



INTERIM FINANCIAL STATEMENTS
for the six months ended 30.06.2013
(Un-audited)

Bank of Ceylon

CONSOLIDATED INCOME STATEMENT

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Rs. 000

30th June	Bank						Group					
	For the six months ended			For the quarter ended			For the six months ended			For the quarter ended		
	2013	2012	Change %	2013	2012	Change %	2013	2012	Change %	2013	2012	Change %
Interest and similar income	55,473,556	41,132,689	34.86	29,199,362	21,771,687	34.12	57,685,272	42,837,347	34.66	30,347,226	22,668,855	33.87
Interest and similar expenses	(38,162,980)	(24,632,100)	54.93	(19,982,812)	(13,141,904)	52.05	(39,353,910)	(25,432,786)	54.74	(20,623,105)	(13,584,632)	51.81
Net interest income	17,310,576	16,500,589	4.91	9,216,550	8,629,783	6.80	18,331,362	17,404,561	5.33	9,724,121	9,084,223	7.04
Fee and commission income	2,696,647	3,698,427	(27.09)	1,282,611	2,013,193	(36.29)	2,913,671	4,024,661	(27.60)	1,321,251	2,270,163	(41.80)
Fee and commission expenses	(334,095)	(312,603)	6.88	(160,168)	(145,189)	10.32	(413,018)	(360,259)	14.64	(207,389)	(176,039)	17.81
Net fee and commission income	2,362,552	3,385,824	(30.22)	1,122,443	1,868,004	(39.91)	2,500,653	3,664,402	(31.76)	1,113,862	2,094,124	(46.81)
Net gain / (loss) from trading	1,552,625	143,338	983.19	1,022,013	83,798	1,119.62	1,575,643	165,398	852.64	1,015,569	143,907	605.71
Net gain / (loss) from financial investments	533,132	606,941	(12.16)	433,506	501,788	(13.61)	566,874	491,831	15.26	471,710	404,903	16.50
Net gain / (loss) on financial instruments designated at fair value through profit & loss	-	-	-	-	-	-	-	-	-	-	-	-
Other operating income	1,159,069	3,359,532	(65.50)	735,529	1,060,826	(30.66)	1,250,519	3,498,418	(64.25)	539,197	771,608	(30.12)
	3,244,826	4,109,811	(21.05)	2,191,048	1,646,412	33.08	3,393,036	4,155,647	(18.35)	2,026,476	1,320,418	53.47
Total operating income	22,917,954	23,996,224	(4.49)	12,530,041	12,144,199	3.18	24,225,051	25,224,610	(3.96)	12,864,459	12,498,765	2.93
Impairment (charge) / reversal for loans and other losses	(3,500,684)	(1,248,492)	180.39	(2,387,417)	(235,139)	915.32	(3,617,816)	(1,305,522)	177.12	(2,431,762)	(248,158)	879.92
Impairment (charge) / reversal for others	-	-	-	-	-	-	3,882	(4,958)	178.30	645	(432)	249.31
Net operating income	19,417,270	22,747,732	(14.64)	10,142,624	11,909,060	(14.83)	20,611,117	23,914,130	(13.81)	10,433,342	12,250,175	(14.83)
Personnel expenses	(7,092,738)	(6,571,577)	7.93	(3,835,644)	(3,267,321)	17.39	(7,745,500)	(7,139,003)	8.50	(4,162,272)	(3,555,208)	17.08
Depreciation and amortisation	(530,565)	(523,584)	1.33	(265,135)	(262,102)	1.16	(721,593)	(682,721)	5.69	(361,226)	(408,461)	(11.56)
Other operating expenses	(3,247,416)	(3,228,893)	0.57	(1,789,367)	(1,851,987)	(3.38)	(3,488,282)	(3,533,599)	(1.28)	(1,689,223)	(1,768,474)	(4.48)
Operating expenses	(10,870,719)	(10,324,054)	5.30	(5,890,146)	(5,381,410)	9.45	(11,955,375)	(11,355,323)	5.28	(6,212,721)	(5,732,143)	8.38
Operating profit/(loss) before value added tax (VAT)	8,546,551	12,423,678	(31.21)	4,252,478	6,527,650	(34.85)	8,655,742	12,558,807	(31.08)	4,220,621	6,518,032	(35.25)
Value added tax (VAT) on financial services	(1,394,091)	(1,682,801)	(17.16)	(781,832)	(848,662)	(7.87)	(1,412,729)	(1,704,471)	(17.12)	(789,883)	(861,291)	(8.29)
Operating profit/(loss) after value added tax (VAT)	7,152,460	10,740,877	(33.41)	3,470,646	5,678,988	(38.89)	7,243,013	10,854,336	(33.27)	3,430,738	5,656,741	(39.35)
Share of profit / (loss) of Associate Companies before tax	-	-	-	-	-	-	54,853	(118,359)	146.34	21,578	(36,084)	159.80
Profit before income tax	7,152,460	10,740,877	(33.41)	3,470,646	5,678,988	(38.89)	7,297,866	10,735,977	(32.02)	3,452,316	5,620,657	(38.58)
Income tax expense	(2,101,305)	(2,934,977)	(28.40)	(1,016,818)	(1,515,941)	(32.92)	(2,263,243)	(3,082,823)	(26.59)	(1,116,507)	(1,618,816)	(31.03)
Profit for the period	5,051,155	7,805,900	(35.29)	2,453,828	4,163,047	(41.06)	5,034,623	7,653,154	(34.22)	2,335,809	4,001,841	(41.63)
Profit attributable to:												
Equity holder of the parent	5,051,155	7,805,900	(35.29)	2,453,828	4,163,047	(41.06)	5,033,920	7,670,335	(34.37)	2,333,577	4,012,439	(41.84)
Non controlling interest	-	-	-	-	-	-	703	(17,181)	104.09	2,232	(10,598)	121.06
	5,051,155	7,805,900	(35.29)	2,453,828	4,163,047	(41.06)	5,034,623	7,653,154	(34.22)	2,335,809	4,001,841	(41.63)
Earnings per share:												
Basic earnings per share (Rs.)	1,010.23	1,561.18	(35.29)	490.77	832.61	(41.06)	1,006.78	1,534.07	(34.37)	466.72	802.49	(41.84)
Diluted earnings per share (Rs.)	1,010.23	1,561.18	(35.29)	490.77	832.61	(41.06)	1,006.78	1,534.07	(34.37)	466.72	802.49	(41.84)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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Rs. 000

30th June	Bank						Group					
	For the six months ended			For the quarter ended			For the six months ended			For the quarter ended		
	2013	2012	Change %	2013	2012	Change %	2013	2012	Change %	2013	2012	Change %
Profit for the period	5,051,155	7,805,900	(35.29)	2,453,828	4,163,047	(41.06)	5,034,623	7,653,154	(34.22)	2,335,809	4,001,841	(41.63)
Gains /(losses) arising from translating the financial statements of a foreign operation	(120,250)	797,557	(115.08)	(124,942)	245,786	(150.83)	(215,405)	852,235	(125.28)	(5,078)	253,175	(102.01)
Actuarial gains / (losses) on retirement benefit plans	-	-	-	-	-	-	1,258	(991)	226.94	1,125	(629)	278.86
Revaluation gains /(losses) on property, plant and equipments	-	-	-	-	-	-	-	-	-	-	-	-
Gains /(Losses) on re-measuring available for sale financial assets	625,908	(1,645,645)	138.03	(65,903)	(973,316)	93.23	656,283	(2,115,767)	131.02	48,654	(1,033,260)	104.71
Share of other comprehensive income of Associate Companies	-	-	-	-	-	-	2,884	-	100.00	2,884	-	100.00
Total other comprehensive income	505,658	(848,088)	159.62	(190,845)	(727,530)	73.77	445,020	(1,264,523)	135.19	47,585	(780,714)	106.10
Income tax income /(expense) relating to components of other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period, net of tax	505,658	(848,088)	159.62	(190,845)	(727,530)	73.77	445,020	(1,264,523)	135.19	47,585	(780,714)	106.10
Total comprehensive income for the period, net of tax	5,556,813	6,957,812	(20.14)	2,262,983	3,435,517	(34.13)	5,479,643	6,388,631	(14.23)	2,383,394	3,221,127	(26.01)
Attributable to:												
Equity holder of the parent	5,556,813	6,957,812	(20.14)	2,262,983	3,435,517	(34.13)	5,474,048	6,437,827	(14.97)	2,371,656	3,239,483	(26.79)
Non controlling interest	-	-	-	-	-	-	5,595	(49,196)	111.37	11,738	(18,356)	163.95
	5,556,813	6,957,812	(20.14)	2,262,983	3,435,517	(34.13)	5,479,643	6,388,631	(14.23)	2,383,394	3,221,127	(26.01)

As at	Bank			Group		
	30-Jun-2013	31-Dec- 2012 (Audited)	Change %	30-Jun-2013	31-Dec- 2012 (Audited)	Change %
Assets						
Cash and cash equivalents	36,528,532	31,544,558	15.80	36,712,393	31,955,777	14.88
Balances with Central Banks	37,449,425	29,963,240	24.98	37,449,425	29,963,240	24.98
Placements with banks	19,517,124	19,394,466	0.63	25,038,713	25,577,197	(2.11)
Derivative financial instruments	5,612,411	507,451	1,006.00	5,612,411	507,451	1,006.00
Reverse repurchase agreements	18,666,677	797,425	2,240.87	19,089,512	1,423,796	1,240.75
Financial assets - held for trading	13,377,072	15,541,185	(13.93)	13,917,690	16,028,758	(13.17)
Financial investments - loans and receivable	102,029,356	99,206,859	2.85	103,135,303	99,182,351	3.99
Loans and advances to customers	734,602,391	691,899,207	6.17	754,118,970	709,933,498	6.22
Financial investments - available for sale	11,300,959	12,080,988	(6.46)	13,544,360	14,361,925	(5.69)
Financial investments - held to maturity	145,225,600	110,956,202	30.89	145,772,057	111,706,459	30.50
Investment in Subsidiary Companies	6,828,698	6,792,848	0.53	-	-	-
Investment in Associate Companies	842,988	842,988	-	1,325,254	1,268,995	4.43
Investment properties	-	-	-	146,170	147,047	(0.60)
Property, plant and equipment	11,690,311	11,430,827	2.27	18,564,383	18,437,863	0.69
Leasehold properties	100,703	84,976	18.51	139,770	124,724	12.06
Intangible assets	408,084	376,002	8.53	523,420	461,955	13.31
Deferred tax assets	-	-	-	89,852	73,042	23.01
Other assets	27,139,322	16,801,769	61.53	28,324,184	18,199,140	55.63
Total assets	1,171,319,653	1,048,220,991	11.74	1,203,503,867	1,079,353,218	11.50
Liabilities						
Due to banks	272,901	10,127,983	(97.31)	464,375	10,329,510	(95.50)
Derivative financial instruments	784,584	74,314	955.77	784,584	74,314	955.77
Due to Customers	770,344,504	693,440,642	11.09	777,941,148	700,168,802	11.11
Other borrowings	281,652,147	233,795,515	20.47	291,209,849	245,140,679	18.79
Debt securities issued	22,520,421	23,296,349	(3.33)	25,728,744	24,481,798	5.09
Current tax liabilities	1,440,066	2,208,461	(34.79)	1,708,564	2,418,079	(29.34)
Deferred tax liabilities	357,796	351,279	1.86	1,699,085	1,699,612	(0.03)
Insurance provision - life	-	-	-	173,229	166,087	4.30
Insurance provision - non life	-	-	-	680,169	571,068	19.10
Other liabilities	14,512,092	10,155,542	42.90	16,174,808	11,859,101	36.39
Subordinated term debts	24,598,652	23,818,024	3.28	24,581,621	23,801,505	3.28
Total liabilities	1,116,483,163	997,268,109	11.95	1,141,146,176	1,020,710,555	11.80
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	29,746,166	27,639,146	7.62	31,341,909	29,318,089	6.90
Other reserves	16,804,369	15,027,781	11.82	21,310,256	19,621,126	8.61
Total equity attributable to the parent	54,836,490	50,952,882	7.62	60,938,120	57,225,170	6.49
Non controlling interest	-	-	-	1,419,571	1,417,493	0.15
Total equity	54,836,490	50,952,882	7.62	62,357,691	58,642,663	6.34
Total liabilities and equity	1,171,319,653	1,048,220,991	11.74	1,203,503,867	1,079,353,218	11.50
Commitments and contingencies	334,544,606	455,180,815	(26.50)	335,124,161	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 account	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							7,805,900	7,805,900
Other comprehensive income, net of tax			(1,645,645)		797,557		-	(848,088)
Dividends							(3,173,205)	(3,173,205)
Transfers to investment fund account				1,562,367			(1,562,367)	-
Balance as at 30th June 2012	5,000,000	3,008,000	2,523,818	3,046,440	2,144,157	4,612,661	24,803,336	45,138,412
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							5,051,155	5,051,155
Other comprehensive income, net of tax			625,908		(120,250)			505,658
Dividends							(1,673,205)	(1,673,205)
Transfers to investment fund account				1,270,930			(1,270,930)	-
Balance as at 30th June 2013	5,000,000	3,285,955	4,029,096	5,987,615	1,565,344	5,222,314	29,746,166	54,836,490

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 account	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							7,670,335	(17,181)	7,653,154
Other comprehensive income, net of tax			(2,083,801)		852,235		(941)	(32,015)	(1,264,522)
Dividends							(3,173,205)		(3,173,205)
Subsidiary dividends to non controlling interest								(58,302)	(58,302)
Transfers to investment fund account				1,580,081			(1,580,081)		-
Transfers to other reserves					130		(130)		-
Acquisition, disposal and changes in non controlling interest							(101)	14,944	14,843
Adjustments			(3,527)				8,607	(68,233)	(27,221)
Balance as at 30th June 2012	5,000,000	3,008,000	2,900,166	3,150,357	2,606,440	7,752,104	26,279,743	1,288,244	51,985,054
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							5,033,920	703	5,034,623
Other comprehensive income, net of tax			651,407		(215,405)		4,126	4,892	445,020
Dividends							(1,673,205)		(1,673,205)
Subsidiary dividends to non controlling interest								(10,724)	(10,724)
Transfers to investment fund account				1,287,724			(1,287,724)		-
Transfers to other reserves					5,417		(5,417)		-
Acquisition, disposal and changes in non controlling interest							4,422	35,216	39,638
Adjustments			(48,039)		8,026		(52,302)	(28,009)	(120,324)
Balance as at 30th June 2013	5,000,000	3,285,955	4,574,283	6,137,672	2,230,564	8,367,737	31,341,909	1,419,571	62,357,691

For the six months ended 30th June	Bank		Group	
	2013	2012	2013	2012
Operating Activities				
Profit before income Tax	7,152,460	10,740,877	7,297,866	10,735,977
Adjustments for :				
Net interest income	(17,310,576)	(16,500,589)	(18,331,362)	(17,404,561)
Dividend income on trading securities	(31,717)	(52,566)	(38,547)	(55,454)
Dividends from Subsidiaries and Associates	(164,700)	(154,580)	-	-
Share of profits in Associates	-	-	(54,853)	118,359
Change in operating assets	(84,443,736)	(90,010,411)	(87,798,210)	(88,261,526)
Change in operating liabilities	79,657,091	74,360,465	80,350,439	72,466,671
Other non-cash items included in profit before tax	7,067,135	7,840,325	7,208,744	6,604,962
Other net (gain)/loss from investing activities	(325,017)	(330,648)	(354,377)	(336,549)
	(8,399,060)	(14,107,127)	(11,720,300)	(16,132,122)
Contribution paid to defined benefit plans	(2,263,240)	(1,831,160)	(2,267,550)	(1,832,772)
Interest received	41,521,953	26,656,175	43,720,823	28,460,578
Interest paid	(22,667,628)	(14,239,794)	(25,824,941)	(15,349,217)
Dividend received	31,717	52,566	38,547	55,454
Net cash used in operating activities before income Tax	8,223,742	(3,469,340)	3,946,579	(4,798,079)
Income tax paid	(2,863,183)	(1,114,953)	(2,986,175)	(1,209,485)
Net cash used in operating activities	5,360,559	(4,584,293)	960,404	(6,007,564)
Investing Activities				
Net increase in financial investments - held to maturity	(33,081,174)	(62,591,389)	(32,877,374)	(62,730,929)
Net increase in financial investments - available for sale	1,405,937	(2,241,035)	1,473,848	(1,692,035)
Net increase in financial investment - loans & receivables	(2,822,497)	(14,657,783)	(3,952,952)	(15,121,509)
Net Increase in interest in Subsidiaries	(35,850)	-	-	(1,350)
Purchase of investment properties	-	-	-	(57,293)
Purchase of property plant & equipment & leasedhold properties	(805,776)	(530,110)	(860,541)	(719,833)
Purchase of intangible assets	(32,082)	(134,481)	(64,083)	(147,536)
Proceeds from investment properties	-	-	-	-
Proceeds from sale of property plant & equipment	8,241	29,343	13,427	32,356
Dividend received	481,476	455,885	340,950	304,193
Interest received	8,526,943	5,525,825	10,505,035	5,734,242
Net cash generated from/ (used in) investing activities	(26,354,782)	(74,143,745)	(25,421,690)	(74,399,694)
Financing Activities				
Net increase in other borrowings	34,462,559	94,133,764	32,856,255	96,945,020
Proceeds from minority on issue of rights in subsidiary	-	-	58,420	-
Proceeds from issue of debentures	-	1,280,000	2,000,000	1,280,000
Payments on redemption of debentures	(2,000,000)	(2,500,000)	(2,031,800)	(2,525,576)
Dividends paid to Government of Sri Lanka	(1,673,205)	(3,173,205)	(1,673,205)	(3,173,205)
Dividends paid to non controlling interest	-	-	(10,724)	(58,302)
Interest payments on borrowings and debt securities	(3,707,419)	(2,273,911)	(3,652,118)	(2,223,351)
Net cash generated from financing activities	27,081,935	87,466,648	27,546,828	90,244,586
Net increase/ (decrease) in cash and cash equivalents during the period	6,087,713	8,738,610	3,085,541	9,837,328
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	52,868,628	38,115,426	58,382,309	40,976,962
Note I				
Analysis of Cash and Cash Equivalents				
Cash and cash equivalents	36,528,532	27,841,685	36,712,393	27,794,425
Due from banks with original maturity less than three months	16,354,337	14,633,074	21,752,631	17,335,868
Bank overdrafts	(14,241)	(4,359,333)	(82,715)	(4,153,331)
	52,868,628	38,115,426	58,382,309	40,976,962

As at	Bank		Group	
	30-Jun-2013	31-Dec- 2012 (Audited)	30-Jun-2013	31-Dec- 2012 (Audited)
Net assets value per share (Rs)	10,967	10,191	12,188	11,445
Regulatory Capital Adequacy				
Core capital (Tier 1 capital), Rs. Mn	39,244	39,013	45,690	45,633
Total capital base, Rs. Mn	54,359	53,968	63,274	63,230
Core capital adequacy ratio, % of risk weighted assets (Minimum requirement, 5%)	7.85%	8.23%	8.61%	8.91%
Total capital adequacy ratio, % of risk weighted assets (Minimum requirement, 10%)	10.88%	11.38%	11.92%	12.35%
Profitability				
Interest margin	3.12%	3.74%	3.21%	3.83%
Return on assets (before tax)	1.29%	2.10%	1.28%	2.08%
Return on equity (after tax)	19.10%	31.24%	16.64%	27.18%
Assets Quality				
Gross non - performing advances ratio, (Net of interest in suspense)	3.67%	2.76%		
Net non - performing advances ratio, (Net of interest in suspense and provisions)	2.52%	1.62%		
Investor Information				
Debt equity (%)	372.76	273.43		
Interest cover (times)	1.62	1.94		
Regulatory Liquidity				
Statutory liquid assets,				
- Domestic banking unit (Rs. Mn)	221,761	159,213		
- Off-shore banking unit (US\$ Mn)	613	480		
Statutory liquid assets ratio, (minimum requirement, 20%)				
- Domestic banking unit	27.05%	21.80%		
- Off-shore banking unit	23.50%	24.95%		
Memorandum Information				
Number of employees	9,161	7,790		
Number of branches	440	324		

SHARE INFORMATION

Shareholder	30-Jun-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 six months ended 30th June 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, Ceylease 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 June 2013 and its profit for the six months ended 30th June 2013

Sgd.
Asoka Rupasinghe
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 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.
Razik Zarook
Chairman
(Independent Non-Executive)

Sgd.
Raju Sivaraman
Director
(Independent Non-Executive)

Sgd.
D M Gunasekara
General Manager

13th August 2013

Colombo

BANK

As at 30th June		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				36,528,532			36,528,532
Balances with Central Banks				37,449,425			37,449,425
Placements with banks				19,517,124			19,517,124
Derivative financial instruments	5,612,411						5,612,411
Reverse repurchased agreements				18,666,677			18,666,677
Loans and advances to customers				734,602,391			734,602,391
Financial investments	13,377,072	-	145,225,600	102,029,356	11,300,959		271,932,987
Total financial assets	18,989,483	-	145,225,600	948,793,505	11,300,959	-	1,124,309,547
Other assets						47,010,106	47,010,106
Total assets	18,989,483	-	145,225,600	948,793,505	11,300,959	47,010,106	1,171,319,653

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		272,901		272,901
Derivative financial instruments	784,584			784,584
Other financial liabilities held for trading				-
Due to customers		770,344,504		770,344,504
Other borrowings		281,652,147		281,652,147
Debt securities issued		22,520,421		22,520,421
Subordinated term debts		24,598,652		24,598,652
Total financial liabilities	784,584	1,099,388,625	-	1,100,173,209
Other liabilities			16,309,954	16,309,954
Total liabilities	784,584	1,099,388,625	16,309,954	1,116,483,163

As at 30th June		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				27,841,685			27,841,685
Balances with Central Banks				31,667,887			31,667,887
Placements with banks				17,929,579			17,929,579
Derivative financial instruments	314,688						314,688
Reverse repurchased agreements				9,163,977			9,163,977
Loans and advances to customers				625,375,238			625,375,238
Financial investments	28,234,934	-	116,742,538	104,397,067	13,459,691		262,834,230
Total financial assets	28,549,622	-	116,742,538	816,375,433	13,459,691	-	975,127,284
Other assets						48,207,979	48,207,979
Total assets	28,549,622	-	116,742,538	816,375,433	13,459,691	48,207,979	1,023,335,263

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		2,007,269		2,007,269
Derivative financial instruments	1,140,337			1,140,337
Other financial liabilities held for trading				-
Due to customers		663,905,122		663,905,122
Other borrowings		252,756,924		252,756,924
Debt securities issued		24,866,029		24,866,029
Subordinated term debts		17,909,537		17,909,537
Total financial liabilities	1,140,337	961,444,881	-	962,585,218
Other liabilities			15,611,633	15,611,633
Total liabilities	1,140,337	961,444,881	15,611,633	978,196,851

GROUP

As at 30th June	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				36,712,393			36,712,393
Balances with Central Banks				37,449,425			37,449,425
Placements with banks				25,038,713			25,038,713
Derivative financial instruments	5,612,411						5,612,411
Reverse repurchased agreements				19,089,512			19,089,512
Loans and advances to customers				754,118,970			754,118,970
Financial investments	13,917,690	-	145,772,057	103,135,303	13,544,360		276,369,410
Total financial assets	19,530,101	-	145,772,057	975,544,316	13,544,360	-	1,154,390,834
Other assets						49,113,033	49,113,033
Total assets	19,530,101	-	145,772,057	975,544,316	13,544,360	49,113,033	1,203,503,867

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		464,375		464,375
Derivative financial instruments	784,584			784,584
Other financial liabilities held for trading				-
Due to customers		777,941,148		777,941,148
Other borrowings		291,209,849		291,209,849
Debt securities issued		25,728,744		25,728,744
Subordinated term debts		24,581,622		24,581,622
Total financial liabilities	784,584	1,119,925,738	-	1,120,710,322
Other liabilities			20,435,854	20,435,854
Total liabilities	784,584	1,119,925,738	20,435,854	1,141,146,176

As at 30th June	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				27,794,425			27,794,425
Balances with Central Banks				31,667,887			31,667,887
Placements with banks				20,632,373			20,632,373
Derivative financial instruments	314,688						314,688
Reverse repurchased agreements				9,213,701			9,213,701
Loans and advances to customers				642,151,235			642,151,235
Financial investments	28,733,921	-	117,338,102	104,758,193	15,479,409		266,309,625
Total financial assets	29,048,609	-	117,338,102	836,217,814	15,479,409	-	998,083,934
Other assets						50,526,861	50,526,861
Total assets	29,048,609	-	117,338,102	836,217,814	15,479,409	50,526,861	1,048,610,795

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		2,118,255		2,118,255
Derivative financial instruments	1,140,337			1,140,337
Other financial liabilities held for trading				-
Due to customers		670,700,521		670,700,521
Other borrowings		259,828,835		259,828,835
Debt securities issued		26,083,144		26,083,144
Subordinated term debts		17,897,898		17,897,898
Total financial liabilities	1,140,337	976,628,653	-	977,768,990
Other liabilities			18,856,753	18,856,753
Total liabilities	1,140,337	976,628,653	18,856,753	996,625,743

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount	
					30.06.2013	31.12.2012		Bank	
					%	%		30.06.2013	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	10.65	383,316	351,385
Unsecured, subordinated, redeemable debentures	a	At maturity	24.11.2008	24.11.2013	-	-	10.65	486,733	448,322
Unsecured, subordinated, redeemable debentures	a	Annually	28.06.2010	28.06.2015	11.50	11.50	10.81	1,075,752	1,135,783
Unsecured, subordinated, redeemable debentures	a	Annually	08.12.2011	08.12.2016	11.00	11.00	11.05	4,136,839	3,926,514
Unsecured, subordinated, redeemable debentures	a	Semi annually	08.12.2011	08.12.2016	10.50	10.50	11.05	2,316	2,315
Unsecured, subordinated, redeemable debentures	a	Annually	30.11.2012	30.11.2017	16.00	16.00	11.20	6,498,872	6,034,052
Unsecured, subordinated, redeemable debentures	a	Semi annually	30.11.2012	30.11.2017	15.25	15.25	11.20	40,189	40,189
Unsecured, redeemable debentures		Annually	01.07.2010	01.07.2015	13.20	13.20	10.80	1,131,625	1,063,602
Unsecured, redeemable debentures		Annually	14.07.2010	14.07.2015	13.20	13.20	10.82	2,254,241	2,118,737
Unsecured, redeemable debentures		Annually	17.09.2010	17.09.2015	11.00	11.00	10.85	1,551,670	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	11.22	2,219,177	2,140,654
								21,113,726	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	15.64	10.60	340,881	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	10.65	3,753,875	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	10.81	3,929,664	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	11.05	1,107,897	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	11.20	425	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	16.11	16.11	10.83	5,955,894	5,527,289
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 150 basis points)	c	Annually	03.08.2010	03.08.2015	16.11	16.11	10.83	2,004,387	1,860,145
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 150 basis points)	c	Annually	03.08.2010	03.08.2015	16.11	16.11	10.83	6,070,430	5,633,583
								23,163,454	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	4.32	31,719	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	4.32	2,810,174	2,742,872
								2,841,893	2,773,789
								47,119,073	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 June 2013 2008/2013 - (Highest Price - Rs.95.50, Lowest Price - Rs.95.50, Last Transaction Price - Rs.95.50) 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-Jun-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 (Rs.)	95.50	105.00
Lowest (Rs.)	95.50	105.00
Last transaction (Rs.)	95.50	105.00
Unsecured, Subordinated, Redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)		
Highest (Rs.)	Not Traded	Not Traded
Lowest (Rs.)	Not Traded	Not Traded
Last transaction (Rs.)	Not Traded	Not Traded
Unsecured, Subordinated, Redeemable, 5 years, zero coupon		
Highest (Rs.)	Not Traded	166.02
Lowest (Rs.)	Not Traded	166.02
Last transaction (Rs.)	Not Traded	166.02
Market Value		
BOC Debenture 2010/2015 , Unsecured, Subordinated, Redeemable, 5 years, fixed rate (11.5%)		
Highest (Rs.)	Not Traded	Not Traded
Lowest (Rs.)	Not Traded	Not Traded
Last transaction (Rs.)	Not Traded	Not Traded
Unsecured, Subordinated, Redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)		
Highest (Rs.)	Not Traded	Not Traded
Lowest (Rs.)	Not Traded	Not Traded
Last transaction (Rs.)	Not Traded	Not Traded
Market Value		
BOC Debenture 2011/2016 , Unsecured, Subordinated, Redeemable, 5 years, fixed rate (11.0%)		
Highest (Rs.)	95.00	Not Traded
Lowest (Rs.)	89.00	Not Traded
Last transaction (Rs.)	89.00	Not Traded
Unsecured, Subordinated, Redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)		
Highest (Rs.)	Not Traded	Not Traded
Lowest (Rs.)	Not Traded	Not Traded
Last transaction (Rs.)	Not Traded	Not Traded
Unsecured, Subordinated, Redeemable, 5 years, fixed rate (10.5%)		
Highest (Rs.)	Not Traded	Not Traded
Lowest (Rs.)	Not Traded	Not Traded
Last transaction (Rs.)	Not Traded	Not Traded
Market Value		
BOC Debenture 2012/2017 , Unsecured, Subordinated, Redeemable, 5 years, fixed rate (16.0%)		
Highest (Rs.)	Not Traded	Not Traded
Lowest (Rs.)	Not Traded	Not Traded
Last transaction (Rs.)	Not Traded	Not Traded
Unsecured, Subordinated, Redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)		
Highest (Rs.)	Not Traded	Not Traded
Lowest (Rs.)	Not Traded	Not Traded
Last transaction (Rs.)	Not Traded	Not Traded
Unsecured, Subordinated, Redeemable, 5 years, fixed rate (15.3%)		
Highest (Rs.)	Not Traded	Not Traded
Lowest (Rs.)	Not Traded	Not Traded
Last transaction (Rs.)	Not Traded	Not Traded

	30-Jun-2013 %	31-Dec-2012 %
Interest yield as at date of last trade done		
BOC Debenture 2008/2013 ,		
5 years, fixed rate (19.0%)	28.12	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%)	Not Traded	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%)	15.26	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%)	Not Traded	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

Rs. '000

For the period ended 30th June	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	21,120,300	16,406,601	12,935,036	9,195,338	1,934,209	1,004,900	18,407,935	13,605,376	2,465,722	1,898,929	822,070	726,203	57,685,272	42,837,347
Fees and commissions	641,041	776,382	60,662	620,724	367,705	290,468	1,427,177	1,793,427	323,030	341,867	94,056	201,793	2,913,671	4,024,661
Other	825,067	1,500,378	464,929	1,134,915	2,057,696	1,921,120	230,750	19,938	667,301	496,890	(852,707)	(917,594)	3,393,036	4,155,647
Total revenue	22,586,408	18,683,361	13,460,627	10,950,977	4,359,610	3,216,488	20,065,862	15,418,741	3,456,053	2,737,686	63,419	10,402	63,991,979	51,017,655
Total expenses	(27,791,495)	(19,483,400)	(12,227,243)	(7,423,428)	(2,316,307)	(1,711,843)	(11,240,976)	(8,892,341)	(3,094,141)	(2,403,306)	(78,804)	(249,001)	(56,748,966)	(40,163,319)
Inter segment transaction	6,817,848	4,661,465	2,122,809	1,217,528	(1,014,835)	(724,503)	(6,652,481)	(4,409,833)			(1,273,341)	(744,657)	-	-
Net operating income	1,612,761	3,861,426	3,356,193	4,745,077	1,028,468	780,142	2,172,405	2,116,567	361,912	334,380	(1,288,726)	(983,256)	7,243,013	10,854,336
Share of profit of Associate Companies		-		-		-			54,853	(118,359)			54,853	(118,359)
Profit/(loss) before income tax	1,612,761	3,861,426	3,356,193	4,745,077	1,028,468	780,142	2,172,405	2,116,567	416,765	216,021	(1,288,726)	(983,256)	7,297,866	10,735,977
Income tax expense													(2,263,243)	(3,082,823)
Profit for the period													5,034,623	7,653,154
Total assets	360,313,708	321,224,292	167,604,761	101,173,990	60,118,371	63,116,589	508,241,116	471,634,365	51,075,634	39,375,176	56,150,277	52,086,383	1,203,503,867	1,048,610,795
Total liabilities	483,429,925	431,890,154	432,550,157	340,125,975	45,708,558	50,663,328	99,252,130	100,852,727	38,916,824	28,772,795	41,288,582	44,320,764	1,141,146,176	996,625,743
Cash flows from operating activities	351,632	(2,300,884)	215,356	(1,289,567)	32,203	(140,929)	306,474	(1,908,037)	41,052	(266,308)	13,687	(101,839)	960,404	(6,007,564)
Cash flows from investing activities	(7,610,930)	(22,791,096)	(3,540,326)	(7,178,368)	(1,269,884)	(4,478,168)	(10,735,610)	(33,462,799)	(1,078,874)	(2,793,697)	(1,186,066)	(3,695,566)	(25,421,690)	(74,399,694)
Cash flows from financing activities	12,358,435	40,508,089	11,057,741	31,901,290	1,168,497	4,751,844	864,083	6,286,032	1,042,567	2,640,372	1,055,505	4,156,959	27,546,828	90,244,586