



BANK OF CEYLON

INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2009

INCOME STATEMENT

For the six months ended	Rs'000					
	Bank			Group		
	30-06-2009	30-06-2008	Growth %	30-06-2009	30-06-2008	Growth %
Total Revenue	32,147,847	26,924,842	19.4	33,205,761	28,551,729	16.3
Interest Income	26,459,292	22,733,581	16.4	27,485,747	23,711,408	15.9
Interest Income on Loans and Advances	19,036,944	16,797,830	13.3	19,870,125	17,205,820	15.5
Interest Income on Other Interest Bearing Assets	7,422,348	5,935,751	25.0	7,615,622	6,505,588	17.1
Less: Interest Expenses	19,304,722	16,794,611	14.9	19,911,443	17,376,066	14.6
Interest Expense on Deposits	12,578,716	10,100,465	24.5	12,727,535	10,256,818	24.1
Interest Expense on Other Interest Bearing Liabilities	6,726,006	6,694,146	0.5	7,183,908	7,119,248	0.9
Net Interest Income	7,154,570	5,938,970	20.5	7,574,304	6,335,342	19.6
Non - Interest Income	1,223,230	413,019	196.2	1,223,230	413,019	196.2
Foreign Exchange Income	3,910,860	3,331,469	17.4	3,939,967	3,978,383	(1.0)
Other Income	12,288,660	9,683,458	26.9	12,737,201	10,726,744	18.7
Less: Non - Interest Expenses	3,840,573	3,800,811	13.6	4,023,644	3,537,644	13.7
Personnel Cost	1,080,532	1,094,393	(1.3)	1,086,783	1,099,426	(1.1)
Contribution for Staff Retirement Benefits	1,129,858	1,154,355	(2.2)	1,019,886	1,257,779	(18.9)
Premises, Equipment and Establishment Expenses	137,481	66,212	107.6	137,481	66,982	105.3
Loss on Trading/Investment Securities	1,269,945	1,107,906	14.6	1,447,026	1,591,743	(9.1)
Other Operating Expenses	7,457,389	6,803,677	9.6	7,714,820	7,553,574	2.1
Less: Provision for Bad and Doubtful Debts and Loans Written Off	433,883	76,810	464.9	470,043	147,141	219.5
Provisions - General	949,743	681,451	39.4	1,002,555	683,315	46.7
Provisions - Specific	(554,465)	(446,773)	24.1	(557,117)	(448,919)	24.1
Recoveries	829,161	311,488	-	915,481	381,537	-
Loans Written Off	-	-	-	(20,603)	(6,792)	203.3
Less: Provision for Decline in Value of Investments (Net)	4,002,110	2,568,293	55.8	4,127,503	2,798,425	47.5
Operating Profit on Ordinary Activities Before Taxes	1,295,249	759,615	70.5	1,310,332	774,716	69.2
Less: Value Added Tax on Financial Services	2,706,861	1,808,678	49.7	2,817,171	2,823,709	39.2
Share of Profit of Associate Companies	2,706,861	1,808,678	49.7	2,817,171	2,823,709	39.2
Profit Before Corporate Tax	2,706,861	1,808,678	49.7	2,817,171	2,823,709	39.2
Less: Provision for Corporate Tax	914,099	891,997	2.5	1,040,357	1,024,250	1.6
Profit After Corporate Tax	1,792,762	916,681	95.6	1,829,768	1,838,582	107.9
Less: Minority Interest	1,792,762	916,681	-	1,829,768	1,838,582	-
Net Profit attributable to shareholders	1,792,762	916,681	95.6	1,829,768	1,838,582	107.9
Basic Earning per share (Rs.)	717.10	366.67	-	732.93	402.46	-

SELECTED PERFORMANCE INDICATORS

As at	Bank				Group			
	30-06-2009		31-12-2008 Audited		30-06-2009		31-12-2008 Audited	
	2009	2008	2009	2008	2009	2008	2009	2008
Net Asset Value per Share (Rs.)	4.888	4.620	5.253	4.978				
Regulatory Capital Adequacy								
Core Capital (Tier 1 Capital), Rs. Mn	22,186	22,181	25,083	25,084				
Total Capital Base, Rs. Mn	31,469	31,213	34,881	34,631				
Core Capital Adequacy Ratio, % of Risk Weighted Assets (Minimum Requirement, 5%)	10.73%	11.29%	11.89%	12.21%				
Total Capital Adequacy Ratio, % of Risk Weighted Assets (Minimum Requirement, 10%)	15.30%	15.88%	16.26%	16.86%				
Assets Quality								
Gross Non - Performing Advances Ratio, (Without Interest in Suspense)	6.44%	4.92%	6.71%	5.19%				
Net Non - Performing Advances Ratio, (Net of Interest in Suspense and Provision)	3.40%	2.13%	2.77%	1.82%				
Profitability								
Interest Margin	2.93%	2.97%	3.05%	3.13%				
Return on Assets (Before Tax)	1.13%	1.19%	1.15%	1.25%				
Return on Equity (After Tax)	15.08%	16.13%	13.96%	16.22%				
Investor Information								
Debt Equity	0.48	1.40						
Interest cover (times)								
Regulatory Liquidity								
Statutory Liquid Assets, Rs. Mn	95,194	78,188						
Statutory Liquid Assets Ratio, (Minimum Requirement, 20%)	26.79%	24.21%						
Domestic Banking Unit	57.84%							
- Off-Shore Banking Unit								
Memorandum Information								
Number of Employees	7,682	7,912						
Number of Branches	310	309						
Information on Listed Debenture								
Market price During the period								
High (Rs.)	100	Not traded						
Low (Rs.)	100	Not traded						
Last transaction (Rs.)	100	Not traded						
Information on Stated Capital								
Number of Ordinary Shares	5,000,000	5,000,000						

BALANCE SHEET

As at	Rs'000					
	Bank			Group		
	30-06-2009	31-12-2008 Audited	Growth %	30-06-2009	31-12-2008 Audited	Growth %
On-Balance Sheet Assets						
Cash in Hand	8,757,974	6,815,798	28.5	8,796,710	6,953,886	26.5
Balances with Central Banks	14,920,056	15,629,080	(4.5)	14,920,056	15,629,080	(4.5)
Due from Banks and Other Financial Institutions	28,583,732	19,755,190	44.7	28,704,375	19,674,006	45.9
Investments - Trading Account	17,881,838	8,374,925	113.5	18,841,260	9,123,768	106.5
Government Securities	16,494,845	8,231,208	100.4	17,169,039	8,711,112	97.1
Other Securities	1,386,993	1,143,717	865.1	1,672,221	1,412,656	305.2
Investments - Held-to-Maturity	134,430,426	136,538,446	(1.5)	134,490,770	136,543,490	(1.5)
Government Securities	122,568,948	126,039,027	(2.8)	122,568,948	126,039,027	(2.8)
Government of Sri Lanka Restructuring Bonds	9,928,700	8,547,000	16.2	9,928,700	8,547,000	16.2
Other Securities	1,945,311	1,960,561	(0.8)	2,005,655	1,970,605	1.8
Less: Provision for decline in value of investment	(12,533)	(8,142)	53.9	(12,533)	(13,142)	(4.6)
Investments in Associates and Subsidiaries	3,607,565	3,602,564	0.1	1,001,252	956,372	4.7
Total Loans and Advances	253,779,379	267,063,076	(5.0)	260,275,392	272,986,521	(4.7)
Total Performing Loans and Advances	253,779,379	267,063,076	(5.0)	260,275,392	272,986,521	(4.7)
Bills of Exchange	21,035,424	16,107,732	30.6	21,362,947	16,339,024	30.7
Overdrafts	71,812,068	58,231,430	23.0	71,605,742	58,039,674	23.4
Lease Rentals Receivable	4,772,472	5,594,209	(14.7)	4,772,472	5,594,209	(14.7)
Other Loans	156,359,415	187,129,705	(16.4)	156,950,836	187,169,715	(16.1)
Total Non-performing Loans and Advances	17,454,313	13,815,981	26.3	18,727,675	14,869,835	25.9
Bills of Exchange	963,820	799,993	20.5	1,076,203	918,623	17.2
Overdrafts	3,621,303	3,772,814	(4.0)	3,621,303	3,772,814	(4.0)
Lease Rentals Receivable	793,035	860,632	41.5	1,790,901	1,243,336	44.0
Other Loans	11,715,345	8,341,710	40.4	11,878,458	8,594,230	38.2
Foreclosed Properties	360,810	340,832	5.9	360,810	340,832	5.9
Interest Receivable on Non Performing Loans	8,613,520	8,606,616	0.1	8,740,867	8,638,175	1.2
Total Gross Loans and Advances	279,847,212	289,485,673	(3.3)	287,743,934	296,494,531	(3.0)
Less: Interest in Suspense	(8,613,520)	(8,606,616)	0.1	(8,740,867)	(8,638,175)	1.2
Specific Loan Loss Provisions	(8,222,861)	(7,837,218)	4.9	(8,705,738)	(8,237,390)	5.7
General Loan Loss Provisions	(2,168,129)	(1,936,814)	11.8	(2,290,016)	(2,047,191)	12.3
Net Loans and Advances	269,844,702	271,105,025	(3.8)	267,998,313	277,571,775	(3.4)
Other Assets	18,887,410	17,303,781	9.2	19,175,127	18,144,415	8.7
Intangible Assets	285,963	232,564	23.0	297,063	241,841	22.8
Investment Properties	-	-	-	470,612	428,750	9.8
Property, Plant & Equipment	5,629,675	5,018,885	12.2	7,055,499	6,481,851	8.9
Total On Balance Sheet Assets	493,829,341	484,376,258	2.0	502,291,037	491,749,234	2.1
On-Balance Sheet Liabilities						
Total Deposits	358,623,849	316,069,586	13.8	361,621,277	318,177,652	13.7
Demand Deposits	43,030,850	47,908,126	(10.2)	42,966,922	47,851,035	(10.2)
Savings Accounts	139,810,164	129,316,931	8.1	139,810,166	129,316,931	8.1
Time Deposits	172,314,109	134,512,645	28.1	174,976,623	136,677,661	28.0
Margin Deposits	1,292,652	1,381,432	(6.4)	1,292,652	1,381,432	(6.4)
Other Deposits	2,575,274	2,950,432	(12.7)	2,575,274	2,950,593	(12.7)
Total Borrowings	91,936,861	129,088,155	(28.8)	94,409,599	131,080,385	(28.0)
Borrowings from Central Bank of Sri Lanka	4,574,723	4,709,635	(2.9)	4,574,723	4,709,635	(2.9)
Borrowings from Banks and Financial Institutions in Sri Lanka	18,334,067	35,339,314	(48.1)	20,876,605	37,255,284	(44.0)
Borrowings from Banks and Financial Institutions Abroad	7,551,022	21,248,946	(64.5)	7,551,022	21,248,946	(64.5)
Securities sold under Repurchase Agreements	43,438,608	49,801,656	(12.8)	42,230,448	48,720,006	(13.3)
Debentures	18,037,641	17,988,604	0.3	19,176,801	19,146,514	0.2
Deferred taxation	506,531	506,531	-	648,851	565,697	14.7
Current Taxation	1,773,710	1,078,501	64.5	1,971,565	1,232,593	60.0
Other Liabilities	16,150,526	14,531,249	11.1	16,750,573	15,145,463	10.6
Total On - Balance Sheet Liabilities	469,389,877	461,274,002	1.8	475,401,865	466,201,790	2.0
Minority Interest	-	-	-	622,167	655,342	(5.1)
Equity Capital and Reserves	24,439,464	23,102,256	5.8	26,267,005	24,892,102	5.5
Stated Capital	5,000,000	5,000,000	(0.0)	5,000,000	5,000,000	-
Permanent Reserve Fund	2,585,000	2,585,000	-	2,585,000	2,585,000	-
Other Reserves	16,854,464	15,517,256	8.6			