,598,362

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount	
					30.09.2013	31.12.2012		Bank	
					%	%		30.09.2013	31.12.2012
									Rs.'000
A - Sri Lanka rupee debentures									
Fixed interest rate									
Unsecured, subordinated, redeemable debentures	a	Annually	24.11.2008	24.11.2013	19.00	19.00	11.28	400,353	351,385
Unsecured, subordinated, redeemable debentures	a	At maturity	24.11.2008	24.11.2013	-	-	11.28	507,160	448,322
Unsecured, subordinated, redeemable debentures	a	Annually	28.06.2010	28.06.2015	11.50	11.50	10.40	1,105,324	1,135,783
Unsecured, subordinated, redeemable debentures	a	Annually	08.12.2011	08.12.2016	11.00	11.00	10.60	4,246,189	3,926,514
Unsecured, subordinated, redeemable debentures	a	Semi annually	08.12.2011	08.12.2016	10.50	10.50	10.60	2,375	2,315
Unsecured, subordinated, redeemable debentures	a	Annually	30.11.2012	30.11.2017	16.00	16.00	11.30	6,744,543	6,034,052
Unsecured, subordinated, redeemable debentures	a	Semi annually	30.11.2012	30.11.2017	15.25	15.25	11.30	41,693	40,189
Unsecured, redeemable debentures		Annually	01.07.2010	01.07.2015	13.20	13.20	10.30	1,031,140	1,063,602
Unsecured, redeemable debentures		Annually	14.07.2010	14.07.2015	13.20	13.20	10.32	2,054,071	2,118,737
Unsecured, redeemable debentures		Annually	17.09.2010	17.09.2015	11.00	11.00	10.38	1,434,852	1,472,780
Unsecured, redeemable debentures		Semi annually	18.06.2012	18.06.2017	14.75	14.75	11.20	1,332,996	1,286,404
Unsecured, redeemable debentures		Annually	07.12.2012	07.12.2017	15.50	15.50	11.25	2,384,970	2,140,654
								21,285,667	20,020,737
Floating interest rate									
Unsecured, subordinated, redeemable debentures (12 months TB (Gross) rate plus 100 basis points)	c	Annually	15.08.2008	15.08.2013	-	15.64	-	-	316,993
Unsecured, subordinated, redeemable debentures (6 months TB rate (Gross) plus 75 basis points)	a/b	Semi annually	24.11.2008	24.11.2013	11.75	14.16	11.28	3,851,196	3,751,496
Unsecured, subordinated, redeemable debentures (6 months TB rate (Gross) plus 75 basis points)	a/b	Semi annually	28.06.2010	28.06.2015	11.53	13.33	10.40	4,040,559	3,929,437
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 75 basis points)	a/b	Semi annually	08.12.2011	08.12.2016	11.65	14.19	10.60	1,137,361	1,107,323
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	30.11.2012	30.11.2017	12.25	14.68	11.30	437	425
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 50 basis points)	c	Annually	01.04.2008	01.04.2013	-	13.08	-	-	548,289
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 50 basis points)	c	Annually	01.04.2008	01.04.2013	-	13.08	-	-	1,644,866
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 150 basis points)	c	Annually	03.08.2010	03.08.2015	13.19	16.11	10.35	5,303,217	5,527,289
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 150 basis points)	c	Annually	03.08.2010	03.08.2015	13.19	16.11	10.35	1,784,737	1,860,145
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 150 basis points)	c	Annually	03.08.2010	03.08.2015	13.19	16.11	10.35	5,405,202	5,633,583
								21,522,709	24,319,846
B - United State dollar debentures									
Fixed interest rate									
Unsecured, subordinated, redeemable debentures		Semi annually	10.10.2008	10.10.2013	5.50	5.50	4.45	32,510	30,918
Floating interest rate									
Unsecured, subordinated, redeemable debentures (6 months LIBOR Plus 300 basis points)	d	Semi annually	10.10.2008	10.10.2013	3.44	3.58	4.45	2,875,920	2,742,872
								2,908,429	2,773,789
								45,716,806	47,114,372

Notes

- Debentures that are listed in the Colombo Stock Exchange. Some of these have been traded in the Colombo Stock Exchange during the period ended 30 September 2013
2008/2013 - (Highest Price - Rs.95.50, Lowest Price - Rs.95.50, Last Transaction Price - Rs.95.50)
2010/2015 - (Highest Price - Rs.91.00, Lowest Price - Rs.91.00, Last Transaction Price - Rs.91.00)
2011/2016 - (Highest Price - Rs.95.00, Lowest Price - Rs.89.00, Last Transaction Price - Rs.89.00)
- Weighted average 6 months Treasury Bill interest rate before deducting 10% withholding tax at the primary quotations as announced by the Central Bank of Sri Lanka, at the preceding week of the interest resetting date.
- Weighted average 12 months Treasury Bill interest rate before deducting 10% withholding tax at the primary quotations as announced by the Central Bank of Sri Lanka, at the preceding week of the interest resetting date.
- 6 months London Inter Bank Offered Rate (LIBOR) for US Dollars plus 3% per annum

	01-Jan-2013 to 30-Sep-2013 Rs.	01-Jan-2012 to 31-Dec-2012 Rs.
Market Value		
BoC Debenture 2008/2013 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (19.0%)		
Highest	95.50	105.00
Lowest	95.50	105.00
Last transaction	95.50	105.00
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)		
Highest	Not Traded	Not Traded
Lowest	Not Traded	Not Traded
Last transaction	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, zero coupon		
Highest	Not Traded	166.02
Lowest	Not Traded	166.02
Last transaction	Not Traded	166.02
Market Value		
BoC Debenture 2010/2015 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (11.5%)		
Highest	91.00	Not Traded
Lowest	91.00	Not Traded
Last transaction	91.00	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)		
Highest	Not Traded	Not Traded
Lowest	Not Traded	Not Traded
Last transaction	Not Traded	Not Traded
Market Value		
BoC Debenture 2011/2016 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (11.0%)		
Highest	95.00	Not Traded
Lowest	89.00	Not Traded
Last transaction	89.00	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)		
Highest	Not Traded	Not Traded
Lowest	Not Traded	Not Traded
Last transaction	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, fixed rate (10.5%)		
Highest	Not Traded	Not Traded
Lowest	Not Traded	Not Traded
Last transaction	Not Traded	Not Traded
Market Value		
BoC Debenture 2012/2017 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (16.0%)		
Highest	Not Traded	Not Traded
Lowest	Not Traded	Not Traded
Last transaction	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)		
Highest	Not Traded	Not Traded
Lowest	Not Traded	Not Traded
Last transaction	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, fixed rate (15.3%)		
Highest	Not Traded	Not Traded
Lowest	Not Traded	Not Traded
Last transaction	Not Traded	Not Traded

	30-Sep-2013 %	31-Dec-2012 %
Interest yield as at date of last trade done		
BoC Debenture 2008/2013 ,		
5 years, fixed rate (19.0%)	43.77	15.15
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
5 years, zero coupon	Not Traded	21.33
BoC Debenture 2010/2015 ,		
5 years, fixed rate (11.5%)	17.8	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
BoC Debenture 2011/2016 ,		
5 years, fixed rate (11.0%)	16.15	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
5 years, fixed rate (10.5%)	Not Traded	Not Traded
BoC Debenture 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
Yield to maturity of last trade done		
BoC Debenture 2008/2013 ,		
5 years, fixed rate (19.0%)	19.90	18.10
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
5 years, zero coupon	Not Traded	17.40
BoC Debenture 2010/2015 ,		
5 years, fixed rate (11.5%)	12.64	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
BoC Debenture 2011/2016 ,		
5 years, fixed rate (11.0%)	12.36	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
5 years, fixed rate (10.5%)	Not Traded	Not Traded
BoC Debenture 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

For the period ended 30th September	Retail Banking		Corporate Banking		International, Treasury and Investment		Government		Group Functions		Unallocated		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Revenue from external customers:														
Interest	34,104,265	24,784,508	14,228,882	10,991,307	2,687,794	1,747,473	29,545,995	27,217,490	3,844,112	2,987,822	3,383,143	1,419,867	87,794,191	69,148,467
Fees and commissions	1,664,856	1,632,248	697,222	1,031,434	544,251	458,036	1,187,162	1,946,151	256,181	220,687	236,810	261,774	4,586,482	5,550,330
Other	1,436,275	1,642,671	787,875	1,044,674	2,733,779	3,681,987	230,751	67,414	2,018,303	1,633,575	(1,315,049)	(429,468)	5,891,934	7,640,853
Total revenue	37,205,396	28,059,427	15,713,979	13,067,415	5,965,824	5,887,496	30,963,908	29,231,055	6,118,596	4,842,084	2,304,904	1,252,173	98,272,607	82,339,650
Total expenses	(44,153,237)	(30,455,906)	(23,382,051)	(15,455,238)	(4,177,148)	(3,335,259)	(11,510,182)	(11,543,758)	(5,673,784)	(4,217,699)	(5,270,364)	(5,701,827)	(88,492,982)	(66,491,988)
Inter Segment Transaction	9,253,296	9,005,036	9,579,573	6,134,065	717,312	1,059,166	(18,171,837)	(15,376,784)			(1,378,344)	(821,483)	-	-
Net Operating Income	2,305,455	6,608,557	1,911,501	3,746,242	2,505,988	3,611,403	1,281,889	2,310,513	444,812	624,385	(4,343,804)	(5,271,137)	9,779,625	15,847,662
Share of profit of associate companies						-			148,884	(70,022)			148,884	(70,022)
Profit /(loss) before income tax	2,305,455	6,608,557	1,911,501	3,746,242	2,505,988	3,611,403	1,281,889	2,310,513	593,696	554,363	(4,343,804)	(5,271,137)	9,928,509	15,777,640
Income tax expense													(3,194,689)	(4,604,738)
Profit for the period													6,733,820	11,172,902
Total assets	344,387,505	317,315,243	181,733,491	132,748,032	88,587,687	44,926,904	490,833,824	450,015,225	54,484,646	48,957,785	66,487,083	76,104,597	1,226,514,236	1,070,067,786
Total liabilities	506,750,258	434,921,089	460,964,649	359,406,748	36,920,370	46,276,862	80,268,226	93,883,193	41,769,232	37,106,731	37,694,881	41,003,739	1,164,367,616	1,012,598,362
Cash flows from operating activities	16,524,332	(6,374,196)	6,894,234	(2,826,796)	1,302,301	(449,423)	14,315,741	(6,999,922)	1,862,564	(768,422)	1,639,214	(365,170)	42,538,386	(17,783,929)
Cash flows from investing activities	(15,792,459)	(17,444,746)	(8,333,690)	(7,297,965)	(4,062,335)	(2,469,905)	(22,507,998)	(24,740,070)	(2,498,484)	(2,691,507)	(3,048,873)	(4,183,931)	(56,243,839)	(58,828,124)
Cash flows from financing activities	8,554,730	40,932,586	7,781,798	33,825,555	623,273	4,355,346	(2,241,358)	5,489,404	697,381	3,431,155	636,348	3,859,065	16,052,172	91,893,111