



INTERIM FINANCIAL STATEMENTS
for the nine months ended 30 September 2020
(Un -audited)

Bank of Ceylon

Fitch Ratings: AA+(lka)

Overview of the financial performance for the nine months ended 30th September 2020

The year 2020 has become an exceptional year devastating all most all the economies of the world and Sri Lanka also having no exception has caught to the second wave of the COVID - 19 pandemic. Among all the headwinds, as a country Sri Lanka is trying its best to overcome the situation and continue to perform its duties as the Bankers to the Nation. The Bank is playing a major role in moving the wheels of the economy in this crisis situation.

Economy of the country is badly hit by interruption caused to economic activities due to social distancing measures taken up by Health Authorities to control the spread of this virus and, amid these challenging macroeconomic conditions imminent need of providing relief to gear up business and economic activities has become a paramount important. Many relaxations were announced by the Government and the Central Bank of Sri Lanka with the hit of first wave and now the CBSL has extended the moratorium for further six months, along with the hit of second wave which emerged latter part of 3Q-2020. During this difficult situation the Bank augmented all its capabilities to cater the customers in the best possible way while continuously delivering the banking services with due care on health and safety measures. The Bank has disbursed more than Rs. 30 billion under the “Saubagya COVID -19 Renaissance Facility” by extending working capital to COVID-19 affected businesses.

Among all these unexpected challenges the Bank is moving forward with stable performance while managing headwinds caused by low interest rates, higher NPA, cash flow deferments and operational restrictions. The Bank has reported Profit Before Tax (PBT) of Rs. 16.6 billion and Profit After Tax (PAT) of Rs. 11.7 billion during nine months period ended 30th September 2020. The total income of the Bank for the period was Rs. 181.8 billion with marginal increase of 2% YoY. The Bank’s net interest income showed a 9% decrease YoY mainly due to interest rate reduction, new repayment arrangements easing the commitments of the customers and increase in interest expense in line with growth of the deposit base.

The non- fund based income for the period amounted to Rs. 12.9 billion showing an increase of Rs.1.7 billion YoY , exchange gain of Rs. 3.6 billion which resulted during the period mainly contributed to this growth. However, the main non- funded income source, fee and commission income showed a dip of 8% as international trading and local business operations were disrupted along with COVID-19 pandemic.

Showing the prudential management approach of the Bank, operating cost came down by 3% YoY and many cost controlling and rational approaches in expense items were adopted in this extraordinary situation. However, the Bank had to make an impairment charge of Rs. 19.5 billion for the loans and advances by accounting for a significant increase in credit risk. However, the Bank was able to limit its NPA ratio at 4.98%, due to cautious NPA management. In line with recognition of foreign currency risk in investments made in foreign currency denominated Government securities the Bank has identified Rs. 1.1 billion impairment provision during the period.

Among all these challenges the Bank's assets base grew by 17% to Rs. 2.8 trillion, backed by increase of 25% in the loan book. The Bank's loan book stood at Rs. 1.9 trillion and both Government and private sector lending have contributed to this growth.

The Bank's deposit base which represents 24% of the industry has increased during this year too despite of the low interest rates prevailing in the market. The Bank's deposit base of Rs. 2.3 trillion represents 33% of Current and Saving deposit (CASA) base which generates funds at low cost.

During the period the Bank successfully executed issuance of its first Additional Tier 1 (AT1) bond and under this Rs. 5.0 billion ATI capital was generated. The Bank's Tier I Capital and Total Capital ratio stood at 10.4% and 14.0% respectively as of end 30th September 2020, which are above the regulatory norms. The Bank's liquidity position was also at a favorable level by reporting 29.0% statutory liquid assets ratio above its norm of 20%. However, the ROA and ROE of the Bank showed a declining trend in direct correlation to Profit.

STATEMENT OF PROFIT OR LOSS

1
Rs. 000

For the nine months ended 30 September	Bank						Group					
	For the period ended			For the quarter ended			For the period ended			For the quarter ended		
	2020	2019	Change %	2020	2019	Change %	2020	2019	Change %	2020	2019	Change %
Total income	181,817,970	179,012,539	1.6	63,538,488	63,504,029	0.1	186,031,003	186,296,234	(0.1)	65,108,179	66,647,007	(2.3)
Interest income	167,300,294	165,996,438	0.8	58,361,818	56,844,133	2.7	171,229,226	171,213,241	0.0	59,469,365	58,782,742	1.2
Interest expenses	(114,965,212)	(108,475,360)	6.0	(37,515,556)	(37,778,388)	(0.7)	(117,338,742)	(111,489,306)	5.2	(38,180,153)	(38,871,630)	(1.8)
Net interest income	52,335,082	57,521,078	(9.0)	20,846,262	19,065,745	9.3	53,890,484	59,723,935	(9.8)	21,289,212	19,911,112	6.9
Fee and commission income	9,605,708	10,468,906	(8.2)	3,884,235	3,712,162	4.6	9,798,041	10,754,032	(8.9)	3,946,960	3,823,488	3.2
Fee and commission expenses	(1,606,339)	(1,786,195)	(10.1)	(550,804)	(567,288)	(2.9)	(1,621,611)	(1,814,681)	(10.6)	(560,679)	(579,763)	(3.3)
Net fee and commission income	7,999,369	8,682,711	(7.9)	3,333,431	3,144,874	6.0	8,176,430	8,939,351	(8.5)	3,386,281	3,243,725	4.4
Net gains / (losses) from trading	2,315,233	2,111,886	9.6	547,666	737,732	(25.8)	2,328,547	2,139,305	8.8	551,746	754,869	(26.9)
Net fair value gains / (losses) from financial instruments at fair value through profit or loss	207,854	(100,518)	(306.8)	1,089,071	414,393	162.8	267,003	(116,077)	(330.0)	1,181,317	439,728	168.6
Net gains/(losses) on derecognition of financial assets	324,681	245,064	32.5	140,739	52,914	166.0	324,938	246,219	32.0	76,017	47,645	59.5
Other operating income	2,064,200	290,763	609.9	(485,041)	1,742,695	(127.8)	2,083,248	2,059,514	1.2	(117,226)	2,798,535	(104.2)
Total operating income	65,246,419	68,750,984	(5.1)	25,472,128	25,158,353	1.2	67,070,650	72,992,247	(8.1)	26,367,347	27,195,614	(3.0)
Impairment (charge) / reversal												
Loans and advances	(19,540,013)	(14,628,583)	33.6	(4,878,069)	(4,062,501)	20.1	(19,759,700)	(14,854,461)	33.0	(4,912,205)	(4,151,015)	18.3
Other financial assets	(1,108,548)	16,825	(6,688.7)	(178,626)	(153,781)	16.2	(1,029,912)	39,769	(2,689.7)	(55,621)	(131,786)	(57.8)
Net operating income	44,597,858	54,139,226	(17.6)	20,415,433	20,942,071	(2.5)	46,281,038	58,177,555	(20.4)	21,399,521	22,912,813	(6.6)
Operating expenses												
Personnel expenses	(13,579,560)	(14,713,671)	(7.7)	(4,977,043)	(5,031,662)	(1.1)	(15,012,762)	(16,092,572)	(6.7)	(5,552,558)	(5,484,170)	1.2
Depreciation and amortisation	(3,200,172)	(2,651,163)	20.7	(1,111,761)	(916,101)	21.4	(3,269,205)	(3,215,922)	1.7	(1,137,950)	(1,164,996)	(2.3)
Other expenses	(7,287,666)	(7,505,568)	(2.9)	(2,746,820)	(2,506,044)	9.6	(8,584,399)	(8,827,898)	(2.8)	(3,310,159)	(3,556,938)	(6.9)
Total operating expenses	(24,067,398)	(24,870,402)	(3.2)	(8,835,624)	(8,453,807)	4.5	(26,866,366)	(28,136,392)	(4.5)	(10,000,667)	(10,206,104)	(2.0)
Operating profit before taxes on financial services	20,530,460	29,268,824	(29.9)	11,579,809	12,488,264	(7.3)	19,414,672	30,041,163	(35.4)	11,398,854	12,706,709	(10.3)
Value Added Tax (VAT) on financial services	(3,935,280)	(4,596,895)	(14.4)	(1,929,860)	(1,644,619)	17.3	(3,956,303)	(4,712,414)	(16.0)	(1,940,752)	(1,709,650)	13.5
Nation Building Tax (NBT) on financial services	-	(613,146)	(100.0)	-	(219,948)	(100.0)	-	(628,753)	(100.0)	-	(228,718)	(100.0)
Debt repayment levy	-	(2,699,138)	(100.0)	-	(1,065,341)	(100.0)	-	(2,766,574)	(100.0)	-	(1,103,202)	(100.0)
Operating profit after taxes on financial services	16,595,180	21,359,645	(22.3)	9,649,949	9,558,356	1.0	15,458,369	21,933,422	(29.5)	9,458,102	9,665,139	(2.1)
Share of profits / (losses) of Associate companies, net of tax	-	-	-	-	-	-	25,608	26,170	(2.1)	2,239	6,387	(64.9)
Profit before income tax	16,595,180	21,359,645	(22.3)	9,649,949	9,558,356	1.0	15,483,977	21,959,592	(29.5)	9,460,341	9,671,526	(2.2)
Income tax expense	(4,919,630)	(7,707,822)	(36.2)	(3,756,925)	(2,854,877)	31.6	(5,046,343)	(7,933,859)	(36.4)	(3,768,849)	(2,924,674)	28.9
Profit for the period	11,675,550	13,651,823	(14.5)	5,893,024	6,703,479	(12.1)	10,437,634	14,025,733	(25.6)	5,691,492	6,746,852	(15.6)
Profit attributable to:												
Equity holder of the Bank	11,675,550	13,651,823	(14.5)	5,893,024	6,703,479	(12.1)	10,755,731	13,802,435	(22.1)	5,767,993	6,703,059	(13.9)
Non controlling interest	-	-	-	-	-	-	(318,097)	223,298	(242.5)	(76,501)	43,793	(274.7)
Profit for the period	11,675,550	13,651,823	(14.5)	5,893,024	6,703,479	(12.1)	10,437,634	14,025,733	(25.6)	5,691,492	6,746,852	(15.6)
Earnings per share:												
Basic earnings per share (Rs.)	467.02	584.31	(20.1)	235.72	268.14	(12.1)	430.23	590.76	(27.2)	230.72	268.12	(13.9)
Diluted earnings per share (Rs.)	467.02	546.07	(14.5)	235.72	268.14	(12.1)	430.23	552.10	(22.1)	230.72	268.12	(13.9)

STATEMENT OF COMPREHENSIVE INCOME

2

Rs. 000

For the nine months ended 30 September	Bank						Group					
	For the period ended			For the quarter ended			For the period ended			For the quarter ended		
	2020	2019	Change %	2020	2019	Change %	2020	2019	Change %	2020	2019	Change %
Profit for the period	11,675,550	13,651,823	(14.5)	5,893,024	6,703,479	(12.1)	10,437,634	14,025,733	(25.6)	5,691,492	6,746,852	(15.6)
Other comprehensive income for the period, net of tax												
Items that will be reclassified to profit or loss												
Exchange differences on translation of foreign operations	(34,618)	(77,643)	(55.4)	69,217	170,729	(59.5)	(33,793)	(190,303)	(82.2)	70,042	168,872	(58.5)
Net gains / (losses) on investments in debt instruments measured at FVTOCI	187,579	59,064	217.6	(112,177)	(69,819)	60.7	192,625	57,793	233.3	(112,692)	(55,656)	102.5
Net (gains) / losses on FVTOCI financial investments reclassification to profit or loss	(7,137)	230,721	(103.1)	2,652	66,296	(96.0)	(7,137)	230,721	(103.1)	2,652	66,296	(96.0)
Deferred tax effect on above	(43,053)	(73,554)	(41.5)	27,505	8,572	220.9	(43,053)	(74,919)	(42.5)	27,505	7,207	281.6
Share of other comprehensive income of Associate companies, net of tax	-	-	-	-	-	-	(11,172)	(2,492)	348.3	6,775	6,481	4.5
	102,771	138,588	(25.8)	(12,803)	175,778	(107.3)	97,470	20,800	368.6	(5,718)	193,200	(103.0)
Items that will not be reclassified to profit or loss												
Change in fair value on investments in equity instruments designated at FVTOCI	(168,197)	(172,720)	(2.6)	379,617	209,821	80.9	(86,130)	(204,324)	(57.8)	542,677	43,844	1,137.7
Deferred tax effect on above	(55,456)	(107,257)	(48.3)	(42,430)	(16,223)	161.5	(55,456)	(107,257)	(48.3)	(42,430)	(16,223)	161.5
Gain/ (Loss) of derecognition of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Re-measurement of post-employment benefit obligations	-	-	-	-	-	-	(2,443)	1,735	(240.8)	(1,469)	297	(594.6)
Deferred tax effect on above	-	-	-	-	-	-	587	(469)	(225.2)	353	(65)	(643.1)
	(223,653)	(279,977)	(20.1)	337,187	193,598	74.2	(143,442)	(310,315)	(53.8)	499,131	27,853	1,692.0
Other comprehensive income for the period, net of tax	(120,882)	(141,389)	(14.5)	324,384	369,376	(12.2)	(45,972)	(289,515)	(84.1)	493,413	221,053	123.2
Total comprehensive income for the period	11,554,668	13,510,434	(14.5)	6,217,408	7,072,855	(12.1)	10,391,662	13,736,218	(24.3)	6,184,905	6,967,905	(11.2)
Attributable to:												
Equity holder of the Bank	11,554,668	13,510,434	(14.5)	6,217,408	7,072,855	(12.1)	10,706,867	13,513,237	(20.8)	6,254,836	6,931,621	(9.8)
Non controlling interest	-	-	-	-	-	-	(315,205)	222,981	(241.4)	(69,931)	36,284	(292.7)
Total comprehensive income for the period	11,554,668	13,510,434	(14.5)	6,217,408	7,072,855	(12.1)	10,391,662	13,736,218	(24.3)	6,184,905	6,967,905	(11.2)

As at	Bank			Group		
	30-Sep-2020	31-Dec-2019 (Audited)	Change %	30-Sep-2020	31-Dec-2019 (Audited)	Change %
Assets						
Cash and cash equivalents	75,410,203	64,868,895	16.3	75,086,011	64,829,735	15.8
Balances with Central Banks	24,512,096	54,594,436	(55.1)	24,512,096	54,594,436	(55.1)
Placements with banks	21,523,363	44,476,343	(51.6)	24,201,279	47,911,621	(49.5)
Securities purchased under resale agreements	6,020,687	2,179,449	176.2	7,787,841	3,981,886	95.6
Derivative financial instruments	194,248	132,090	47.1	194,248	132,090	47.1
Financial assets recognized through profit or loss measured at fair value	12,014,816	10,055,415	19.5	12,995,883	11,052,769	17.6
Financial assets at amortized cost						
- loans and advances	1,945,362,338	1,549,804,871	25.5	1,976,102,416	1,580,949,025	25.0
- debt and other instruments	603,738,576	572,747,809	5.4	605,432,308	573,977,330	5.5
Financial assets - measured at fair value through other comprehensive income	13,267,329	14,236,090	(6.8)	15,737,401	17,016,553	(7.5)
Investment in Subsidiary companies	6,513,048	6,513,048	-	-	-	-
Investment in Associate companies	92,988	92,988	-	455,662	447,035	1.9
Investment properties	2,560,980	2,648,784	(3.3)	124,914	117,276	6.5
Property, plant and equipment	25,289,379	25,579,065	(1.1)	38,752,201	39,486,380	(1.9)
Leasehold properties	3,242,457	3,479,937	(6.8)	2,499,721	2,187,622	14.3
Intangible assets	1,020,329	1,127,007	(9.5)	1,190,321	1,361,858	(12.6)
Deferred tax assets	752,905	-	-	1,025,815	511,936	100.4
Other assets	76,142,292	62,580,402	21.7	77,078,822	63,926,060	20.6
Total assets	2,817,658,034	2,415,116,629	16.7	2,863,176,939	2,462,483,612	16.3
Liabilities						
Due to banks	8,147,628	2,669,407	205.2	8,274,653	2,932,950	182.1
Securities sold under repurchase agreements	45,446,925	34,183,210	33.0	45,312,117	34,880,507	29.9
Derivative financial instruments	300,677	106,677	181.9	300,677	106,677	181.9
Financial liabilities at amortized cost						
- due to depositors	2,304,205,065	2,005,211,794	14.9	2,323,720,568	2,025,204,033	14.7
- due to other borrowers	198,509,732	137,833,543	44.0	205,574,564	145,095,262	41.7
Debt securities issued	-	-	-	2,788,948	2,107,810	32.3
Current tax liabilities	-	-	-	129,224	138,677	(6.8)
Deferred tax liabilities	4,918,993	4,592,021	7.1	7,361,646	7,182,866	2.5
Insurance provision - Life	-	-	-	466,683	511,091	(8.7)
Insurance provision - Non life	-	-	-	447,611	358,504	24.9
Other liabilities	41,215,989	34,015,688	21.2	42,362,012	34,758,044	21.9
Subordinated liabilities	61,672,030	54,221,552	13.7	61,662,020	54,211,542	13.7
Total liabilities	2,664,417,039	2,272,833,892	17.2	2,698,400,723	2,307,487,963	16.9
Equity						
Share capital	25,000,000	25,000,000	-	25,000,000	25,000,000	-
Permanent reserve fund	13,383,000	13,383,000	-	13,383,000	13,383,000	-
OCI reserve	1,890,337	1,976,601	(4.4)	2,569,670	2,571,824	(0.1)
Retained earnings	98,768,620	87,689,480	12.6	99,286,969	89,140,565	11.4
Other reserves	14,199,038	14,233,656	(0.2)	23,081,380	23,115,173	(0.2)
Total equity attributable to equity holder of the Bank	153,240,995	142,282,737	7.7	163,321,019	153,210,562	6.6
Non controlling interest	-	-	-	1,455,197	1,785,087	(18.5)
Total equity	153,240,995	142,282,737	7.7	164,776,216	154,995,649	6.3
Total liabilities and equity	2,817,658,034	2,415,116,629	16.7	2,863,176,939	2,462,483,612	16.3
Contingent liabilities and commitments	465,880,858	508,217,961	(8.3)	474,391,122	516,632,979	(8.2)

STATEMENT OF CHANGES IN EQUITY- BANK

4

Rs. 000

	Share capital		Permanent reserve fund	OCI reserve	Other reserves		Retained earnings	Total Equity
	Share capital	Capital pending allotment			Other reserves	Revaluation reserve		
Balance as at 01 January 2019	20,000,000	5,000,000	12,890,000	1,838,194	2,681,679	11,698,270	67,333,879	121,442,022
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	13,651,823	13,651,823
Other comprehensive income, net of tax	-	-	-	(63,746)	(77,643)	-	-	(141,389)
Transfers to share capital	5,000,000	(5,000,000)	-	-	-	-	-	-
Dividends for the period	-	-	-	-	-	-	(346,410)	(346,410)
Balance as at 30 September 2019	25,000,000	-	12,890,000	1,774,448	2,604,036	11,698,270	80,639,292	134,606,046
Balance as at 01 January 2020	25,000,000	-	13,383,000	1,976,601	2,539,318	11,694,338	87,689,480	142,282,737
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	11,675,550	11,675,550
Other comprehensive income, net of tax	-	-	-	(86,264)	(34,618)	-	-	(120,882)
Dividends for the period	-	-	-	-	-	-	(596,410)	(596,410)
Balance as at 30 September 2020	25,000,000	-	13,383,000	1,890,337	2,504,700	11,694,338	98,768,620	153,240,995

STATEMENT OF CHANGES IN EQUITY -GROUP

Rs. 000

	Share capital		Permanent reserve fund	OCI reserve	Other reserves		Retained earnings	Non controlling interest	Total Equity
	Share capital	Capital pending allotment			Other reserves	Revaluation reserve			
Balance as at 01 January 2019	20,000,000	5,000,000	12,890,000	2,474,454	3,882,588	18,746,709	68,451,746	695,149	132,140,646
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	13,802,435	223,298	14,025,733
Other comprehensive income, net of tax	-	-	-	(97,614)	(190,303)	-	(1,280)	(318)	(289,515)
Transfers to share capital	5,000,000	(5,000,000)	-	-	-	-	-	-	-
Dividends for the period	-	-	-	-	-	-	(346,410)	-	(346,410)
Subsidiary dividends to non controlling interest	-	-	-	-	-	-	-	(13,669)	(13,669)
Loss of control of subsidiaries	-	-	-	-	-	-	-	797,794	797,794
Balance as at 30 September 2019	25,000,000	-	12,890,000	2,376,840	3,692,285	18,746,709	81,906,491	1,702,254	146,314,579
Balance as at 01 January 2020	25,000,000	-	13,383,000	2,571,824	3,827,349	19,287,824	89,140,565	1,785,087	154,995,649
Total comprehensive income for the year									
Profit for the period	-	-	-	-	-	-	10,755,731	(318,097)	10,437,634
Other comprehensive income, net of tax	-	-	-	(2,154)	(33,793)	-	(12,917)	2,892	(45,972)
Dividends for the period	-	-	-	-	-	-	(596,410)	-	(596,410)
Subsidiary dividends to non controlling interest	-	-	-	-	-	-	-	(14,685)	(14,685)
Balance as at 30 September 2020	25,000,000	-	13,383,000	2,569,670	3,793,556	19,287,824	99,286,969	1,455,197	164,776,216

STATEMENT OF CASH FLOWS

5

Rs.'000

For the nine months ended 30 September	Bank		Group	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit before income tax	16,595,180	21,359,645	15,483,977	21,959,592
Adjustments for :				
Net interest income	(52,335,082)	(57,521,078)	(53,890,484)	(59,723,935)
Dividend income on trading securities	(46,374)	(81,347)	(46,374)	(81,347)
Dividends from Subsidiaries and Associates	(431,475)	(329,185)	-	-
Share of profits of Associate companies, net of tax	-	-	(25,608)	(26,170)
Change in operating assets	(376,420,038)	(9,411,262)	(374,664,245)	(10,477,682)
Change in operating liabilities	318,432,225	38,308,685	309,900,885	39,881,752
Other non cash items included in profit before tax	22,609,486	18,100,844	22,819,570	18,868,537
Other net (gains)/ losses from investing activities	(532,535)	(144,546)	(591,941)	(130,142)
	(72,128,613)	10,281,756	(81,014,220)	10,270,605
Contribution paid from defined benefit plans	(6,225,743)	(6,082,188)	(6,251,644)	(6,100,550)
Interest received	122,972,558	116,998,315	126,978,705	121,356,776
Interest paid	(109,485,114)	(99,027,384)	(110,666,261)	(100,959,172)
Dividends received	46,374	81,347	46,374	81,347
Net cash from/ (used in) operating activities before income tax	(64,820,538)	22,251,846	(70,907,046)	24,649,006
Income tax paid	(3,630,493)	(7,690,249)	(3,769,070)	(7,865,646)
Net cash from/ (used in) operating activities	(68,451,031)	14,561,597	(74,676,116)	16,783,360
Cash flows from investing activities				
Net increase in financial investments at amortized cost	(29,391,148)	(1,619,990)	(29,855,359)	(2,417,412)
Net decrease in financial investments recognized through OCI	1,189,998	6,239,521	1,532,114	6,268,226
Purchase of property plant and equipment and leasehold properties	(1,426,560)	(2,707,000)	(1,495,477)	(2,851,827)
Purchase of intangible assets	(296,411)	(158,195)	(318,250)	(159,864)
Dividends received	755,018	631,066	438,337	330,963
Interest received	36,896,369	35,541,435	37,158,694	36,293,337
Net cash from investing activities	7,727,266	37,926,837	7,460,059	37,463,423
Cash flows from financing activities				
Net increase/ (decrease) in other borrowings	63,399,117	(20,953,962)	70,519,592	(21,428,486)
Proceeds from issue of debentures / capital bonds	5,000,000	9,210,000	5,000,000	9,210,000
Payments on redemption of debentures	-	(6,166,475)	-	(6,166,475)
Dividends paid to Government of Sri Lanka	(596,410)	(346,410)	(596,410)	(346,410)
Dividends paid to non controlling interest	-	-	(14,685)	(13,669)
Interest payments on borrowings and debt securities	(1,421,111)	(1,421,290)	(1,969,450)	(2,204,123)
Net cash from/ (used in) financing activities	66,381,596	(19,678,137)	72,939,047	(20,949,163)
Net increase in cash and cash equivalents during the period	5,657,830	32,810,296	5,722,989	33,297,619
Cash and cash equivalents at the beginning of the period	63,523,958	77,591,846	63,221,255	77,588,770
Cash and cash equivalents at the end of the period	69,181,788	110,402,142	68,944,244	110,886,389
Analysis of cash and cash equivalents				
Cash and cash equivalents	75,410,203	110,628,220	75,086,011	111,047,463
Bank overdrafts	(6,228,415)	(226,078)	(6,141,767)	(161,074)
Cash and cash equivalents at the end of the period	69,181,788	110,402,142	68,944,244	110,886,389

As at	Bank		Group	
	30-Sep-2020	31-Dec-2019	30-Sep-2020	31-Dec-2019
Net assets value per share (Rs)	6,129.64	5,691.31	6,532.84	6,128.42
Profitability				
Interest margin	2.67%	3.20%	2.70%	3.27%
Return on assets (before tax)	0.85%	1.26%	0.78%	1.28%
Return on equity (after tax)	10.54%	16.83%	8.70%	15.95%
Assets Quality				
Gross non - performing advances ratio, (Net of interest in suspense)	4.98%	4.79%		
Net non - performing advances ratio, (Net of interest in suspense and provisions)	1.71%	1.75%		
Investor Information				
Debt equity (%)	37.06	34.68		
Interest cover (times)	2.43	2.63		
Memorandum Information				
Number of employees	8,478	8,503		
Number of branches	581	581		

KEY REGULATORY RATIOS - CAPITAL AND LIQUIDITY

As at	Bank		Group	
	30-Sep-2020	31-Dec-2019	30-Sep-2020	31-Dec-2019
Regulatory Capital (Rs. ' 000)				
Common equity Tier 1	126,083,435	127,675,095	134,463,127	135,727,486
Tier I capital	131,083,435	127,675,095	139,463,127	135,727,486
Total capital	177,601,295	178,243,760	186,020,270	187,530,766
Regulatory Capital Ratios (%)				
Common equity Tier 1 capital ratio * (Minimum requirement, Basel III - 7.50%)	9.97%	11.16%	10.28%	11.38%
Tier I capital ratio * (Minimum requirement, Basel III - 9.00%)	10.37%	11.16%	10.66%	11.38%
Total capital ratio * (Minimum requirement, Basel III - 13.00%)	14.04%	15.58%	14.22%	15.72%
Leverage ratio (Minimum requirement - 3%)	4.22%	4.97%	4.44%	5.18%
Regulatory Liquidity				
Statutory liquid assets, - Domestic banking unit (Rs. ' 000)	644,057,394	547,432,530		
- Off-shore banking unit (US\$ 000)	786,212	717,216		
Total Stock of High Quality Liquid Assets (Rs ' 000)	430,776,134	370,026,325		
Statutory liquid assets ratio, (minimum requirement, 20%) - Domestic banking unit	29.03%	24.57%		
- Off-shore banking unit	27.61%	58.32%		
Liquidity coverage ratio - Rupee ** (Minimum requirement, 90.00%)	172.00%	188.19%		
Liquidity coverage ratio - All currency ** (Minimum requirement, 90.00%)	119.16%	125.62%		
Net stable funding ratio ** (Minimum requirement - 90%)	139.00%	135.71%		

* Minimum requirement as at 31.12.2019 : Common equity Tier 1 capital ratio 8.5%, Tier 1 capital ratio 10%, Total capital ratio 14%

** Minimum requirement as at 31.12.2019 : Liquidity coverage ratio - Rupee 100%, Liquidity coverage ratio - All currency 100%, Net stable funding ratio 100%

SHARE INFORMATION

Shareholder	30-Sep-2020		31-Dec-2019	
	No. of Ordinary Shares	Holding %	No. of Ordinary Shares	Holding %
Government of Sri Lanka	25,000,000	100	25,000,000	100

- I. The interim Financial Statements are presented in accordance with Sri Lanka Accounting Standard - LKAS 34 on “Interim Financial Reporting”. These interim condensed Financial Statements should be read in conjunction with the annual financial statements for the year ended 31 December 2019. In order to conform to better presentation, previous year figures and phrases have been adjusted where relevant.
- II. There are no changes in accounting policies and methods of computation since the publication of annual accounts for the year 2019. However, these financial statements were prepared with the appropriate application of guidelines issued by CA Sri Lanka on the special treatments for SLFRS 09 application under COVID – 19 pandemic situations.
- III. No circumstances have arisen and no material events have occurred since the reporting date, which require disclosures or adjustments to the financial statements.
- IV. The outbreak and spread of the coronavirus globally since January 2020 has caused disruption to business and economic activities, and uncertainty to the global economy. Consequent to the diagnosis of COVID-19 virus within Sri Lanka many measures were introduced by the Sri Lankan Government and the Central Bank of Sri Lanka with a view to easing the pressure due to safety measures taken to face the pandemic situation. COVID -19 pandemic has had a significant impact on business operations of the Bank due to changes that took place in normal business practices. However, the Bank proactively adjusted to the situation very quickly and took all necessary steps to provide the customer services in best possible manner in this pandemic situation.
- V. During the period there were no material changes in the composition of assets, liabilities and contingent liabilities except the issuance of Rs. 5.0 billion worth of Basel III compliant, unlisted, unsecured, subordinated, perpetual Additional Tier 1 (AT1) capital bonds and these bonds have been classified under subordinated liabilities in the Statement of Financial Position. These bonds are eligible to consider under additional tier I capital of the Bank.
- VI. All known expenses have been charged in these financial statements.
- VII. The Group financial statements comprise a consolidation of the Bank and its Subsidiaries, Property Development PLC, Merchant Bank of Sri Lanka & Finance PLC, Hotels Colombo (1963) Limited, BCC 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 and Bank of Ceylon (UK) Limited and the Group’s interest in its Associate companies, Lanka Securities (Private) Limited, Southern Development Financial Company Limited, Transnational Lanka Records Solutions (Private) Limited and Ceybank Asset Management Limited.

We certify that the above financial statements give a true and fair view of the state of affairs of Bank of Ceylon and the Group as at 30 September 2020 and its profit for the nine-month period ended 30 September 2020.

Sgd.
W P Russel Fonseka
Chief Financial Officer

We, the undersigned, being the Directors and General Manager of the Bank of Ceylon certify jointly that;

- a) the above statements have been prepared in compliance with the formats and definitions prescribed by the Central Bank of Sri Lanka and Rule 7.4 of Colombo Stock Exchange and Sri Lanka Accounting Standard – LKAS 34 on “Interim Financial Reporting”.
- b) the information contained in these statements have been extracted from the un-audited financial statements of the Bank and the Group.

Sgd.
Kanchana Ratwatte
Chairman
(Independent Non-Executive)

Sgd.
Lalith P Withana
Director
(Independent Non-Executive)

Sgd.
D P K Gunasekera
General Manager

5 November 2020
Colombo

As at 30 September	2020				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	75,410,203	-	-	75,410,203
Balances with Central Banks	-	24,512,096	-	-	24,512,096
Placements with banks	-	21,523,363	-	-	21,523,363
Securities purchased under resale agreements	-	6,020,687	-	-	6,020,687
Derivative financial instruments	194,248	-	-	-	194,248
Loans and advances	-	1,945,362,338	-	-	1,945,362,338
Financial investments	12,014,816	603,738,576	13,267,329	-	629,020,721
Total financial assets	12,209,064	2,676,567,263	13,267,329	-	2,702,043,656
Other assets				115,614,378	115,614,378
Total assets	12,209,064	2,676,567,263	13,267,329	115,614,378	2,817,658,034

	Fair value through profit or loss	Amortised Cost	Others	Total
Financial liabilities				
Due to banks	-	8,147,628	-	8,147,628
Securities sold under repurchase agreements	-	45,446,925	-	45,446,925
Derivative financial instruments	300,677	-	-	300,677
Other financial liabilities held for trading	-	-	-	-
Due to depositors	-	2,304,205,065	-	2,304,205,065
Other borrowings	-	198,509,732	-	198,509,732
Debt securities issued	-	-	-	-
Subordinated liabilities	-	61,672,030	-	61,672,030
Total financial liabilities	300,677	2,617,981,380	-	2,618,282,057
Other liabilities	-	-	46,134,982	46,134,982
Total liabilities	300,677	2,617,981,380	46,134,982	2,664,417,039

As at 31 December	2019				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	64,868,895	-	-	64,868,895
Balances with Central Banks	-	54,594,436	-	-	54,594,436
Placements with banks	-	44,476,343	-	-	44,476,343
Securities purchased under resale agreements	-	2,179,449	-	-	2,179,449
Derivative financial instruments	132,090	-	-	-	132,090
Loans and advances	-	1,549,804,871	-	-	1,549,804,871
Financial investments	10,055,415	572,747,809	14,236,090	-	597,039,314
Total financial assets	10,187,505	2,288,671,803	14,236,090	-	2,313,095,398
Other assets	-	-	-	102,021,231	102,021,231
Total assets	10,187,505	2,288,671,803	14,236,090	102,021,231	2,415,116,629

	Fair value through profit or loss	Amortised Cost	Others	Total
Financial liabilities				
Due to banks	-	2,669,407	-	2,669,407
Securities sold under repurchase agreements	-	34,183,210	-	34,183,210
Derivative financial instruments	106,677	-	-	106,677
Due to depositors	-	2,005,211,794	-	2,005,211,794
Other borrowings	-	137,833,543	-	137,833,543
Debt securities issued	-	-	-	-
Subordinated liabilities	-	54,221,552	-	54,221,552
Total financial liabilities	106,677	2,234,119,506	-	2,234,226,183
Other liabilities	-	-	38,607,709	38,607,709
Total liabilities	106,677	2,234,119,506	38,607,709	2,272,833,892

As at 30 September	2020				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	75,086,011	-	-	75,086,011
Balances with Central Banks	-	24,512,096	-	-	24,512,096
Placements with banks	-	24,201,279	-	-	24,201,279
Securities purchased under resale agreements	-	7,787,841	-	-	7,787,841
Derivative financial instruments	194,248	-	-	-	194,248
Loans and advances	-	1,976,102,416	-	-	1,976,102,416
Financial investments	12,995,883	605,432,308	15,737,401	-	634,165,592
Total financial assets	13,190,131	2,713,121,950	15,737,401	-	2,742,049,482
Other assets	-	-	-	121,127,457	121,127,457
Total assets	13,190,131	2,713,121,950	15,737,401	121,127,457	2,863,176,939

	Fair value through profit or loss	Amortised cost	Others	Total
Financial liabilities				
Due to banks	-	8,274,653	-	8,274,653
Securities sold under repurchase agreements	-	45,312,117	-	45,312,117
Derivative financial instruments	300,677	-	-	300,677
Other financial liabilities held for trading	-	-	-	-
Due to depositors	-	2,323,720,568	-	2,323,720,568
Other borrowings	-	205,574,564	-	205,574,564
Debt securities issued	-	2,788,948	-	2,788,948
Subordinated liabilities	-	61,662,020	-	61,662,020
Total financial liabilities	300,677	2,647,332,869	-	2,647,633,546
Other liabilities	-	-	50,767,177	50,767,177
Total liabilities	300,677	2,647,332,869	50,767,177	2,698,400,723

As at 31 December	2019				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	64,829,735	-	-	64,829,735
Balances with Central Banks	-	54,594,436	-	-	54,594,436
Placements with banks	-	47,911,621	-	-	47,911,621
Securities purchased under resale agreements	-	3,981,886	-	-	3,981,886
Derivative financial instruments	132,090	-	-	-	132,090
Loans and advances to customers	-	1,580,949,025	-	-	1,580,949,025
Financial investments	11,052,769	573,977,330	17,016,553	-	602,046,652
Total financial assets	11,184,859	2,326,244,033	17,016,553	-	2,354,445,445
Other assets	-	-	-	108,038,167	108,038,167
Total assets	11,184,859	2,326,244,033	17,016,553	108,038,167	2,462,483,612

	Fair value through profit or loss	Amortised cost	Others	Total
Financial liabilities				
Due to banks	-	2,932,950	-	2,932,950
Securities sold under repurchase agreements	-	34,880,507	-	34,880,507
Derivative financial instruments	106,677	-	-	106,677
Due to depositors	-	2,025,204,033	-	2,025,204,033
Other borrowings	-	145,095,262	-	145,095,262
Debt securities issued	-	2,107,810	-	2,107,810
Subordinated liabilities	-	54,211,542	-	54,211,542
Total financial liabilities	106,677	2,264,432,104	-	2,264,538,781
Other liabilities	-	-	42,949,182	42,949,182
Total liabilities	106,677	2,264,432,104	42,949,182	2,307,487,963

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount	
					30.09.2020	31.12.2019		Bank	
					%	%		30.09.2020	31.12.2019
								Rs '000	Rs '000
Subordinated debentures									
Fixed interest rate									
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2021	13.25	13.25	4.96	1,346,120	1,226,594
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2022	13.25	13.25	5.63	1,347,242	1,227,617
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2023	13.75	13.75	6.04	1,803,700	1,638,142
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2022	8.25	8.25	5.63	1,836,631	1,873,793
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2020	8.25	8.25	4.62	311,934	293,991
Listed, Unsecured, subordinated, redeemable debentures	a	Quarterly	06.10.2015	05.10.2020	8.00	8.00	4.62	12,446	12,449
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2023	9.50	9.50	6.04	1,290,182	1,205,580
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2021	13.25	13.25	5.00	8,787,241	8,003,631
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2024	12.75	12.75	6.43	858	784
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	29.12.2017	28.12.2022	12.50	12.50	5.75	5,465,747	5,003,228
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	29.12.2017	28.12.2025	12.75	12.75	6.82	5,474,913	5,003,289
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	31.07.2018	30.07.2026	12.00	12.00	6.88	6,830,251	7,026,114
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	03.12.2018	02.12.2023	12.00	12.00	6.05	5,821,366	5,346,308
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	27.06.2019	26.06.2027	11.75	11.75	7.01	3,088,949	3,175,700
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	17.07.2019	16.07.2024	11.80	11.80	6.34	1,073,494	1,103,765
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	18.07.2019	17.07.2024	11.80	11.80	6.34	2,251,004	2,314,479
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	23.07.2019	22.07.2024	11.80	11.80	6.34	2,554,028	2,626,021
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	24.07.2019	23.07.2024	11.50	11.50	6.34	408,316	419,549
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	26.07.2019	25.07.2027	11.75	11.75	7.05	62,409	64,162
								49,766,831	47,565,196
Floating interest rate									
Listed, Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 100 basis points)	a/b	Semi annually	25.10.2013	24.10.2021	7.80	8.66	4.96	1,033	1,016
Listed, Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 50 basis points)	a/b	Semi annually	22.09.2014	21.09.2022	5.14	8.25	5.63	30	31
Listed, Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	06.10.2015	05.10.2020	8.35	8.98	4.62	4,658,202	4,571,357
Listed, Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	06.10.2015	05.10.2023	8.35	8.98	6.04	2,122,480	2,082,911
Listed, Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	29.12.2016	28.12.2021	6.78	9.27	5.00	1,037	1,021
Listed, Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	29.12.2016	28.12.2024	6.78	9.27	6.43	20	20
								6,782,802	6,656,356
Additional Tier I capital bond									
Unlisted, Unsecured, subordinated, perpetual capital bond (12 months TB (Net) rate plus 150 basis points with a Floor rate of 9.5%)	c	Annually	25.06.2020	N/A	9.50	-	6.43	5,122,397	-
								5,122,397	-
								61,672,030	54,221,552

Notes

- Debentures that are listed in the Colombo Stock Exchange. Some of these have been traded in the Colombo Stock Exchange during the period ended 30 September 2020
2015/2020 - (Highest Price - Rs. 99.80, Lowest Price - Rs. 99.80, Last Transaction Price - Rs. 99.80)
2016/2021 - (Highest Price - Rs. 103.74, Lowest Price - Rs. 101.00, Last Transaction Price - Rs. 103.74)
2016/2021 - (Highest Price - Rs. 98.00, Lowest Price - Rs. 98.00, Last Transaction Price - Rs. 98.00)
- Weighted average 6 months Treasury Bill interest rate before deducting relevant withholding tax at the primary quotations as announced by the Central Bank of Sri Lanka, at the preceding week of the interest resetting date.
- The Bank issued Rs. 5.0 billion worth of Basel III compliant, unlisted, unsecured, subordinated, perpetual Additional Tier 1 (AT1) capital bonds during the Q3, 2020.

	01-Jan-2020 to 30-Sep-2020 Rs.	01-Jan-2019 to 31-Dec-2019 Rs.
Market Value		
BoC Debentures 2013/2023 ,		
Unsecured, subordinated, redeemable, 8 years, fixed rate (13.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 9 years, fixed rate (13.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 10 years, fixed rate (13.75%)		
Highest	Not Traded	102.22
Lowest	Not Traded	102.22
Last transaction	Not Traded	102.22
BoC Debentures 2014/2022 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (8.00%)		
Highest	Not Traded	97.31
Lowest	Not Traded	97.30
Last transaction	Not Traded	97.30
Unsecured, subordinated, redeemable, 5 years, fixed rate (7.75%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, fixed rate (8.25%)		
Highest	Not Traded	80.00
Lowest	Not Traded	80.00
Last transaction	Not Traded	80.00
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
BoC Debentures 2015/2023		
Unsecured, subordinated, redeemable, 5 years, fixed rate (8.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, fixed rate (8.00%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)		
Highest	99.80	98.50
Lowest	99.80	97.00
Last transaction	99.80	97.00
Unsecured, subordinated, redeemable, 8 years, fixed rate (9.50%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
BoC Debentures 2016/2024		
Unsecured, subordinated, redeemable, 5 years, fixed rate (13.25%)		
Highest	103.74	100.46
Lowest	101.00	98.20
Last transaction	103.74	100.34
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
Highest	98.00	Not Traded
Lowest	98.00	Not Traded
Last transaction	98.00	Not Traded
Unsecured, subordinated, redeemable, 8 years, fixed rate (12.75%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded

	30-Sep-2020 %	31-Dec-2019 %
Interest yield as at date of last trade done		
BoC Debentures 2013/2023 ,		
8 years, fixed rate (13.25%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	Not Traded
9 years, fixed rate (13.25%)	Not Traded	Not Traded
10 years, fixed rate (13.75%)	Not Traded	13.00
BoC Debentures 2014/2022 ,		
5 years, fixed rate (8.00%)	Not Traded	12.50
5 years, fixed rate (7.75%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
8 years, fixed rate (8.25%)	Not Traded	16.56
8 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
BoC Debentures 2015/2023 ,		
5 years, fixed rate (8.25%)	Not Traded	Not Traded
5 years, fixed rate (8.00%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	10.19%	13.08
8 years, fixed rate (9.50%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
BoC Debentures 2016/2024 ,		
5 years, fixed rate (13.25%)	12.60	13.02
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	11.99	Not Traded
8 years, fixed rate (12.75%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
Yield to maturity of last trade done		
BoC Debentures 2013/2023 ,		
8 years, fixed rate (13.25%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	Not Traded
9 years, fixed rate (13.25%)	Not Traded	Not Traded
10 years, fixed rate (13.75%)	Not Traded	13.04
BoC Debentures 2014/2022 ,		
5 years, fixed rate (8.00%)	Not Traded	12.67
5 years, fixed rate (7.75%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
8 years, fixed rate (8.25%)	Not Traded	16.06
8 years, floating rate (06 months TB rate (Gross) plus 50 basis points)	Not Traded	Not Traded
BoC Debentures 2015/2023 ,		
5 years, fixed rate (8.25%)	Not Traded	Not Traded
5 years, fixed rate (8.00%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	10.19%	13.24
8 years, fixed rate (9.50%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
BoC Debentures 2016/2024 ,		
5 years, fixed rate (13.25%)	10.26	13.10
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	11.92	Not Traded
8 years, fixed rate (12.75%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded

1 Loans and advances to customers

As at	Bank		Group	
	30.09.2020 Rs '000	31.12.2019 Rs '000	30.09.2020 Rs '000	31.12.2019 Rs '000
Gross loans and receivables	2,063,790,869	1,648,760,589	2,097,429,444	1,682,589,120
Stage 1	1,769,611,508	1,380,927,013	1,788,616,110	1,396,100,809
Stage 2	89,131,489	101,146,342	93,363,150	106,780,647
Stage 3	205,047,872	166,687,234	215,450,184	179,707,664
Less : Accumulated impairment	118,428,531	98,955,718	121,327,028	101,640,095
Stage 1	8,960,050	6,954,029	9,099,504	7,087,327
Stage 2	9,457,378	9,530,117	9,588,447	9,646,175
Stage 3	100,011,103	82,471,572	102,639,077	84,906,593
Net loans and advances	1,945,362,338	1,549,804,871	1,976,102,416	1,580,949,025

2) Loans and advances to customers - By product

Local currency	Bank		Group	
	30.09.2020	31.12.2019	30.09.2020	31.12.2019
Overdrafts	320,224,053	237,239,577	320,116,738	237,161,078
Term loans	537,835,474	452,776,469	543,379,082	459,252,615
Lease rentals receivable	35,159,363	39,233,313	50,383,672	56,081,004
Credit cards	5,253,963	5,037,574	5,253,963	5,037,574
Pawning	72,852,939	69,089,836	76,440,405	70,703,614
Loans under schemes	91,040,871	76,944,532	91,376,194	77,930,003
Housing loans	77,958,432	76,065,512	78,010,612	77,960,039
Trade finance	55,963,864	61,494,354	56,302,666	61,719,233
Personal loans	300,798,330	214,236,288	304,718,767	215,814,602
Staff loans	20,140,694	20,701,770	20,957,098	21,690,284
Foreclosed properties	2,389,411	1,523,199	2,389,411	1,523,199
Other loans	22,068,729	9,618,713	22,068,729	9,618,713
Total local currency loans and advances	1,541,686,123	1,263,961,137	1,571,397,337	1,294,491,958
Foreign currency				
Overdrafts	33,027,575	33,887,024	33,195,469	34,875,569
Term loans	441,805,995	312,849,314	444,526,837	314,743,459
Trade finance	42,768,913	34,715,177	43,797,659	35,120,389
Lease rentals receivable	248,702	237,828	248,702	237,828
Housing loans	371,239	376,549	371,239	376,549
Staff loans	10,682	14,506	20,561	24,314
Foreclosed properties	3,492	4,487	3,492	4,487
Other loans	3,868,148	2,714,567	3,868,148	2,714,567
Total foreign currency loans and advances	522,104,746	384,799,452	526,032,107	388,097,162
Total loans and advances to customers	2,063,790,869	1,648,760,589	2,097,429,444	1,682,589,120

3) Movement in impairment provisions during the period for loans and advances to customers

	Bank			
	Stage 1	Stage 2	Stage 3	Total
Opening balance (01 January)	6,954,029	9,530,117	82,471,572	98,955,718
Charge / reversal during the period	2,055,906	(125,556)	22,049,040	23,979,390
Amount recovered during the period	-	-	(4,439,377)	(4,439,377)
Exchange rate variance on foreign currency impairment	(49,885)	52,817	(70,132)	(67,200)
Amount written-off during the period	-	-	(1,001)	(1,001)
Other movements	-	-	1,001	1,001
Closing balance as at 30 September 2020	8,960,050	9,457,378	100,011,103	118,428,531

	Group			
	Stage 1	Stage 2	Stage 3	Total
Opening balance (01 January)	7,087,327	9,646,175	84,906,593	101,640,095
Charge / reversal during the period	2,060,121	(108,963)	22,247,919	24,199,077
Amount recovered during the period	-	-	(4,439,377)	(4,439,377)
Exchange rate variance on foreign currency impairment	(49,885)	52,817	(70,132)	(67,200)
Amount written-off during the period	-	-	(3,826)	(3,826)
Other movements	1,941	(1,582)	(2,100)	(1,741)
Closing balance as at 30 September 2020	9,099,504	9,588,447	102,639,077	121,327,028

Rs.'000

4) Contingent liabilities and commitments

As at	Bank		Group	
	30-Sep-2020	31-Dec-2019	30-Sep-2020	31-Dec-2019
By product - Domestic currency				
Acceptances and documentary credits	28,534,770	15,101,829	28,534,770	15,101,829
Bills for collection	3,871,949	4,270,512	3,871,949	4,270,512
Forward exchange contracts	37,389,160	22,667,091	37,389,160	22,667,091
Guarantees	67,223,346	63,531,860	67,307,836	63,611,710
Undrawn and undisbursed facilities	104,008,018	115,693,285	104,008,018	115,693,285
Other commitments	10,332,191	10,275,961	18,453,188	18,352,762
Total domestic currency contingent liabilities and commitments	251,359,434	231,540,538	259,564,921	239,697,189
By product - Foreign currency				
Acceptances and documentary credits	126,765,715	200,897,287	126,832,951	200,950,618
Bills for collection	15,512,432	16,021,119	15,512,432	16,021,119
Forward exchange contracts	4,920,704	5,774,592	4,920,704	5,774,592
Guarantees	49,113,389	37,593,000	49,163,659	37,631,478
Undrawn and undisbursed facilities	16,293,960	14,491,789	16,481,231	14,658,347
Other commitments	1,915,224	1,899,636	1,915,224	1,899,636
Total foreign currency contingent liabilities and commitments	214,521,424	276,677,423	214,826,201	276,935,790
Total Contingent liabilities and commitments	465,880,858	508,217,961	474,391,122	516,632,979

5) Financial liabilities at amortised cost

Due to depositors - By product

As at	Bank		Group	
	30-Sep-2020	31-Dec-2019	30-Sep-2020	31-Dec-2019
Local currency				
Demand deposits (current accounts)	116,520,239	103,815,364	116,152,120	103,681,039
Savings deposits	536,977,521	411,614,032	538,037,714	412,461,931
Time deposits	1,139,591,683	1,000,720,894	1,157,231,807	1,018,434,307
Other deposits	3,008,508	2,038,367	3,013,028	2,042,887
Total local currency deposits	1,796,097,951	1,518,188,657	1,814,434,669	1,536,620,164
Foreign currency				
Demand deposits (current accounts)	25,060,619	29,604,754	25,720,716	30,671,680
Savings deposits	93,559,800	91,337,588	93,966,943	91,720,706
Time deposits	388,955,022	364,794,113	389,066,567	364,904,801
Other deposits	531,673	1,286,682	531,673	1,286,682
Total foreign currency deposits	508,107,114	487,023,137	509,285,899	488,583,869
Total due to depositors	2,304,205,065	2,005,211,794	2,323,720,568	2,025,204,033

Rs. '000

For the nine months ended 30th September	Retail banking		Corporate banking		International, treasury and investment		Group functions		Unallocated		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenue from external customers:												
Net interest income	28,550,937	31,920,976	13,972,635	17,735,352	11,993,329	8,588,935	1,555,402	2,202,857	(2,181,819)	(724,185)	53,890,484	59,723,935
Net fee and commission income	5,962,092	5,061,571	1,141,725	2,129,761	514,278	963,633	177,061	256,640	381,274	527,746	8,176,430	8,939,351
Other income	113,157	1,569,549	980,088	(1,129,980)	3,754,792	2,114,760	91,768	1,781,766	63,931	(7,134)	5,003,736	4,328,961
Total operating income	34,626,186	38,552,096	16,094,448	18,735,133	16,262,399	11,667,328	1,824,231	4,241,263	(1,736,614)	(203,573)	67,070,650	72,992,247
Expenses :												
Impairment (charge)/ reversal for loans and other losses	(9,164,475)	(7,932,209)	(9,462,564)	(5,824,785)	(1,607,636)	(467,611)	(141,051)	(202,934)	(413,886)	(387,153)	(20,789,612)	(14,814,692)
Total operating expenses	(16,005,146)	(16,790,722)	(4,403,185)	(4,093,987)	(3,175,449)	(3,419,785)	(2,798,968)	(3,265,990)	(483,618)	(565,908)	(26,866,366)	(28,136,392)
Total expenses	(25,169,621)	(24,722,931)	(13,865,749)	(9,918,772)	(4,783,085)	(3,887,396)	(2,940,019)	(3,468,924)	(897,504)	(953,061)	(47,655,978)	(42,951,084)
Operating profit before taxes on financial services	9,456,565	13,829,165	2,228,699	8,816,361	11,479,314	7,779,932	(1,115,788)	772,339	(2,634,118)	(1,156,634)	19,414,672	30,041,163
Taxes on financial services											(3,956,303)	(8,107,741)
Operating profit after taxes on financial services											15,458,369	21,933,422
Share of profit/ (loss) of associate companies, net of tax							25,608	26,170			25,608	26,170
Profit/(loss) before income tax	9,456,565	13,829,165	2,228,699	8,816,361	11,479,314	7,779,932	(1,090,180)	798,509	(2,634,118)	(1,156,634)	15,483,977	21,959,592
Income tax expense											(5,046,343)	(7,933,859)
Profit for the period											10,437,634	14,025,733
Total assets	833,458,775	716,633,082	1,123,658,176	799,490,606	714,960,028	660,166,215	45,518,906	46,881,133	145,581,053	127,167,293	2,863,176,939	2,350,338,328
Total liabilities	788,130,333	674,756,942	1,062,546,965	752,772,723	676,076,252	621,589,692	33,983,684	35,095,041	137,663,490	119,809,350	2,698,400,723	2,204,023,749
Cash flows from / (used in) operating activities	(21,737,904)	5,117,353	(29,306,756)	5,709,024	(18,647,272)	4,714,133	(1,187,204)	334,770	(3,796,981)	908,080	(74,676,116)	16,783,360
Cash flows from / (used in) investing activities	2,171,592	11,422,835	2,927,712	12,743,550	1,862,841	10,522,777	118,600	747,266	379,314	2,026,994	7,460,059	37,463,423
Cash flows from/ (used in) financing activities	21,303,536	(6,413,539)	28,721,147	(7,155,076)	18,274,661	(5,908,187)	918,595	(333,577)	3,721,109	(1,138,783)	72,939,047	(20,949,163)
Capital expenditure to non-current assets											1,813,727	3,011,691
Depreciation and amortization expenses	946,606	824,781	1,276,202	920,142	812,020	759,792	313,878	288,459	(79,500)	422,748	3,269,205	3,215,922

During the period from 01.01.2015 to 30.09.2020

Year	Objective number	Objective as per Prospectus	Amount allocated as per Prospectus in Rs.	Proposed date of utilization as per Prospectus	Amount allocated from proceeds in Rs. (A)	% of total proceeds	Amounts utilized in Rs. (B)	% of utilization against allocation (B/A)	Clarification if not fully utilized including where the funds are invested (eg : whether lent to related party/s etc...)
2015	1	To increase the Tier II capital of the Bank in order to enhance the Capital Adequacy Ratio (CAR) and single borrower limit to facilitate expansion of the loan book.	8 Billion	06.10.2015	8 Billion	100	8 Billion	100	Not Applicable
	2	To minimize and manage the gap exposure in the Bank's assets/ liability portfolios.							
	3	To strengthen the Bank's liquidity position and to increase the asset base.							
2016	1	To increase the Tier II capital of the Bank in order to enhance the Capital Adequacy Ratio (CAR) and single borrower limit.	8 Billion	29.12.2016	8 Billion	100	8 Billion	100	Not Applicable
	2	To minimize and manage the gap exposure in the Bank's assets/ liability portfolios.							
	3	To strengthen the Bank's liquidity position and to increase the asset base / loan book.							