



**INTERIM FINANCIAL STATEMENTS**  
**for the three months ended 31.03.2013**  
**(Un-audited)**

**Bank of Ceylon**

**CONSOLIDATED INCOME STATEMENT**

**1**

**Rs. 000**

For the three months ended 31st March	Bank			Group		
	2013	2012	Change %	2013	2012	Change %
Interest and similar income	26,274,194	19,361,002	35.71	27,338,046	20,168,492	35.55
Interest and similar expenses	18,180,168	11,490,196	58.22	18,730,805	11,848,154	58.09
<b>Net interest income</b>	<b>8,094,026</b>	<b>7,870,806</b>	<b>2.84</b>	<b>8,607,241</b>	<b>8,320,338</b>	<b>3.45</b>
Fee and commission income	1,414,036	1,685,234	(16.09)	1,592,420	1,754,498	(9.24)
Fee and commission expenses	173,927	167,414	3.89	205,629	184,220	11.62
<b>Net fee and commission income</b>	<b>1,240,109</b>	<b>1,517,820</b>	<b>(18.30)</b>	<b>1,386,791</b>	<b>1,570,278</b>	<b>(11.69)</b>
Net gain or (loss) from trading	530,612	59,540	791.19	559,370	21,491	2,502.81
Net gain or (loss) from financial investments	99,626	105,153	(5.26)	108,568	86,928	24.89
Net gain or (loss) on financial instruments designated at fair value through profit & loss				(12,700)	-	(100.00)
Other operating income	423,540	2,298,706	(81.57)	711,322	2,726,810	(73.91)
	<b>1,053,778</b>	<b>2,463,399</b>	<b>(57.22)</b>	<b>1,366,560</b>	<b>2,835,229</b>	<b>(51.80)</b>
<b>Total Operating income</b>	<b>10,387,913</b>	<b>11,852,025</b>	<b>(12.35)</b>	<b>11,360,592</b>	<b>12,725,845</b>	<b>(10.73)</b>
Impairment charges/ reversal for loans and other losses	1,113,267	1,013,353	9.86	1,186,054	1,057,364	12.17
Impairment charges/ reversal for others				(3,237)	4,526	(171.52)
<b>Net operating income</b>	<b>9,274,646</b>	<b>10,838,672</b>	<b>(14.43)</b>	<b>10,177,775</b>	<b>11,663,955</b>	<b>(12.74)</b>
Personnel expenses	3,257,094	3,304,256	(1.43)	3,583,228	3,583,795	(0.02)
Depreciation and amortisation	265,430	261,482	1.51	360,367	274,260	31.40
Other operating expenses	1,458,049	1,376,906	5.89	1,799,059	1,765,125	1.92
<b>Operating expenses</b>	<b>4,980,573</b>	<b>4,942,644</b>	<b>0.77</b>	<b>5,742,654</b>	<b>5,623,180</b>	<b>2.12</b>
<b>Operating profit/(loss) before value added tax (VAT)</b>	<b>4,294,073</b>	<b>5,896,028</b>	<b>(27.17)</b>	<b>4,435,121</b>	<b>6,040,775</b>	<b>(26.58)</b>
Value added tax (VAT) on financial services	612,259	834,139	(26.60)	622,846	843,180	(26.13)
<b>Operating profit/(loss) after value added tax (VAT)</b>	<b>3,681,814</b>	<b>5,061,889</b>	<b>(27.26)</b>	<b>3,812,275</b>	<b>5,197,595</b>	<b>(26.65)</b>
Share of profit of associate companies before tax	-			33,275	(82,275)	(140.44)
<b>Profit before income tax</b>	<b>3,681,814</b>	<b>5,061,889</b>	<b>(27.26)</b>	<b>3,845,550</b>	<b>5,115,320</b>	<b>(24.82)</b>
Income tax expense	1,084,487	1,419,036	(23.58)	1,146,736	1,464,007	(21.67)
<b>Profit for the year</b>	<b>2,597,327</b>	<b>3,642,853</b>	<b>(28.70)</b>	<b>2,698,814</b>	<b>3,651,313</b>	<b>(26.09)</b>
<b>Profit attributable to:</b>						
Equity holder of the parent	2,597,327	3,642,853	(28.70)	2,700,343	3,657,896	(26.18)
Non- controlling interest	-			(1,529)	(6,583)	(76.77)
	<b>2,597,327</b>	<b>3,642,853</b>	<b>(28.70)</b>	<b>2,698,814</b>	<b>3,651,313</b>	<b>(26.09)</b>
<b>Earnings per share:</b>						
Basic earnings per share	2,077.86	2,914.28	(28.70)	2,160.27	2,926.32	(26.18)
Diluted earnings per share	2,077.86	2,914.28	(28.70)	2,160.27	2,926.32	(26.18)
Dividend per share	34.64	34.64	-	34.64	34.64	-

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

2

Rs. 000

For the three months ended 31st March	Bank			Group		
	2013	2012	Change %	2013	2012	Change %
<b>Profit for the year</b>	<b>2,597,327</b>	<b>3,642,853</b>	<b>(28.70)</b>	<b>2,698,814</b>	<b>3,651,313</b>	<b>(26.09)</b>
Gains /(losses) arising from translating the financial statements of a foreign operations	4,692	551,771	(99.15)	(210,327)	599,060	(135.11)
Actuarial gains / (losses) on retirement benefit plans				133	(362)	(136.74)
Revaluation gains /(losses) on property, plant and equipments						
Gains /(Losses) on re-measuring available for sale financial assets	691,811	(672,329)	(202.90)	607,629	(1,082,507)	(156.13)
<b>Total other comprehensive income</b>	<b>696,503</b>	<b>(120,558)</b>	<b>(677.73)</b>	<b>397,435</b>	<b>(483,809)</b>	<b>(182.15)</b>
Income tax income /(expense) relating to components of other comprehensive income						
<b>Other comprehensive income for the year, net of tax</b>	<b>696,503</b>	<b>(120,558)</b>	<b>(677.73)</b>	<b>397,435</b>	<b>(483,809)</b>	<b>(182.15)</b>
<b>Total comprehensive income for the year, net of tax</b>	<b>3,293,830</b>	<b>3,522,295</b>	<b>(6.49)</b>	<b>3,096,249</b>	<b>3,167,504</b>	<b>(2.25)</b>
<b>Attributable to:</b>						
Equity holder of the parent	3,293,830	3,522,295	(6.49)	3,102,392	3,198,344	(3.00)
Non controlling interest				(6,143)	(30,840)	(80.08)
	<b>3,293,830</b>	<b>3,522,295</b>	<b>(6.49)</b>	<b>3,096,249</b>	<b>3,167,504</b>	<b>(2.25)</b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**3**

Rs. 000

As at	Bank			Group		
	31-Mar-2013	31-Dec- 2012 (Audited)	Change %	31-Mar-2013	31-Dec- 2012 (Audited)	Change %
<b>Assets</b>						
Cash and cash equivalents	45,823,130	31,544,558	45.26	46,221,643	31,955,777	44.64
Balances with Central Banks	35,924,506	29,963,240	19.90	35,924,506	29,963,240	19.90
Placements with banks	18,056,980	19,394,466	(6.90)	24,590,822	25,577,197	(3.86)
Derivative financial instruments	226,090	507,451	(55.45)	226,090	507,451	(55.45)
Reverse repurchase agreements	35,729,700	797,425	4,380.63	35,846,382	1,423,796	2,417.66
Financial assets - held for trading	14,342,349	15,541,185	(7.71)	14,704,562	16,028,758	(8.26)
Financial investments - loans and receivable	99,364,588	99,206,859	0.16	99,135,359	99,182,351	(0.05)
Loans and advances to customers	737,132,869	691,899,207	6.54	756,178,018	709,933,498	6.51
Financial investments - available for sale	11,946,118	12,080,988	(1.12)	14,646,404	14,361,925	1.98
Financial investments - held to maturity	109,703,078	110,956,202	(1.13)	110,208,700	111,706,459	(1.34)
Investment in Subsidiary Companies	6,828,699	6,792,848	0.53	-	-	-
Investment in Associate Companies	842,988	842,988	-	1,294,246	1,268,995	1.99
Investment properties	-	-	-	146,974	147,047	(0.05)
Property, plant and equipment	11,537,505	11,430,827	0.93	18,450,652	18,437,863	0.07
Leasehold properties	100,783	84,976	18.60	140,190	124,724	12.40
Intangible assets	348,946	376,002	(7.20)	429,851	461,955	(6.95)
Deferred tax assets	-	-	-	71,293	73,042	(2.39)
Other assets	26,515,663	16,801,769	57.81	27,887,508	18,199,140	53.24
<b>Total assets</b>	<b>1,154,423,992</b>	<b>1,048,220,991</b>	<b>10.13</b>	<b>1,186,103,200</b>	<b>1,079,353,218</b>	<b>9.89</b>
<b>Liabilities</b>						
Due to banks	11,073,206	10,127,983	9.33	11,160,855	10,329,510	8.05
Derivative financial instruments	984,938	74,314	1,225.37	984,938	74,314	1,225.37
Due to Customers	741,197,607	693,440,642	6.89	752,522,587	700,168,802	7.48
Other borrowings	280,003,091	233,795,515	19.76	285,457,941	245,140,679	16.45
Debt securities issued	24,104,536	23,296,349	3.47	27,454,349	24,481,798	12.14
Current tax liabilities	2,919,812	2,208,461	32.21	3,141,403	2,418,079	29.91
Deferred tax liabilities	1,155,988	351,279	229.08	2,506,619	1,699,612	47.48
Insurance provision - life	-	-	-	164,836	166,087	(0.75)
Insurance provision - non life	-	-	-	653,008	571,068	14.35
Other liabilities	14,420,538	10,155,542	42.00	16,279,703	11,859,101	37.28
Subordinated term debts	24,490,769	23,818,024	2.82	24,334,896	23,801,505	2.24
<b>Total liabilities</b>	<b>1,100,350,485</b>	<b>997,268,109</b>	<b>10.34</b>	<b>1,124,661,135</b>	<b>1,020,710,555</b>	<b>10.18</b>
<b>Equity</b>						
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	29,430,471	27,639,146	6.48	31,118,803	29,318,089	6.14
Other reserves	16,357,081	15,027,781	8.85	20,661,849	19,621,126	5.30
<b>Total equity attributable to the parent</b>	<b>54,073,507</b>	<b>50,952,882</b>	<b>6.12</b>	<b>60,066,607</b>	<b>57,225,170</b>	<b>4.97</b>
Non controlling interest	-	-	-	1,375,458	1,417,493	(2.97)
<b>Total equity</b>	<b>54,073,507</b>	<b>50,952,882</b>	<b>6.12</b>	<b>61,442,065</b>	<b>58,642,663</b>	<b>4.77</b>
<b>Total liabilities and equity</b>	<b>1,154,423,992</b>	<b>1,048,220,991</b>	<b>10.13</b>	<b>1,186,103,200</b>	<b>1,079,353,218</b>	<b>9.89</b>
Commitments and contingencies	292,044,059	455,180,815	(35.84)	292,960,207	455,863,271	(35.64)

## STATEMENT OF CHANGES IN EQUITY- BANK

4

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							3,642,853	3,642,853
Other comprehensive income, net of tax			(672,329)		551,771		(120,558)	(120,558)
Dividends							(173,205)	(173,205)
Transfers to investment fund				866,981			(866,981)	-
<b>Balance as at 31st March 2012</b>	<b>5,000,000</b>	<b>3,008,000</b>	<b>3,497,134</b>	<b>2,351,054</b>	<b>1,898,371</b>	<b>4,612,661</b>	<b>24,335,675</b>	<b>44,702,895</b>
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							2,597,327	2,597,327
Other comprehensive income, net of tax			691,811		4,692		696,503	696,503
Dividends							(173,205)	(173,205)
Transfers to investment fund				632,797			(632,797)	-
<b>Balance as at 31st March 2013</b>	<b>5,000,000</b>	<b>3,285,955</b>	<b>4,094,999</b>	<b>5,349,482</b>	<b>1,690,286</b>	<b>5,222,314</b>	<b>29,430,471</b>	<b>54,073,507</b>

## 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							3,657,896	(6,583)	3,651,313
Other comprehensive income, net of tax			(1,058,250)		599,060		(362)	(24,257)	(483,809)
Dividends							(173,205)		(173,205)
Subsidiary dividends to non controlling interest								(11,286)	(11,286)
Transfers to investment fund				874,666			(874,666)		-
Transfers to other reserves					85		(85)		-
Adjustments			(3,788)				(49,092)		(49,092)
<b>Balance as at 31st March 2012</b>	<b>5,000,000</b>	<b>3,008,000</b>	<b>3,925,456</b>	<b>2,444,942</b>	<b>2,353,220</b>	<b>7,716,172</b>	<b>25,915,745</b>	<b>1,406,905</b>	<b>51,770,440</b>
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							2,700,343	(1,529)	2,698,814
Other comprehensive income, net of tax			612,243		(210,327)		133	(4,614)	397,435
Dividends							(173,205)		(173,205)
Transfers to investment fund				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)
<b>Balance as at 31st March 2013</b>	<b>5,000,000</b>	<b>3,285,955</b>	<b>4,558,266</b>	<b>5,499,391</b>	<b>2,236,455</b>	<b>8,367,737</b>	<b>31,118,803</b>	<b>1,375,458</b>	<b>61,442,065</b>

For the three months ended 31st March	Bank		Group	
	2013	2012	2013	2012
<b>Operating Activities</b>				
Profit before Income Tax	3,681,814	5,061,889	3,845,550	5,115,320
<b>Adjustments for :</b>				
Net interest income	(8,094,026)	(7,870,806)	(8,607,241)	(8,320,338)
Dividend income on trading securities	(13,452)	(10,158)	(13,691)	(10,611)
Dividends from subsidiaries and associates	(6,038)	(5,737)	-	-
Share of profits in associates	-	-	(33,275)	82,275
Change in operating assets	(95,521,634)	(28,849,125)	(98,379,758)	(29,069,364)
Change in operating liabilities	58,617,569	58,351,872	63,062,511	61,977,436
Other non-cash items included in profit before tax	2,852,518	4,058,598	3,008,400	4,115,554
Other net (gain)/loss from investing activities	(88,174)	(67,690)	(88,711)	(68,174)
	<b>(38,571,423)</b>	<b>30,668,843</b>	<b>(37,206,215)</b>	<b>33,822,098</b>
Contribution paid to defined benefit plans	(1,095,389)	(895,571)	(1,096,515)	(896,216)
Interest received	22,346,738	13,079,503	23,341,166	14,321,053
Interest paid	(12,880,991)	(7,222,033)	(13,991,051)	(8,139,937)
Dividend received	13,452	10,158	13,691	10,611
<b>Net cash used in operating activities before Income Tax</b>	<b>(30,187,613)</b>	<b>35,640,900</b>	<b>(28,938,924)</b>	<b>39,117,610</b>
Income tax paid	431,573	291,977	387,330	218,178
<b>Net cash used in operating activities</b>	<b>(29,756,040)</b>	<b>35,932,877</b>	<b>(28,551,594)</b>	<b>39,335,788</b>
<b>Investing Activities</b>				
Net increase in financial investments - held to maturity	1,253,124	(48,062,508)	1,497,759	(48,101,367)
Net increase in financial investments - available for sale	826,681	(2,866,433)	326,387	(2,791,032)
Net increase in financial investment - loans & receivables	(157,729)	(10,066,999)	46,992	(10,165,311)
Increase in interest in subsidiaries	(35,851)	-	-	-
Purchase of investment properties	-	-	-	(3,796)
Purchase of property plant & equipment & leasedhold properties	(354,915)	(248,428)	(377,187)	(393,880)
Purchase of intangible assets	(5,944)	(45,319)	(11,944)	(58,107)
Proceeds from investment properties	-	-	-	-
Proceeds from sale of property plant & equipment	8,241	100	8,387	131
Dividend received	85,971	73,327	86,475	68,043
Interest received	4,347,488	4,534,400	5,226,007	4,660,285
<b>Net cash generated from/ (used in) investing activities</b>	<b>5,967,066</b>	<b>(56,681,860)</b>	<b>6,802,876</b>	<b>(56,785,034)</b>
<b>Financing Activities</b>				
Net increase in other borrowings	29,845,783	33,143,096	24,463,707	30,403,262
Proceeds from minority on issue of rights in subsidiary	-	-	14,935	-
Proceeds from issue of debentures	-	-	2,000,000	-
Payments on redemption of debentures	-	(2,500,000)	(31,800)	(2,500,000)
Dividends paid to Government of Sri Lanka	(173,205)	(173,205)	(173,205)	(173,205)
Dividends paid to non controlling interest	-	-	-	(11,286)
Interest payments on borrowings and debt securities	(2,649,685)	(2,666,664)	(2,896,371)	(3,009,358)
<b>Net cash generated from financing activities</b>	<b>27,022,893</b>	<b>27,803,227</b>	<b>23,377,266</b>	<b>24,709,413</b>
Net increase/ (decrease) in cash and cash equivalents during the year	3,233,919	7,054,244	1,628,548	7,260,166
Cash and cash equivalents at the beginning of the year	46,780,915	29,376,817	55,296,768	31,139,636
<b>Cash and cash equivalents at the end of the year I</b>	<b>50,014,834</b>	<b>36,431,061</b>	<b>56,925,316</b>	<b>38,399,802</b>
Note I				
<b>Analysis of Cash and Cash Equivalents</b>				
Cash and cash equivalents	45,823,130	33,772,473	46,221,643	33,684,715
Due from banks with original maturity less than three months	14,989,534	12,657,145	21,343,581	15,004,524
Bank overdrafts	(10,797,830)	(9,998,556)	(10,639,908)	(10,289,437)
	<b>50,014,834</b>	<b>36,431,061</b>	<b>56,925,316</b>	<b>38,399,802</b>

As at	Bank		Group	
	31-Mar-2013	31-Dec- 2012 (Audited)	31-Mar-2013	31-Dec- 2012 (Audited)
Net Assets Value per Share (Rs)	10,815	10,191	12,013	11,445
<b>Regulatory Capital Adequacy</b>				
Core capital (Tier 1 capital), Rs. Mn	39,201	39,013	45,647	45,633
Total capital base, Rs. Mn	55,206	53,968	64,121	63,230
Core capital adequacy ratio, % of risk weighted assets (Minimum requirement, 5%)	7.89%	8.23%	8.66%	8.91%
Total capital adequacy ratio, % of risk weighted assets (Minimum requirement, 10%)	11.11%	11.38%	12.17%	12.35%
<b>Profitability</b>				
Interest margin	2.94%	3.74%	3.04%	3.83%
Return on assets (before tax)	1.34%	2.10%	1.36%	2.08%
Return on equity (after tax)	19.78%	31.24%	17.98%	27.18%
<b>Assets Quality</b>				
Gross non - performing advances ratio, (Net of interest in suspense)	3.35%	2.76%		
Net non - performing advances ratio, (Net of interest in suspense and provisions)	3.27%	1.62%		
<b>Investor Information</b>				
Debt equity (%)	264.08	273.43		
Interest cover (times)	1.66	1.94		
<b>Regulatory Liquidity</b>				
Statutory liquid assets,				
- Domestic banking unit (Rs. Mn )	183,647	159,213		
- Off-shore banking unit (US\$ Mn)	534	480		
Statutory liquid assets ratio, (minimum requirement, 20%)				
- Domestic banking unit	24.35%	21.80%		
- Off-shore banking unit	26.30%	24.95%		
<b>Memorandum Information</b>				
Number of employees	9,311	7,790		
Number of branches	367	324		

## SHARE INFORMATION

Shareholder	31-Mar-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 quarter ended 31<sup>st</sup> March 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 Record Solutions (Private) Limited and Ceybank Assets 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 31<sup>st</sup> March 2013 and its profit for the three months ended 31<sup>st</sup> March 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.  
K M M Siriwardana  
**Director**  
**(Non-Executive Ex officio)**

Sgd.  
D M Gunasekara  
**General Manager**

14<sup>th</sup> May 2013

Colombo

## BANK

As at 31st March							2013	
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised Cost	Available for sale	Others	Total	
<b>Financial assets</b>								
Cash and short term funds				45,823,130			45,823,130	
Balances with Central Banks				35,924,506			35,924,506	
Placements with banks				18,056,980			18,056,980	
Derivative financial instruments	226,090						226,090	
Reverse repurchased agreements				35,729,700			35,729,700	
Loans and advances to customers				737,132,869			737,132,869	
Financial investments	14,342,349	-	109,703,078	99,364,588	11,946,118		235,356,133	
<b>Total financial assets</b>	<b>14,568,439</b>	<b>-</b>	<b>109,703,078</b>	<b>972,031,773</b>	<b>11,946,118</b>	<b>-</b>	<b>1,108,249,408</b>	
Other assets						46,174,584	46,174,584	
<b>Total assets</b>	<b>14,568,439</b>	<b>-</b>	<b>109,703,078</b>	<b>972,031,773</b>	<b>11,946,118</b>	<b>46,174,584</b>	<b>1,154,423,992</b>	

	Held for trading	Amortised Cost	Others	Total
<b>Financial liabilities</b>				
Due to banks		11,073,206		11,073,206
Derivative financial instruments	984,938			984,938
Other financial liabilities held for trading				-
Due to customers		741,197,607		741,197,607
Other borrowings		280,003,091		280,003,091
Debt securities issued		24,104,536		24,104,536
Subordinated term debts		24,490,769		24,490,769
<b>Total financial liabilities</b>	<b>984,938</b>	<b>1,080,869,209</b>	<b>-</b>	<b>1,081,854,147</b>
Other liabilities			18,496,338	18,496,338
<b>Total liabilities</b>	<b>984,938</b>	<b>1,080,869,209</b>	<b>18,496,338</b>	<b>1,100,350,485</b>

As at 31st March							2012	
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised Cost	Available for sale	Others	Total	
<b>Financial assets</b>								
Cash and short term funds				33,772,473			33,772,473	
Balances with Central Banks				30,497,652			30,497,652	
Placements with banks				15,869,891			15,869,891	
Derivative financial instruments	356,825						356,825	
Reverse repurchased agreements				4,128,907			4,128,907	
Loans and advances to customers				576,799,999			576,799,999	
Financial investments	27,932,281	-	98,797,595	99,806,283	15,058,405		241,594,564	
<b>Total financial assets</b>	<b>28,289,106</b>	<b>-</b>	<b>98,797,595</b>	<b>760,875,205</b>	<b>15,058,405</b>	<b>-</b>	<b>903,020,311</b>	
Other assets						39,133,978	39,133,978	
<b>Total assets</b>	<b>28,289,106</b>	<b>-</b>	<b>98,797,595</b>	<b>760,875,205</b>	<b>15,058,405</b>	<b>39,133,978</b>	<b>942,154,289</b>	

	Held for trading	Amortised Cost	Others	Total
<b>Financial liabilities</b>				
Due to banks		10,776,558		10,776,558
Derivative financial instruments	1,807,678			1,807,678
Other financial liabilities held for trading				-
Due to customers		634,085,193		634,085,193
Other borrowings		195,965,030		195,965,030
Debt securities issued		23,080,668		23,080,668
Subordinated term debts		18,037,024		18,037,024
<b>Total financial liabilities</b>	<b>1,807,678</b>	<b>881,944,473</b>	<b>-</b>	<b>883,752,151</b>
Other liabilities			13,699,246	13,699,246
<b>Total liabilities</b>	<b>1,807,678</b>	<b>881,944,473</b>	<b>13,699,246</b>	<b>897,451,397</b>

## GROUP

As at 31st March		2013					
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised Cost	Available for sale	Others	Total
<b>Financial assets</b>							
Cash and short term funds				46,221,643			46,221,643
Balances with Central Banks				35,924,506			35,924,506
Placements with banks				24,590,822			24,590,822
Derivative financial instruments	226,090						226,090
Reverse repurchased agreements				35,846,382			35,846,382
Loans and advances to customers				756,178,018			756,178,018
Financial investments	14,704,562	-	110,208,700	99,135,359	14,646,404		238,695,025
<b>Total financial assets</b>	<b>14,930,652</b>	<b>-</b>	<b>110,208,700</b>	<b>997,896,730</b>	<b>14,646,404</b>	<b>-</b>	<b>1,137,682,486</b>
Other assets						48,420,714	48,420,714
<b>Total assets</b>	<b>14,930,652</b>	<b>-</b>	<b>110,208,700</b>	<b>997,896,730</b>	<b>14,646,404</b>	<b>48,420,714</b>	<b>1,186,103,200</b>

	Held for trading	Amortised Cost	Others	Total
<b>Financial liabilities</b>				
Due to banks		11,160,855		11,160,855
Derivative financial instruments	984,938			984,938
Other financial liabilities held for trading				-
Due to customers		752,522,587		752,522,587
Other borrowings		285,457,941		285,457,941
Debt securities issued		27,454,349		27,454,349
Subordinated term debts		24,334,896		24,334,896
<b>Total financial liabilities</b>	<b>984,938</b>	<b>1,100,930,628</b>	<b>-</b>	<b>1,101,915,566</b>
Other liabilities			22,745,569	22,745,569
<b>Total liabilities</b>	<b>984,938</b>	<b>1,100,930,628</b>	<b>22,745,569</b>	<b>1,124,661,135</b>

As at 31st March		2012					
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised Cost	Available for sale	Others	Total
<b>Financial assets</b>							
Cash and short term funds				33,684,715			33,684,715
Balances with Central Banks				30,497,652			30,497,652
Placements with banks				19,872,270			19,872,270
Derivative financial instruments	356,825						356,825
Reverse repurchased agreements				4,276,503			4,276,503
Loans and advances to customers				592,659,664			592,659,664
Financial investments	28,189,323	-	99,292,480	99,801,995	17,611,666		244,895,464
<b>Total financial assets</b>	<b>28,546,148</b>	<b>-</b>	<b>99,292,480</b>	<b>780,792,799</b>	<b>17,611,666</b>	<b>-</b>	<b>926,243,093</b>
Other assets						41,429,650	41,429,650
<b>Total assets</b>	<b>28,546,148</b>	<b>-</b>	<b>99,292,480</b>	<b>780,792,799</b>	<b>17,611,666</b>	<b>41,429,650</b>	<b>967,672,743</b>

	Held for trading	Amortised Cost	Others	Total
<b>Financial liabilities</b>				
Due to banks		13,250,832		13,250,832
Derivative financial instruments	1,807,678			1,807,678
Other financial liabilities held for trading				-
Due to customers		644,041,071		644,041,071
Other borrowings		197,433,387		197,433,387
Debt securities issued		24,718,337		24,718,337
Subordinated term debts		18,027,023		18,027,023
<b>Total financial liabilities</b>	<b>1,807,678</b>	<b>897,470,650</b>	<b>-</b>	<b>899,278,328</b>
Other liabilities			16,623,977	16,623,977
<b>Total liabilities</b>	<b>1,807,678</b>	<b>897,470,650</b>	<b>16,623,977</b>	<b>915,902,305</b>

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount	
					31.03.2013	31.12.2012		Bank	
					%	%		31.03.2013	31.12.2012
<b>A - Sri Lanka rupee debentures</b>									
<b>Fixed interest rate</b>									
Unsecured, subordinated, redeemable debentures	a	Annually	24.11.2008	24.11.2013	19.00	19.00	11.12	367,003	351,385
Unsecured, subordinated, redeemable debentures	a	At maturity	24.11.2008	24.11.2013	-	-		467,132	448,322
Unsecured, subordinated, redeemable debentures	a	Annually	28.06.2010	28.06.2015	11.50	11.50	11.20	1,167,150	1,135,783
Unsecured, subordinated, redeemable debentures	a	Annually	08.12.2011	08.12.2016	11.00	11.00	11.22	4,030,305	3,926,514
Unsecured, subordinated, redeemable debentures	a	Semi annually	08.12.2011	08.12.2016	10.50	10.50	11.22	2,375	2,315
Unsecured, subordinated, redeemable debentures	a	Annually	30.11.2012	29.11.2017	16.00	16.00	11.10	6,262,151	6,034,052
Unsecured, subordinated, redeemable debentures	a	Semi annually	30.11.2012	29.11.2017	15.25	15.25	11.10	41,693	40,189
Unsecured, redeemable debentures		Annually	01.07.2010	01.07.2015	13.20	13.20	11.20	1,097,086	1,063,602
Unsecured, redeemable debentures		Annually	14.07.2010	14.07.2015	13.20	13.20	11.22	2,185,439	2,118,737
Unsecured, redeemable debentures		Annually	17.09.2010	17.09.2015	11.00	11.00	11.25	1,511,710	1,472,780
Unsecured, redeemable debentures		Semi annually	18.06.2012	18.06.2017	14.75	14.75	11.15	1,332,996	1,286,404
Unsecured, redeemable debentures		Annually	07.12.2012	07.12.2017	15.50	15.50	11.17	2,219,177	2,140,654
								<b>20,684,217</b>	<b>20,020,737</b>
<b>Floating interest rate</b>									
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	11.15	328,720	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	14.16	14.16	11.12	3,882,029	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	13.33	13.33	11.20	4,058,274	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	14.19	14.19	11.22	1,145,932	1,107,323
Unsecured, subordinated, redeemable debentures (6 months TB ( Gross ) rate plus 125 basis points)	a/b	Semi annually	30.11.2012	29.11.2017	14.68	14.68	11.10	440	425
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 50 basis points)	c	Annually	01.04.2008	01.04.2013	13.08	13.08	11.10	565,400	548,289
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 50 basis points)	c	Annually	01.04.2008	01.04.2013	13.08	13.08	11.10	1,696,200	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	11.25	5,737,591	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	11.25	1,930,920	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	11.25	5,847,929	5,633,583
								<b>25,193,435</b>	<b>24,319,846</b>
<b>B - United State dollar debentures</b>									
<b>Fixed interest rate</b>									
Unsecured, subordinated, redeemable debentures		Semi annually	10.10.2008	10.10.2013	5.50	5.50	4.25	31,220	30,918
<b>Floating interest rate</b>									
Unsecured, subordinated, redeemable debentures (6 months LIBOR Plus 300 basis points)	d	Semi annually	10.10.2008	10.10.2013	3.58	3.58	4.25	2,757,644	2,742,872
								<b>2,788,864</b>	<b>2,773,789</b>
								<b>48,666,516</b>	<b>47,114,372</b>

**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 31 March 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.95.00, Last Transaction Price - Rs.95.00)
- 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 31-Mar-2013 Rs.	01-Jan-2012 to 31-Dec-2012 Rs.
<b>Market Value</b>		
<b>BOC Debenture 2008/2013 ,</b>		
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
<b>Market Value</b>		
<b>BOC Debenture 2010/2015 ,</b>		
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
<b>Market Value</b>		
<b>BOC Debenture 2011/2016 ,</b>		
Unsecured, Subordinated, Redeemable, 5 years, fixed rate (11.0%)		
Highest (Rs.)	95.00	Not Traded
Lowest (Rs.)	95.00	Not Traded
Last transaction (Rs.)	95.00	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
<b>Market Value</b>		
<b>BOC Debenture 2012/2017 ,</b>		
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

	31-Mar-2013 %	31-Dec-2012 %
<b>Interest yield as at date of last trade done</b>		
<b>BOC Debenture 2008/2013 ,</b>		
5 years, fixed rate (19.0%)	26.78	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
<b>BOC Debenture 2010/2015 ,</b>		
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
<b>BOC Debenture 2011/2016 ,</b>		
5 years, fixed rate (11.0%)	12.73	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
<b>Yield to maturity of last trade done</b>		
<b>BOC Debenture 2008/2013 ,</b>		
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
<b>BOC Debenture 2010/2015 ,</b>		
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
<b>BOC Debenture 2011/2016 ,</b>		
5 years, fixed rate (11.0%)	11.58	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
<b>BOC Debenture 2012/2017 ,</b>		
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 quarter ended 31st March	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
<b>Revenue from external customers:</b>														
Interest	9,540,401	7,367,366	6,499,687	4,199,685	429,210	365,568	8,494,136	6,340,322	1,228,123	894,559	1,146,489	1,000,991	27,338,046	20,168,492
Fees and commissions	349,372	247,247	140,317	351,189	175,749	127,741	713,589	896,713	189,654	80,255	23,740	51,353	1,592,420	1,754,498
Other	254,272	951,299	41,354	768,738	799,731	872,686	23,535	19,939	506,249	814,304	(258,580)	(591,736)	1,366,560	2,835,229
<b>Total revenue</b>	<b>10,144,045</b>	<b>8,565,913</b>	<b>6,681,358</b>	<b>5,319,612</b>	<b>1,404,690</b>	<b>1,365,995</b>	<b>9,231,260</b>	<b>7,256,974</b>	<b>1,924,026</b>	<b>1,515,423</b>	<b>911,648</b>	<b>460,608</b>	<b>30,297,027</b>	<b>24,758,219</b>
<b>Expenses:</b>														
Total expenses	(11,902,091)	(8,891,229)	(6,420,310)	(3,469,543)	(1,683,810)	(940,031)	(4,133,738)	(3,782,734)	(1,761,949)	(1,313,534)	(2,344,803)	(2,472,115)	(26,484,752)	(19,555,652)
Inter Segment Transaction	3,649,498	3,286,653	1,355,616	161,002	518,804	75,319	(4,615,448)	(2,891,248)	-	-	(908,470)	(631,726)	(0)	0
<b>Net Operating Income</b>	<b>1,891,452</b>	<b>2,961,336</b>	<b>1,616,663</b>	<b>2,011,071</b>	<b>239,685</b>	<b>501,284</b>	<b>482,073</b>	<b>582,991</b>	<b>162,077</b>	<b>201,889</b>	<b>(2,341,625)</b>	<b>(2,643,234)</b>	<b>3,812,275</b>	<b>5,202,567</b>
Share of profit of associate companies	-	-	-	-	-	-	-	-	33,275	(87,247)	-	-	33,275	(87,247)
<b>Profit/(loss) before income tax</b>	<b>1,891,452</b>	<b>2,961,336</b>	<b>1,616,663</b>	<b>2,011,071</b>	<b>239,685</b>	<b>501,284</b>	<b>482,073</b>	<b>582,991</b>	<b>195,352</b>	<b>114,642</b>	<b>(2,341,625)</b>	<b>(2,643,234)</b>	<b>3,845,550</b>	<b>5,115,320</b>
Income tax expense													(1,146,736)	(1,464,007)
<b>Profit for the year</b>													2,698,814	3,651,313
<b>Total assets</b>	<b>273,436,396</b>	<b>248,122,400</b>	<b>216,538,016</b>	<b>155,564,473</b>	<b>36,974,994</b>	<b>38,703,716</b>	<b>564,644,465</b>	<b>442,506,355</b>	<b>46,765,267</b>	<b>41,105,642</b>	<b>47,744,061</b>	<b>41,670,157</b>	<b>1,186,103,199</b>	<b>967,672,743</b>
<b>Total liabilities</b>	<b>475,869,587</b>	<b>416,562,748</b>	<b>421,583,378</b>	<b>263,480,314</b>	<b>61,395,559</b>	<b>62,499,275</b>	<b>82,348,893</b>	<b>103,537,183</b>	<b>35,003,151</b>	<b>30,587,410</b>	<b>48,460,567</b>	<b>39,235,375</b>	<b>1,124,661,135</b>	<b>915,902,305</b>
Cash flows from operating activities	(9,963,904)	14,369,005	(6,788,211)	8,190,890	(448,263)	712,989	(8,871,194)	12,365,900	(1,282,640)	1,744,711	(1,197,382)	1,952,292	(28,551,594)	39,335,788
Cash flows from investing activities	1,568,290	(14,560,335)	1,241,950	(9,128,844)	212,069	(2,271,214)	3,238,509	(25,967,186)	268,221	(2,412,164)	273,835	(2,445,291)	6,802,876	(56,785,034)
Cash flows from financing activities	9,891,451	11,238,121	8,763,055	7,108,230	6,622,581	5,705,734	(3,634,702)	(1,226,366)	727,577	825,194	1,007,304	1,058,501	23,377,266	24,709,413