



INTERIM FINANCIAL STATEMENTS
for the six months ended 30.06.2010
(Un-audited)

Bank of Ceylon

INCOME STATEMENT

Rs ' 000

	Bank						Group					
	For the six months ended			For the quarter ended			For the six months ended			For the quarter ended		
	30-Jun-2010	30-Jun-2009	Growth %	30-Jun-2010	30-Jun-2009	Growth %	30-Jun-2010	30-Jun-2009	Growth %	30-Jun-2010	30-Jun-2009	Growth %
Total revenue	29,537,920	32,147,847	(8.1)	15,805,944	16,188,763	(2.4)	30,929,994	33,205,761	(6.9)	16,595,227	16,745,036	(0.9)
Interest income	23,549,893	26,459,292	(11.0)	12,173,763	13,311,677	(8.5)	24,643,392	27,485,747	(10.3)	12,713,435	13,831,536	(8.1)
Interest income on loans and advances	16,926,336	19,036,944	(11.1)	8,844,134	9,493,357	(6.8)	17,879,809	19,870,125	(10.0)	9,325,909	9,918,908	(6.0)
Interest income on other interest earning assets	6,623,557	7,422,348	(10.8)	3,329,629	3,818,320	(12.8)	6,763,583	7,615,622	(11.2)	3,387,526	3,912,628	(13.4)
Less: Interest expenses	15,011,877	19,304,722	(22.2)	7,549,486	9,562,022	(21.0)	15,480,718	19,911,443	(22.3)	7,773,539	9,874,045	(21.3)
Interest expense on deposits	10,897,117	12,578,716	(13.4)	5,474,081	6,579,291	(16.8)	11,090,621	12,727,535	(12.9)	5,568,281	6,669,921	(16.5)
Interest expense on other interest bearing liabilities	4,114,760	6,726,006	(38.8)	2,075,405	2,982,731	(30.4)	4,390,097	7,183,908	(38.9)	2,205,258	3,204,124	(31.2)
Net interest income	8,538,016	7,154,570	19.3	4,624,277	3,749,655	23.3	9,162,674	7,574,304	21.0	4,939,896	3,957,491	24.8
Non - interest income	5,632,590	5,134,090	9.7	3,414,654	2,629,034	29.9	5,928,728	5,162,897	14.8	3,662,957	2,663,710	37.5
Foreign exchange income	389,249	1,223,230	(68.2)	179,617	330,853	(45.7)	391,949	1,223,230	(68.0)	182,317	330,853	(44.9)
Other income	5,243,341	3,910,860	34.1	3,235,037	2,298,181	40.8	5,536,779	3,939,667	40.5	3,480,640	2,332,857	49.2
Net income	14,170,606	12,288,660	15.3	8,038,931	6,378,689	26.0	15,091,402	12,737,201	18.5	8,602,853	6,621,201	29.9
Less: Non - interest expenses	8,116,155	7,457,389	8.8	4,211,268	3,918,651	7.5	8,586,719	7,714,820	11.3	4,497,982	4,033,842	11.5
Personnel costs	4,064,038	3,840,573	5.8	2,159,598	2,024,389	6.7	4,352,898	4,023,644	8.2	2,336,439	2,115,161	10.5
Contribution for staff retirement benefits	1,111,799	1,080,532	2.9	549,957	531,488	3.5	1,121,274	1,086,783	3.2	555,078	534,666	3.8
Premises, equipment and establishment expenses	1,345,600	1,128,858	19.2	673,327	521,445	29.1	1,288,365	1,019,886	26.3	678,574	456,495	48.6
Loss on trading/ investment securities	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of intangible assets	78,000	137,481	(43.3)	31,632	89,154	(64.5)	86,657	137,481	(37.0)	38,729	88,057	(56.0)
Other operating expenses	1,516,718	1,269,945	19.4	796,754	752,175	5.9	1,737,525	1,447,026	20.1	889,162	839,463	5.9
Less: Provision for bad and doubtful debts and loans written off	803,693	829,161	(3.1)	388,467	468,818	(17.1)	866,885	915,481	(5.3)	430,665	522,368	(17.6)
Provisions - general	749,062	433,883	72.6	420,082	153,398	173.9	771,022	470,043	64.0	436,599	173,493	151.7
Provisions - specific	410,068	949,743	(56.8)	185,912	563,472	(67.0)	453,737	1,002,555	(54.7)	212,901	598,665	(64.4)
Recoveries (-)	(355,437)	(554,465)	(35.9)	(217,527)	(248,052)	(12.3)	(357,874)	(557,117)	(35.8)	(218,835)	(249,790)	(12.4)
Loans written off	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for decline in value of investments (Net)	-	-	-	-	-	-	-	(20,603)	(100.0)	-	(15,608)	(100.0)
Operating profit on ordinary activities before taxes	5,250,758	4,002,110	31.2	3,439,196	1,991,220	72.7	5,637,798	4,127,503	36.6	3,674,206	2,080,599	76.6
Less: Value added tax on financial services	1,660,865	1,295,249	28.2	1,061,504	714,266	48.6	1,707,512	1,310,332	30.3	1,090,338	722,871	50.8
Operating profit on ordinary activities before corporate tax	3,589,893	2,706,861	32.6	2,377,692	1,276,954	86.2	3,930,286	2,817,171	39.5	2,583,868	1,357,728	90.3
Share of profit of Associate Companies	-	-	-	-	-	-	143,178	52,954	170.4	69,240	35,969	92.5
Profit before corporate tax	3,589,893	2,706,861	32.6	2,377,692	1,276,954	86.2	4,073,464	2,870,125	41.9	2,653,108	1,393,697	90.4
Less: Provision for corporate tax	1,394,822	914,099	52.6	937,543	463,678	102.2	1,608,854	1,040,357	54.6	1,054,019	522,568	101.7
Profit after corporate tax	2,195,071	1,792,762	22.4	1,440,149	813,276	77.1	2,464,610	1,829,768	34.7	1,599,089	871,129	83.6
Less: Minority interest	-	-	-	-	-	-	54,157	(2,546)	(2,227.1)	29,765	(3,530)	(943.2)
Net Profit attributable to shareholders	2,195,071	1,792,762	22.4	1,440,149	813,276	77.1	2,410,453	1,832,314	31.6	1,569,324	874,659	79.4
Basic earnings per share (Rs.)	878.03	717.10	22.4	576.06	650.62	(11.5)	964.18	732.93	31.6	627.73	699.73	(10.3)

BALANCE SHEET

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Rs ' 000

As at	Bank			Group		
	30-June-2010	31-Dec-2009 (Audited)	Growth %	30-June-2010	31-Dec-2009 (Audited)	Growth %
On-Balance Sheet Assets						
Cash in hand	10,503,179	8,004,770	31.2	10,521,955	8,025,089	31.1
Balances with Central Banks	16,950,555	16,263,468	4.2	16,950,555	16,263,468	4.2
Due from banks and other financial institutions	25,727,818	51,371,150	(49.9)	36,159,933	51,379,232	(29.6)
Investments - Trading Account	20,987,930	19,896,328	5.5	22,640,032	21,211,611	6.7
Government securities	17,828,231	18,068,459	(1.3)	18,969,899	19,074,229	(0.5)
Other securities	3,159,699	1,827,869	72.9	3,670,133	2,137,382	71.7
Investments - Held-to-Maturity	144,769,125	148,584,209	(2.6)	144,997,177	149,192,709	(2.8)
Government securities	133,755,014	137,656,046	(2.8)	133,755,014	137,656,046	(2.8)
Government of Sri Lanka restructuring bonds	8,547,000	8,547,000	-	8,547,000	8,547,000	-
Other securities	2,473,759	2,387,811	3.6	2,701,811	3,001,311	(10.0)
Less: Provision for decline in value of investment	(6,648)	(6,648)	-	(6,648)	(11,648)	(42.9)
Investments in associates and subsidiaries	5,750,718	4,036,517	42.5	1,204,425	1,084,064	11.1
Total Loans and Advances						
Total Performing Loans and Advances	325,140,528	259,480,008	25.3	332,925,193	266,941,746	24.7
Bills of exchange	21,497,947	15,305,967	40.5	21,884,432	15,658,372	39.8
Overdrafts	70,806,479	56,502,953	25.3	70,899,924	56,491,338	25.5
Lease rentals receivable	3,242,061	3,960,733	(18.1)	8,618,155	8,766,268	(1.7)
Other loans	229,594,041	183,710,355	25.0	231,522,682	186,025,768	24.5
Total Non-performing Loans and Advances	16,122,796	15,542,300	3.7	17,382,121	16,280,930	6.8
Bills of exchange	645,848	792,563	(18.5)	768,701	910,110	(15.5)
Overdrafts	3,143,452	3,109,800	1.1	3,143,452	3,109,800	1.1
Lease rentals receivable	726,376	755,421	(3.8)	1,632,857	1,319,123	23.8
Other loans	11,142,790	10,438,640	6.7	11,372,781	10,496,021	8.4
Foreclosed properties	464,330	445,876	4.1	464,330	445,876	4.1
Interest receivable on non performing loans	8,610,256	8,508,903	1.2	8,696,240	8,560,627	1.6
Total Gross Loans and Advances	349,873,580	283,531,211	23.4	359,003,554	291,783,303	23.0
Less: Interest in suspense	(8,792,578)	(8,508,903)	3.3	(8,951,015)	(8,560,627)	4.6
Specific loan loss provisions	(7,851,153)	(7,862,955)	(0.2)	(8,232,330)	(8,206,389)	0.3
General loan loss provisions	(2,647,468)	(2,093,962)	26.4	(2,782,896)	(2,216,661)	25.5
Net Loans and Advances	330,582,381	265,065,391	24.7	339,037,313	272,799,626	24.3
Other assets	25,881,589	19,184,449	34.9	26,895,485	19,774,648	36.0
Intangible assets	117,986	110,812	6.5	283,925	119,205	138.2
Investment properties	72,000	-	-	508,995	391,730	29.9
Property, plant & equipment	5,682,432	5,724,043	(0.7)	7,569,399	7,179,167	5.4
Total on Balance Sheet Assets	587,025,713	538,241,137	9.1	606,769,194	547,420,551	10.8
On-Balance Sheet Liabilities						
Total Deposits	430,689,501	408,607,442	5.4	434,888,689	411,459,582	5.7
Demand deposits	49,775,805	55,028,027	(9.5)	50,446,686	54,911,112	(8.1)
Savings accounts	163,212,061	162,187,766	0.6	163,539,866	162,187,766	0.8
Time deposits	216,028,046	189,692,572	13.9	219,228,548	192,661,528	13.8
Margin deposits	1,076,415	968,732	11.1	1,076,415	968,732	11.1
Other deposits	597,174	730,345	(18.2)	597,174	730,444	(18.2)
Total Borrowings	113,764,074	85,346,691	33.3	124,854,875	87,848,550	42.1
Borrowings from Central Bank of Sri Lanka	5,371,964	4,891,794	9.8	5,371,964	4,891,794	9.8
Borrowings from banks and financial institutions in Sri Lanka	23,300,162	25,253,940	(7.7)	26,531,527	27,922,686	(5.0)
Borrowings from banks and financial institutions abroad	7,217,447	2,952,643	144.4	15,499,170	2,952,643	424.9
Securities sold under repurchase agreements	54,820,520	34,203,701	60.3	53,570,220	32,968,041	62.5
Debentures	23,053,981	18,044,613	27.8	23,881,994	19,113,386	24.9
Insurance Provision - Life	-	-	-	46,510	41,336	12.5
Insurance Provision - Non Life	-	-	-	223,160	181,569	22.9
Deferred taxation	333,890	409,453	(18.5)	468,008	440,132	6.3
Current taxation	2,907,353	189,824	1,431.6	3,088,177	287,650	973.6
Other liabilities	14,410,442	18,789,140	(23.3)	15,406,568	19,627,591	(21.5)
Total on Balance Sheet Liabilities	562,105,260	513,342,550	9.5	578,975,987	519,886,410	11.4
Equity Capital and Reserves	24,920,453	24,898,587	0.1	26,826,336	26,583,285	0.9
Stated capital	5,000,000	5,000,000	-	5,000,000	5,000,000	-
Permanent reserve fund	2,650,000	2,650,000	-	2,650,000	2,650,000	-
Other reserves	17,270,453	17,248,587	0.1	19,176,336	18,933,285	1.3
Minority interest	-	-	-	966,871	950,856	1.7
Total On-Balance Sheet Liabilities and Equity Capital and Reserves	587,025,713	538,241,137	9.1	606,769,194	547,420,551	10.8
Off-Balance Sheet Items and Contra Accounts						
Contingencies	258,395,914	246,042,413	5.0	268,073,086	246,042,413	9.0
Commitments and contra accounts	110,523	202,235	(45.3)	147,573	273,703	(46.1)

STATEMENT OF CHANGES IN EQUITY - BANK

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Rs '000

For the six months ended	Stated Capital	Reserves				Total Equity
		Permanent Reserve Fund	Revaluation Reserve	Other Reserves	Retained Profits	
Balance as at 01/01/2009	5,000,000	2,585,000	126,961	1,055,732	14,334,563	23,102,256
Net profit for the six months 2009	-	-	-	-	1,792,762	1,792,762
Revaluation adjustment	-	-	(1,662)	-	-	(1,662)
Exchange translation adjustment	-	-	-	69,316	-	69,316
Dividend for 2009	-	-	-	-	(523,205)	(523,205)
Balance as at 30/06/2009	5,000,000	2,585,000	125,299	1,125,048	15,604,120	24,439,467
Balance as at 01/01/2010	5,000,000	2,650,000	125,299	1,303,700	15,819,588	24,898,587
Net profit for the six months 2010	-	-	-	-	2,195,071	2,195,071
Dividend for 2010	-	-	-	-	(2,173,205)	(2,173,205)
Balance as at 30/06/2010	5,000,000	2,650,000	125,299	1,303,700	15,841,454	24,920,453

STATEMENT OF CHANGES IN EQUITY - GROUP

Rs '000

For the six months ended	Stated Capital	Reserves				Minority Interest	Total Equity
		Permanent Reserve Fund	Revaluation Reserve	Other Reserves	Retained Profits		
Balance as at 01/01/2009	5,000,000	2,585,000	180,354	1,299,808	15,826,941	655,342	25,547,445
Net profit for the six months 2009	-	-	-	-	1,832,314	(2,546)	1,829,768
Transfer to reserves during the period	-	-	(6,290)	-	72,083	-	65,793
Dividend for 2009	-	-	-	-	(523,205)	(30,629)	(553,834)
Balance as at 30/06/2009	5,000,000	2,585,000	174,064	1,299,808	17,208,133	622,167	26,889,172
Balance as at 01/01/2010	5,000,000	2,650,000	178,692	1,639,070	17,115,523	950,856	27,534,141
Net profit for the six months 2010	-	-	-	-	2,410,453	54,157	2,464,610
Exchange translation adjustment	-	-	-	577	-	-	577
Dividend for 2010	-	-	-	-	(2,173,205)	(38,142)	(2,211,347)
Adjustments	-	-	-	-	5,226	-	5,226
Balance as at 30/06/2010	5,000,000	2,650,000	178,692	1,639,647	17,357,997	966,871	27,793,207

CASH FLOW STATEMENT

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Rs.000

<i>For the six months ended 30th June</i>	Bank		Group	
	2010	2009	2010	2009
Cash flows from operating activities				
Interest receipts	22,546,125	25,805,640	23,129,891	27,019,885
Interest payments	(16,471,969)	(16,729,266)	(17,104,118)	(18,606,249)
Commission fees & other operating income	3,542,293	2,090,530	3,910,063	2,296,819
Premium received from policy holders	-	-	272,230	-
Reinsurance premium paid	-	-	(73,042)	-
Claims and benefits paid	-	-	(84,328)	-
Reinsurance receipts in respect of claims	-	-	4,605	-
Non-performing advances recovered	355,437	554,465	357,874	557,117
Cash payments to employees	(5,175,838)	(4,921,106)	(5,474,172)	(5,110,427)
Cash payments to suppliers	(3,560,804)	(2,151,741)	(3,615,227)	(3,093,645)
Value added tax on financial services paid	(1,660,865)	(1,295,249)	(1,707,512)	(1,310,332)
Cash flows from operating profits before changes in operating assets and liabilities	(425,621)	3,353,273	(383,736)	1,753,168
(Increase) / Decrease in operating assets				
Deposits held for regulatory purposes	(687,087)	709,024	(687,087)	709,024
Funds advanced to customers	(66,963,788)	8,788,401	(67,503,297)	7,970,704
Credit card receivable	39,472	88,296	39,472	88,296
Short term marketable securities	(1,477,906)	(716,359)	(820,680)	(732,648)
Other assets	(6,473,388)	44,054	(5,875,115)	682,350
Increase / (Decrease) in operating liabilities				
Deposits from other banks	(294,814)	409,269	(294,814)	409,269
Deposits from customers	44,652,052	42,544,214	23,723,921	43,034,356
Other liabilities	460,248	(513,504)	101,239	783,704
Net cash from/(used in) operating activities before income tax	(31,170,832)	54,706,668	(51,700,097)	54,698,223
Income tax paid	(222,989)	(620,634)	(327,185)	(696,871)
Net cash from/ (used in) operating activities	(31,393,821)	54,086,034	(52,027,282)	54,001,352
Cash flows from investing activities				
Net increase in treasury bills & other eligible bills	(3,474,103)	792,497	(3,483,001)	84,427
Proceeds from sale of investment & dealing securities	518,779	442,962	518,779	442,962
Dividends received	406,754	300,988	215,997	130,250
Purchase of investment securities	3,952,996	2,617,775	4,327,278	2,558,875
Investment in subsidiaries and associates	(1,714,200)	(5,000)	-	-
Transfer of cash & cash equivalents of London branch to BoC UK Ltd	(20,888,652)	-	-	-
Purchase of property plant & equipment	(869,080)	(665,851)	(634,237)	(698,186)
Purchase of securities purchased under resale agreement	3,687,642	(9,213,743)	3,560,642	(8,512,236)
Proceeds from sale of property plant & equipment	2,792	90,355	8,393	90,369
Net cash from/(used in) investing activities	(18,377,072)	(5,640,017)	4,513,851	(5,903,539)
Cash flows from financing activities				
Proceeds from securities sold under repurchase agreements	20,616,819	(6,363,048)	20,602,179	(6,489,558)
Net increase/ (decrease) in other borrowings	3,182,357	(30,789,047)	11,405,165	(30,181,228)
Dividends paid to GOSL	(2,173,205)	(523,205)	(2,173,205)	(523,205)
Proceeds from issue of debentures	5,000,000	-	4,995,000	-
Subsidiary dividend to minority interest	-	-	(38,142)	(30,629)
Net cash from financing activities	26,625,971	(37,675,300)	34,790,997	(37,224,620)
Net increase/(decrease) in cash and cash equivalents	(23,144,922)	10,770,717	(12,722,434)	10,873,193
Cash and cash equivalents at the beginning of year	59,375,919	26,570,989	59,404,322	26,627,892
Cash and cash equivalents at the end of the period	36,230,997	37,341,706	46,681,888	37,501,085
Analysis of cash and cash equivalents				
Cash in hand	10,503,179	8,757,974	10,521,955	8,796,710
Due from banks and other financial institutions	25,727,818	28,583,732	36,159,933	28,704,375
Cash and cash equivalents at the end of the period	36,230,997	37,341,706	46,681,888	37,501,085

SELECTED PERFORMANCE INDICATORS

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As at	Bank		Group	
	30-Jun-2010	31-Dec-2009 (Audited)	30-Jun-2010	31-Dec-2009 (Audited)
Net Assets Value per Share(Rs)	4,984	4,980	5,365	5,317
Regulatory Capital Adequacy				
Core capital (Tier 1 capital), Rs. Mn	22,078	23,192	26,237	26,202
Total capital base, Rs. Mn	32,274	29,282	38,008	33,010
Core capital adequacy ratio, % of risk weighted assets (Minimum requirement, 5%)	10.20%	11.22%	10.93%	12.01%
Total capital adequacy ratio, % of risk weighted assets (Minimum requirement, 10%)	14.92%	14.16%	15.83%	15.13%
Assets Quality				
Gross non - performing advances ratio, (Net of interest in suspense)	4.72%	5.65%	4.96%	5.75%
Net non - performing advances ratio, (Net of interest in suspense and provisions)	2.42%	2.79%	2.61%	2.85%
Profitability				
Interest margin	3.04%	2.90%	3.18%	3.04%
Return on assets (before tax)	1.28%	0.82%	1.41%	0.91%
Return on equity (after tax)	17.62%	12.85%	18.46%	12.50%
Investor Information				
Debt equity (%)	114.07	92.12		
Interest cover (times)	1.87	1.35		
Regulatory Liquidity				
Statutory liquid assets,				
- Domestic banking unit (Rs. Mn)	99,488	89,185		
- Off-shore banking unit (US\$ Mn)	524.96	787.22		
Statutory liquid assets ratio, (minimum requirement, 20%)				
- Domestic banking unit	23.08%	21.13%		
- Off-shore banking unit	45.49%	55.46%		
Memorandum Information				
Number of employees	8,407	7,538		
Number of branches	309	310		

SHARE INFORMATION

Shareholder	30-Jun-2010		31-Dec-2009	
	No of Ordinary Shares	Holding %	No of Ordinary Shares	Holding %
Government of Sri Lanka	5,000,000	100	5,000,000	100

1. There are no changes in the accounting policies and methods of computation since the publication of annual accounts for the year 2009.
2. These Financial Statements are presented in accordance with SLAS 35 - Interim Financial Reporting and provide the information as required in terms of Listing Rule 7.4 of the Colombo Stock Exchange.
3. No circumstances have arisen and no material events have occurred since the balance sheet date, which require disclosure or adjustment to the accounts.
4. During the period there were no material changes in the composition of assets, liabilities and contingent liabilities and use of funds raised through debentures.
5. All known expenses have been provided for in these Financial Statements.
6. The group financial statements comprise a consolidation of the Bank and its subsidiaries, Property Development PLC, Merchant Bank of Sri Lanka PLC, Merchant Credit of Sri Lanka Limited, Ceylease Financial Services Limited, Hotels Colombo (1963) Limited, BOC Property Development & Management (Pvt) Limited, BOC Travels (Pvt) Limited, Ceybank Holiday Homes (Pvt) Limited, BOC Management & Support Services (Pvt) Limited, MBSL Insurance Company Limited, Bank of Ceylon (UK) Limited and the group's interest in its associate companies, Lanka Securities (Pvt) Limited, Mireka Capital Land (Pvt) Limited, Southern Development Financial Company Limited, Transnational Lanka Record Solutions (Pvt) Limited, Ceybank Assets Management (Pvt) Limited and MBSL Savings Bank 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 2010 and its profit for the six months ended 30th June 2010.

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 unless indicated as audited.

Sgd.
Gamini Wickramasinghe
Chairman

Sgd.
R Sivaraman
Director

Sgd.
B A C Fernando
General Manager

11th August 2010

Colombo

DEBENTURE INFORMATION

Description	Interest payable frequency	Issue date	Maturity date	Coupon rate		Effective annual yield		Interest Rate of comparable Government security	Amount	
				30.06.2010	31.12.2009	30.06.2010	31.12.2009		Bank	
									30.06.2010	31.12.2009
				%	%	%	%	%	Rs' 000	Rs' 000
A - Sri Lanka rupee debentures										
Fixed interest rate										
Unsecured, subordinated, redeemable debentures*	Annually	24.11.2008	24.11.2013	19.00	19.00	19.00	19.00	9.68	345,190	345,190
Unsecured, subordinated, redeemable debentures*	At maturity	24.11.2008	24.11.2013	-	-	17.61	18.18	9.68	297,344	273,927
Unsecured, subordinated, redeemable debentures	Annually	28.06.2010	28.06.2015	11.50	-	11.50	-	10.05	1,074,670	-
									1,717,204	619,117
Floating interest rate										
Unsecured, subordinated, redeemable debentures (6 months TB rate (Gross) plus 75 basis points)**	Semi annually	28.06.2010	28.06.2015	10.67	-	10.67	-	10.05	3,925,330	-
Unsecured, subordinated, redeemable debentures (6 months TB rate (Gross) plus 75 basis points)**	Semi annually	24.11.2008	24.11.2013	10.00	10.00	10.25	17.04	9.68	3,699,390	3,699,390
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 150 basis points)**	Semi annually	31.12.2003	31.12.2011	10.15	10.15	10.56	16.69	9.30	250,000	250,000
Unsecured, subordinated, redeemable debentures (12 months TB (Gross) rate plus 70 basis points)***	Semi annually	03.11.2005	03.11.2010	11.68	11.68	11.99	20.24	9.25	1,000,000	1,000,000
Unsecured, subordinated, redeemable debentures (12 months TB (Gross) rate plus 75 basis points)***	Semi annually	27.10.2006	27.10.2011	12.11	12.11	12.48	20.16	9.28	1,000,000	1,000,000
Unsecured, subordinated, redeemable debentures (12 months TB (Gross) rate plus 100 basis points)***	Annually	15.08.2008	15.08.2013	14.31	14.31	14.31	18.14	9.65	300,000	300,000
Unsecured, redeemable, debentures (12 months TB (Gross) rate)***	Annually	17.11.2006	17.11.2011	11.36	11.36	11.36	19.41	9.30	1,200,000	1,200,000
Unsecured, redeemable, debentures (12 months TB (Gross) rate)***	Annually	10.01.2007	10.01.2012	10.39	20.27	10.66	20.40	9.45	1,500,000	1,500,000
Unsecured, redeemable, debentures (12 months TB (Gross) rate)***	Annually	12.03.2007	12.03.2012	10.52	19.66	12.30	20.58	9.48	1,000,000	1,000,000
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 50 basis points)***	Annually	03.10.2007	03.10.2012	12.82	12.82	12.82	19.51	9.50	1,000,000	1,000,000
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 50 basis points)***	Annually	01.11.2007	01.11.2012	11.48	11.48	11.48	19.99	9.52	1,500,000	1,500,000
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 50 basis points)***	Annually	01.11.2007	01.11.2012	11.48	11.48	11.48	19.99	9.52	500,000	500,000
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 50 basis points)***	Annually	01.04.2008	01.04.2013	11.02	18.80	12.94	19.54	9.62	500,000	500,000
Unsecured, redeemable, debentures (12 months TB (Gross) rate plus 50 basis points)***	Annually	01.04.2008	01.04.2013	11.02	18.80	12.94	19.54	9.62	1,500,000	1,500,000
									18,874,720	14,949,390
B - United State dollar debentures										
Fixed interest rate										
Unsecured, subordinated, redeemable debentures	Semi annually	10.10.2008	10.10.2013	5.50	5.50	5.50	5.50	4.10	27,337	27,493
Floating interest rate										
Unsecured, subordinated, redeemable debentures (6 months LIBOR Plus 300 basis points)****	Semi annually	10.10.2008	10.10.2013	3.45	4.69	3.48	4.74	4.10	2,434,719	2,448,613
									2,462,057	2,476,106
									23,053,981	18,044,613

Notes

* Debentures that are listed in the Colombo Stock Exchange were issued on 24 November 2008. Some of these have been traded in the Colombo Stock Exchange during the period ended 30 June 2010

(Highest Price - Rs.135.11, Lowest Price - Rs.107.00, Last Transaction Price - Rs.135.11)

** 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

INFORMATION ON LISTED DEBENTURES

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	01-Jan-2010 to 30-Jun-2010 Rs.	01-Jan-2009 to 30-Jun-2009 Rs.
Market Value		
BOC Debenture 2008/2013 ,		
Unsecured, Subordinated, Redeemable, 5 years, fixed rate (19.0%)		
Highest (Rs.)	107	100
Lowest (Rs.)	107	100
Last transaction (Rs.)	107	100
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.)	135.11	Not Traded
Lowest (Rs.)	135.11	Not Traded
Last transaction (Rs.)	135.11	Not Traded
Market Value		
BOC Debenture 2010/2015 ,		
Unsecured, Subordinated, Redeemable, 5 years, fixed rate (11.5%)		
Highest (Rs.)	Not Traded	N/A
Lowest (Rs.)	Not Traded	N/A
Last transaction (Rs.)	Not Traded	N/A
Unsecured, Subordinated, Redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)		
Highest (Rs.)	Not Traded	N/A
Lowest (Rs.)	Not Traded	N/A
Last transaction (Rs.)	Not Traded	N/A

YIELD OF LAST TRADE DONE

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	30-June-2010 %	31-Dec-2009 %
Interest yield as at date of last trade done		
BOC Debenture 2008/2013 ,		
5 years, fixed rate (19.0%)	17.76	18.18
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
5 years, zero coupon	16.82	Not Traded
BOC Debenture 2010/2015 ,		
5 years, fixed rate (11.5%)	Not Traded	N/A
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	N/A
Yield to maturity of last trade done		
BOC Debenture 2008/2013 ,		
5 years, fixed rate (19.0%)	16.19	18.56
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
5 years, zero coupon	16.16	Not Traded
BOC Debenture 2010/2015 ,		
5 years, fixed rate (11.5%)	Not Traded	N/A
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	N/A

Rs. '000														
For the six months ended 30 June	Banking		Leasing		Treasury and Investment		Property		Insurance		Other Non Banking / Unallocated		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Revenue from external customers:														
Interest	16,741,700	18,616,588	-	-	6,830,916	7,712,986	2,153	3,206	19,968	-	871	2,587	23,595,609	26,335,367
Exchange	119,407	192,347	-	-	272,542	1,030,882	-	-	-	-	-	-	391,949	1,223,230
Lease income	-	-	1,047,783	1,150,380	-	-	-	-	-	-	-	-	1,047,783	1,150,380
Commissions	2,976,356	1,743,637	50,919	28,375	-	-	-	9,028	58,603	-	1,659	4,661	3,087,537	1,785,701
Other	742,607	695,564	25,011	5,425	1,602,958	1,660,183	290,860	264,086	546	-	145,132	85,824	2,807,115	2,711,082
Total revenue	20,580,071	21,248,137	1,123,714	1,184,180	8,706,417	10,404,051	293,013	276,320	79,117	-	147,662	93,072	30,929,993	33,205,761
Segment result	3,756,336	3,004,105	627,578	474,569	2,798,566	2,255,436	132,389	126,802	(17,970)	-	39,524	2,485	7,336,423	5,863,397
Unallocated expenses	-	-	-	-	-	-	-	-	-	-	-	-	(3,406,138)	(3,046,226)
Profit from operations	-	-	-	-	-	-	-	-	-	-	-	-	3,930,285	2,817,171
Share of Profit/(Loss) of Associates	-	-	-	-	-	-	-	-	-	-	-	-	143,178	52,954
Income tax expense	-	-	-	-	-	-	-	-	-	-	-	-	(1,608,853)	(1,040,357)
Minority interest	-	-	-	-	-	-	-	-	-	-	-	-	(54,157)	2,546
Profit attributable to equity holders / parent	-	-	-	-	-	-	-	-	-	-	-	-	2,410,453	1,832,314
Segment assets	351,860,825	276,582,670	9,616,877	11,361,565	206,340,561	183,838,598	2,493,709	2,562,425	510,333	-	237,814	219,865	571,060,119	474,565,122
Investment in associates	-	-	-	-	1,204,425	1,084,064	-	-	-	-	-	-	1,204,425	1,084,064
Unallocated assets	-	-	-	-	-	-	-	-	-	-	34,504,650	26,641,851	34,504,650	26,641,851
Total assets	351,860,825	276,582,670	9,616,877	11,361,565	207,544,986	184,922,662	2,493,709	2,562,425	510,333	-	34,742,464	26,861,716	606,769,194	502,291,037
Segment liabilities	342,415,183	272,578,469	5,084,222	6,751,478	225,637,638	188,470,346	503,029	556,884	390,759	-	196,181	199,709	574,227,012	468,556,887
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	4,748,975	6,844,978	4,748,975	6,844,978
Total liabilities	342,415,183	272,578,469	5,084,222	6,751,478	225,637,638	188,470,346	503,029	556,884	390,759	-	4,945,156	7,044,687	578,975,987	475,401,865
Cash flows from operating activities	(50,833,224)	36,474,654	(188,652)	(213,140)	6,756,911	18,345,123	(48,642)	(48,405)	119,465	-	(7,833,140)	(556,880)	(52,027,282)	54,001,352
Cash flows from investing activities	-	-	-	-	5,148,088	(5,205,353)	-	-	-	-	-	-	5,148,088	(5,205,353)
Cash flows from financing activities	7,410,752	(18,018,310)	-	-	24,596,592	(18,652,476)	-	-	-	-	2,783,653	(553,834)	34,790,997	(37,224,620)
Capital expenditure	(616,928)	(690,750)	(17,150)	(6,327)	-	-	(105)	(263)	-	-	(54)	(846)	(634,237)	(698,186)