



**INTERIM FINANCIAL STATEMENTS**  
**for the three months ended 31 March 2019**  
**(Un -audited)**

**Bank of Ceylon**

## STATEMENT OF PROFIT OR LOSS

Rs. 000

For the three months ended 31 March	Bank			Group		
	2019	2018	Change %	2019	2018	Change %
<b>Total income</b>	<b>55,560,114</b>	<b>50,032,724</b>	<b>11.0</b>	<b>57,793,414</b>	<b>52,403,623</b>	<b>10.3</b>
Interest income	53,294,168	45,301,346	17.6	54,902,579	46,925,753	17.0
Interest expenses	(34,887,481)	(30,950,999)	12.7	(35,796,618)	(31,796,933)	12.6
<b>Net interest income</b>	<b>18,406,687</b>	<b>14,350,347</b>	<b>28.3</b>	<b>19,105,961</b>	<b>15,128,820</b>	<b>26.3</b>
Fee and commission income	2,799,145	2,325,314	20.4	2,878,074	2,429,892	18.4
Fee and commission expenses	(621,040)	(620,774)	0.1	(628,883)	(624,808)	0.7
<b>Net fee and commission income</b>	<b>2,178,105</b>	<b>1,704,540</b>	<b>27.8</b>	<b>2,249,191</b>	<b>1,805,084</b>	<b>24.6</b>
Net gains / (losses) from trading	777,703	649,664	19.7	783,380	666,032	17.6
Net fair value gains / (losses) from financial instruments at fair value through profit or loss	(225,562)	-	-	(254,692)	-	-
Net gains / (losses) from financial investments	(96,142)	153,306	(162.7)	(96,443)	172,502	(155.9)
Other operating income	(989,198)	1,603,094	(161.7)	(419,484)	2,209,444	(119.0)
	<b>(533,199)</b>	<b>2,406,064</b>	<b>(122.2)</b>	<b>12,761</b>	<b>3,047,978</b>	<b>(99.6)</b>
<b>Total operating income</b>	<b>20,051,593</b>	<b>18,460,951</b>	<b>8.6</b>	<b>21,367,913</b>	<b>19,981,882</b>	<b>6.9</b>
Impairment (charge) / reversal						
Loans and advances	(3,801,423)	(2,218,630)	71.3	(3,916,140)	(2,450,726)	59.8
Other financial assets	213,114	-	-	234,247	-	-
<b>Net operating income</b>	<b>16,463,284</b>	<b>16,242,321</b>	<b>1.4</b>	<b>17,686,020</b>	<b>17,531,156</b>	<b>0.9</b>
<b>Operating expenses</b>						
Personnel expenses	(4,502,504)	(4,258,783)	5.7	(4,944,614)	(4,716,021)	4.8
Depreciation and amortisation	(595,581)	(540,836)	10.1	(805,637)	(728,630)	10.6
Other expenses	(2,724,799)	(2,709,439)	0.6	(3,247,630)	(3,290,164)	(1.3)
<b>Total operating expenses</b>	<b>(7,822,884)</b>	<b>(7,509,058)</b>	<b>4.2</b>	<b>(8,997,881)</b>	<b>(8,734,815)</b>	<b>3.0</b>
<b>Operating profit before taxes on financial services</b>	<b>8,640,400</b>	<b>8,733,263</b>	<b>(1.1)</b>	<b>8,688,139</b>	<b>8,796,341</b>	<b>(1.2)</b>
Less: Value Added Tax (VAT) on financial services	(1,313,444)	(1,656,318)	(20.7)	(1,323,518)	(1,681,428)	(21.3)
Less: Nation Building Tax (NBT) on financial services	(174,793)	(290,642)	(39.9)	(176,396)	(294,585)	(40.1)
Less: Debt repayment levy	(717,114)	-	-	(717,114)	-	-
<b>Operating profit after taxes on financial services</b>	<b>6,435,049</b>	<b>6,786,303</b>	<b>(5.2)</b>	<b>6,471,111</b>	<b>6,820,328</b>	<b>(5.1)</b>
Share of profits / (losses) of Associate companies, net of tax	-	-	-	166	665	(75.0)
<b>Profit before income tax</b>	<b>6,435,049</b>	<b>6,786,303</b>	<b>(5.2)</b>	<b>6,471,277</b>	<b>6,820,993</b>	<b>(5.1)</b>
Income tax expense	(2,219,507)	(2,016,730)	10.1	(2,291,988)	(2,058,903)	11.3
<b>Profit for the period</b>	<b>4,215,542</b>	<b>4,769,573</b>	<b>(11.6)</b>	<b>4,179,289</b>	<b>4,762,090</b>	<b>(12.2)</b>
<b>Profit attributable to:</b>						
Equity holder of the Bank	4,215,542	4,769,573	(11.6)	4,203,971	4,799,496	(12.4)
Non controlling interest	-	-	-	(24,682)	(37,406)	(34.0)
<b>Profit for the period</b>	<b>4,215,542</b>	<b>4,769,573</b>	<b>(11.6)</b>	<b>4,179,289</b>	<b>4,762,090</b>	<b>(12.2)</b>
<b>Earnings per share:</b>						
Basic earnings per share (Rs.)	210.78	317.97	(33.7)	210.20	319.97	(34.3)
Diluted earnings per share (Rs.)	168.62	238.48	(29.3)	168.16	239.98	(29.9)

\* The amounts for the three month period ended 31 March 2019 have been prepared in accordance with Sri Lanka Accounting Standard - SLFRS 9 : Financial Instruments, whereas prior period amounts have not been restated.

For the three months ended 31 March	Bank			Group		
	2019	2018	Change %	2019	2018	Change %
<b>Profit for the period</b>	<b>4,215,542</b>	<b>4,769,573</b>	<b>(11.6)</b>	<b>4,179,289</b>	<b>4,762,090</b>	<b>(12.2)</b>
<b>Other comprehensive income for the period , net of tax</b>						
<b>Items that will be reclassified to profit or loss</b>						
Exchange differences on translation of foreign operations	(275,280)	88,680	(410.4)	(307,219)	275,378	(211.6)
Net gains / (losses) on investments in debt instruments measured at fair value through other comprehensive income	146,937	-	-	156,487	-	-
Gains / (Losses) on remeasuring available for sale financial instruments	-	(58,900)	(100.0)	-	(102,260)	(100.0)
Deferred tax effect on above	-	(25,963)	(100.0)	-	(25,963)	(100.0)
Net (gains) / losses on FVTOCI /available for sale financial investments reclassification to profit or loss	3,583	(14,879)	(124.1)	3,583	(14,879)	(124.1)
Share of other comprehensive income of Associate companies, net of tax	-	-	-	(9,556)	2,612	(465.9)
	(124,760)	(11,062)	1,027.8	(156,705)	134,888	(216.2)
<b>Items that will not be reclassified to profit or loss</b>						
Change in fair value on investments in equity instruments designated at fair value through other comprehensive income	(266,967)	-	-	(243,505)	-	-
Deferred tax effect on above	(50,283)	-	-	(50,283)	-	-
Re-measurement of post-employment benefit obligations	-	-	-	1,151	366	214.5
Deferred tax effect on above	-	-	-	(322)	(110)	192.7
	(317,250)	-	-	(292,959)	256	(114,537.1)
<b>Other comprehensive income for the period, net of tax</b>	<b>(442,010)</b>	<b>(11,062)</b>	<b>3,895.8</b>	<b>(449,664)</b>	<b>135,144</b>	<b>(432.7)</b>
<b>Total comprehensive income for the period</b>	<b>3,773,532</b>	<b>4,758,511</b>	<b>(20.7)</b>	<b>3,729,625</b>	<b>4,897,234</b>	<b>(23.8)</b>
<b>Attributable to:</b>						
Equity holder of the Bank	3,773,532	4,758,511	(20.7)	3,750,827	4,936,741	(24.0)
Non controlling interest	-	-	-	(21,202)	(39,507)	(46.3)
<b>Total comprehensive income for the period</b>	<b>3,773,532</b>	<b>4,758,511</b>	<b>(20.7)</b>	<b>3,729,625</b>	<b>4,897,234</b>	<b>(23.8)</b>

\* The amounts for the three month period ended 31 March 2019 have been prepared in accordance with Sri Lanka Accounting Standard - SLFRS 9 : Financial Instruments, whereas prior period amounts have not been restated.

As at	Bank			Group		
	31-Mar-2019	31-Dec-2018 (Audited)	Change %	31-Mar-2019	31-Dec-2018 (Audited)	Change %
<b>Assets</b>						
Cash and cash equivalents	89,742,722	78,447,577	14.4	90,179,635	78,558,031	14.8
Balances with Central Banks	54,229,503	65,680,371	(17.4)	54,229,503	65,680,371	(17.4)
Placements with banks	48,287,733	40,450,089	19.4	49,155,508	41,681,910	17.9
Securities purchased under resale agreements	-	-	-	1,643,961	1,436,068	14.5
Derivative financial instruments	957,342	1,205,657	(20.6)	957,342	1,205,657	(20.6)
Financial assets recognized through profit or loss measured at fair value	8,453,561	9,277,298	(8.9)	8,730,258	9,583,327	(8.9)
Financial assets at amortized cost						
- loans and advances	1,396,787,164	1,429,107,181	(2.3)	1,429,922,902	1,460,618,588	(2.1)
- debt and other instruments	521,253,459	551,839,449	(5.5)	521,386,716	551,956,734	(5.5)
Financial assets - measured at fair value through other comprehensive income / Available for sale	17,228,517	16,699,582	3.2	21,814,657	20,415,199	6.9
Investment in Subsidiary companies	6,513,048	6,513,048	-	-	-	-
Investment in Associate companies	92,988	92,988	-	427,837	441,226	(3.0)
Investment properties	2,736,588	2,765,856	(1.1)	119,455	120,182	(0.6)
Property, plant and equipment	24,122,095	24,178,155	(0.2)	37,534,852	37,762,509	(0.6)
Leasehold properties	98,252	98,899	(0.7)	129,515	130,500	(0.8)
Intangible assets	1,152,271	1,238,186	(6.9)	1,354,664	1,456,630	(7.0)
Deferred tax assets	-	-	-	2,937	3,052	(3.8)
Other assets	35,363,826	40,560,058	(12.8)	36,964,242	41,872,891	(11.7)
<b>Total assets</b>	<b>2,207,019,069</b>	<b>2,268,154,394</b>	<b>(2.7)</b>	<b>2,254,553,984</b>	<b>2,312,922,875</b>	<b>(2.5)</b>
<b>Liabilities</b>						
Due to banks	2,926,677	2,402,468	21.8	2,948,631	2,515,998	17.2
Securities sold under repurchase agreements	57,399,432	97,399,359	(41.1)	57,937,418	97,423,302	(40.5)
Derivative financial instruments	103,095	509,018	(79.7)	103,095	509,018	(79.7)
Financial liabilities at amortized cost						
- due to depositors	1,770,802,063	1,765,025,970	0.3	1,791,528,160	1,783,975,493	0.4
- due to other borrowers	172,073,779	201,792,174	(14.7)	177,898,170	207,053,674	(14.1)
Debt securities issued	-	-	-	3,969,053	4,105,681	(3.3)
Current tax liabilities	4,067,538	3,922,189	3.7	4,134,104	4,039,380	2.3
Deferred tax liabilities	5,286,764	5,073,526	4.2	8,027,388	7,762,214	3.4
Insurance provision - Life	-	-	-	536,135	575,625	(6.9)
Insurance provision - Non life	-	-	-	341,958	366,618	(6.7)
Other liabilities	17,340,952	19,760,429	(12.2)	19,791,395	21,970,739	(9.9)
Subordinated liabilities	51,976,420	50,827,239	2.3	51,641,411	50,484,487	2.3
<b>Total liabilities</b>	<b>2,081,976,720</b>	<b>2,146,712,372</b>	<b>(3.0)</b>	<b>2,118,856,918</b>	<b>2,180,782,229</b>	<b>(2.8)</b>
<b>Equity</b>						
Share capital	25,000,000	25,000,000	-	25,000,000	25,000,000	-
Permanent reserve fund	12,890,000	12,890,000	-	12,890,000	12,890,000	-
OCI reserve	1,671,464	1,838,194	(9.1)	2,337,256	2,474,454	(5.5)
Retained earnings	71,376,216	67,333,879	6.0	72,473,786	68,451,746	5.9
Other reserves	14,104,669	14,379,949	(1.9)	22,322,078	22,629,297	(1.4)
<b>Total equity attributable to equity holder of the Bank</b>	<b>125,042,349</b>	<b>121,442,022</b>	<b>3.0</b>	<b>135,023,120</b>	<b>131,445,497</b>	<b>2.7</b>
Non controlling interest	-	-	-	673,946	695,149	(3.1)
<b>Total equity</b>	<b>125,042,349</b>	<b>121,442,022</b>	<b>3.0</b>	<b>135,697,066</b>	<b>132,140,646</b>	<b>2.7</b>
<b>Total liabilities and equity</b>	<b>2,207,019,069</b>	<b>2,268,154,394</b>	<b>(2.7)</b>	<b>2,254,553,984</b>	<b>2,312,922,875</b>	<b>(2.5)</b>
Contingent liabilities and commitments	486,065,806	508,306,808	(4.4)	490,511,454	513,192,419	(4.4)

## STATEMENT OF CHANGES IN EQUITY- BANK

4

Rs. 000

	Share capital		Permanent reserve fund	Available for sale reserve	OCI reserve	Other reserves		Retained earnings	Total Equity
	Share capital	Capital pending allotment				Other reserves	Revaluation reserve		
<b>Balance as at 01 January 2018</b>	<b>15,000,000</b>	<b>5,000,000</b>	<b>10,427,000</b>	<b>3,718,526</b>	<b>-</b>	<b>1,570,810</b>	<b>11,966,489</b>	<b>63,472,250</b>	<b>111,155,075</b>
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	4,769,573	4,769,573
Other comprehensive income, net of tax	-	-	-	(99,742)	-	88,680	-	-	(11,062)
Dividends for the period	-	-	-	-	-	-	-	(173,205)	(173,205)
<b>Balance as at 31 March 2018</b>	<b>15,000,000</b>	<b>5,000,000</b>	<b>10,427,000</b>	<b>3,618,784</b>	<b>-</b>	<b>1,659,490</b>	<b>11,966,489</b>	<b>68,068,618</b>	<b>115,740,381</b>
<b>Balance as at 01 January 2019</b>	<b>20,000,000</b>	<b>5,000,000</b>	<b>12,890,000</b>	<b>-</b>	<b>1,838,194</b>	<b>2,681,679</b>	<b>11,698,270</b>	<b>67,333,879</b>	<b>121,442,022</b>
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	4,215,542	4,215,542
Other comprehensive income, net of tax	-	-	-	-	(166,730)	(275,280)	-	-	(442,010)
Dividends for the period	-	-	-	-	-	-	-	(173,205)	(173,205)
Transfers to share capital	5,000,000	(5,000,000)	-	-	-	-	-	-	-
<b>Balance as at 31 March 2019</b>	<b>25,000,000</b>	<b>-</b>	<b>12,890,000</b>	<b>-</b>	<b>1,671,464</b>	<b>2,406,399</b>	<b>11,698,270</b>	<b>71,376,216</b>	<b>125,042,349</b>

## STATEMENT OF CHANGES IN EQUITY -GROUP

Rs. 000

	Share capital		Permanent reserve fund	Available for sale reserve	OCI reserve	Other reserves		Retained earnings	Non controlling interest	Total Equity
	Share capital	Capital pending allotment				Other reserves	Revaluation reserve			
<b>Balance as at 01 January 2018</b>	<b>15,000,000</b>	<b>5,000,000</b>	<b>10,427,000</b>	<b>4,760,616</b>	<b>-</b>	<b>2,429,373</b>	<b>18,681,265</b>	<b>65,100,871</b>	<b>927,375</b>	<b>122,326,500</b>
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	-	4,799,496	(37,406)	4,762,090
Other comprehensive income, net of tax	-	-	-	(141,025)	-	275,378	-	2,892	(2,101)	135,144
Dividends for the period	-	-	-	-	-	-	-	(173,205)	-	(173,205)
Subsidiary dividends to non controlling interest	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>15,000,000</b>	<b>5,000,000</b>	<b>10,427,000</b>	<b>4,619,591</b>	<b>-</b>	<b>2,704,751</b>	<b>18,681,265</b>	<b>69,730,054</b>	<b>887,868</b>	<b>127,050,529</b>
<b>Balance as at 01 January 2019</b>	<b>20,000,000</b>	<b>5,000,000</b>	<b>12,890,000</b>	<b>-</b>	<b>2,474,454</b>	<b>3,882,588</b>	<b>18,746,709</b>	<b>68,451,746</b>	<b>695,149</b>	<b>132,140,646</b>
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	-	4,203,971	(24,682)	4,179,289
Other comprehensive income, net of tax	-	-	-	-	(137,198)	(307,219)	-	(8,726)	3,479	(449,664)
Dividends for the period	-	-	-	-	-	-	-	(173,205)	-	(173,205)
Transfers to share capital	5,000,000	(5,000,000)	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2019</b>	<b>25,000,000</b>	<b>-</b>	<b>12,890,000</b>	<b>-</b>	<b>2,337,256</b>	<b>3,575,369</b>	<b>18,746,709</b>	<b>72,473,786</b>	<b>673,946</b>	<b>135,697,066</b>

## STATEMENT OF CASH FLOWS

5

Rs.'000

For the three months ended 31 March	Bank		Group	
	2019	2018	2019	2018
<b>Cash flows from operating activities</b>				
Profit before income tax	6,435,049	6,786,303	6,471,277	6,820,993
<b>Adjustments for :</b>				
Net interest income	(18,406,687)	(14,350,347)	(19,105,961)	(15,128,820)
Dividend income on trading securities	(35,542)	(31,436)	(35,542)	(31,479)
Dividends from Subsidiaries and Associates	(4,000)	(5,000)	-	-
Share of (profits)/ losses of Associate companies, net of tax	-	-	(166)	(665)
Change in operating assets	41,824,217	(96,262,035)	39,841,675	(95,328,972)
Change in operating liabilities	(34,428,022)	80,914,578	(36,744,873)	81,069,505
Other non cash items included in profit before tax	6,695,919	3,730,381	6,999,559	4,166,217
Other net losses from investing activities	225,562	(153,306)	254,692	(172,502)
	<b>2,306,496</b>	<b>(19,370,862)</b>	<b>(2,319,339)</b>	<b>(18,605,723)</b>
Contribution paid from defined benefit plans	(1,908,446)	(2,886,642)	(1,909,635)	(2,888,552)
Interest received	36,110,078	34,428,148	37,575,626	36,131,272
Interest paid	(37,811,072)	(29,046,821)	(38,808,453)	(30,230,306)
Dividends received	35,542	31,436	35,542	31,479
<b>Net cash from/(used in) operating activities before income tax</b>	<b>(1,267,402)</b>	<b>(16,844,741)</b>	<b>(5,426,259)</b>	<b>(15,561,830)</b>
Income tax paid	(1,127,493)	(1,184,183)	(1,185,055)	(1,224,320)
<b>Net cash used in operating activities</b>	<b>(2,394,895)</b>	<b>(18,028,924)</b>	<b>(6,611,314)</b>	<b>(16,786,150)</b>
<b>Cash flows from investing activities</b>				
Net decrease in financial investments at amortized cost	30,142,501	-	30,126,529	-
Net increase in financial investments - Held to maturity	-	(4,211,406)	-	(3,794,685)
Net increase in financial investments recognized through OCI	(1,039,767)	-	(1,906,408)	-
Net increase in financial investments - Available for sale	-	(10,289,513)	-	(9,977,454)
Net decrease in financial investments- Loans and receivables	-	16,507,163	-	17,141,735
Purchase of property plant and equipment and leasehold properties	(777,820)	(776,136)	(794,207)	(797,271)
Purchase of intangible assets	(26,378)	(596,364)	(26,679)	(600,095)
Dividends received	172,823	52,726	168,823	66,922
Interest received	12,044,661	14,017,062	12,239,590	14,034,638
<b>Net cash from investing activities</b>	<b>40,516,020</b>	<b>14,703,532</b>	<b>39,807,648</b>	<b>16,073,790</b>
<b>Cash flows from financing activities</b>				
Net increase/ (decrease) in other borrowings	(27,409,024)	12,788,464	(22,059,158)	11,096,012
Dividends paid to Government of Sri Lanka	(173,205)	(173,205)	(173,205)	(173,205)
Interest payments on borrowings and debt securities	(133,216)	(1,213,766)	(140,256)	(2,436,158)
<b>Net cash from/(used in) financing activities</b>	<b>(27,715,445)</b>	<b>11,401,493</b>	<b>(22,372,619)</b>	<b>8,486,649</b>
Net increase in cash and cash equivalents during the period	10,405,680	8,076,101	10,823,715	7,774,289
Cash and cash equivalents at the beginning of the period	77,591,846	71,731,510	77,588,770	76,902,694
<b>Cash and cash equivalents at the end of the period</b>	<b>87,997,526</b>	<b>79,807,611</b>	<b>88,412,485</b>	<b>84,676,983</b>
<b>Analysis of cash and cash equivalents</b>				
Cash and cash equivalents	89,742,722	80,111,811	90,179,635	85,142,674
Bank overdrafts	(1,745,196)	(304,200)	(1,767,150)	(465,691)
<b>Cash and cash equivalents at the end of the period</b>	<b>87,997,526</b>	<b>79,807,611</b>	<b>88,412,485</b>	<b>84,676,983</b>

**SELECTED PERFORMANCE INDICATORS**
**6**

As at	Bank		Group	
	31-Mar-2019	31-Dec-2018	31-Mar-2019	31-Dec-2018
Net assets value per share (Rs)	5,001.69	6,072.10	5,400.92	6,572.27
<b>Profitability</b>				
Interest margin	3.29%	3.11%	3.35%	3.20%
Return on assets (before tax)	1.15%	1.51%	1.13%	1.51%
Return on equity (after tax)	13.68%	16.75%	12.48%	15.34%
<b>Assets Quality</b>				
Gross non - performing advances ratio, (Net of interest in suspense)	4.66%	3.62%		
Net non - performing advances ratio, (Net of interest in suspense and provisions)	1.88%	1.02%		
<b>Investor Information</b>				
Debt equity (%)	39.84	41.02		
Interest cover (times)	2.29	2.80		
<b>Memorandum Information</b>				
Number of employees	8,707	8,724		
Number of branches	577	577		

**KEY REGULATORY RATIOS - CAPITAL AND LIQUIDITY**

As at	Bank		Group	
	31-Mar-2019	31-Dec-2018	31-Mar-2019	31-Dec-2018
<b>Regulatory Capital (Rs. ' 000)</b>				
Common equity Tier 1	109,000,932	108,830,534	115,306,470	115,250,456
Tier I capital	109,000,932	108,830,534	115,306,470	115,250,456
Total capital	151,990,221	153,811,334	159,481,739	162,065,449
<b>Regulatory Capital Ratios (%)</b>				
Common equity Tier 1 capital ratio (Minimum requirement, Basel III - 8.50% )	10.19%	10.31%	10.28%	10.41%
Tier I capital ratio (Minimum requirement, Basel III - 10.00%)	10.19%	10.31%	10.28%	10.41%
Total capital ratio (Minimum requirement, Basel III - 14.00%)	14.21%	14.58%	14.22%	14.64%
Leverage ratio ( Minimum requirement - 3% )	4.48%	N/A	4.68%	N/A
<b>Regulatory Liquidity</b>				
Statutory liquid assets, - Domestic banking unit (Rs. ' 000)	518,976,230	478,549,997		
- Off-shore banking unit (US\$ 000)	817,009	835,941		
Statutory liquid assets ratio, (minimum requirement, 20%) - Domestic banking unit	25.09%	24.47%		
- Off-shore banking unit	57.80%	60.20%		
Liquidity coverage ratio - Rupee (Minimum requirement, 100.00%)	188.54%	143.51%		
Liquidity coverage ratio - All currency (Minimum requirement, 100.00%)	116.42%	114.99%		
Net stable funding ratio ( Minimum requirement - 90% )	135.51%	N/A		

**SHARE INFORMATION**

Shareholder	31-Mar-2019		31-Dec-2018	
	No. of Ordinary Shares	Holding %	No. of Ordinary Shares	Holding %
Government of Sri Lanka	25,000,000	100	25,000,000 *	100

\* This includes 5,000,000 Nos. of shares in pending allotment.

- 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 2018. 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 2018 except the initial adoption of Sri Lanka Financial Reporting standard (SLFRS) 16 -Leases on 1 January 2019. SLFRS 16 requires recognizing lease liabilities and right-of –use assets for some leases classified as operating leases under LKAS 17 Leases.
- III. The Sri Lanka Accounting Standard, SLFRS 09-Financial Instruments is effective for annual period beginning on or after 01<sup>st</sup> January 2018. However, the Bank has prepared Interim Financial Statements for first three quarters of the year 2018 based on “LKAS 39- Financial Instruments; Recognition and Measurement as permitted by the Statement of Alternative Treatment (SoAT) issued by CA Sri Lanka.  
  
Accordingly, comparative data for this year financial statements have been extracted from the published interim financials in the previous year as per afore mentioned base.
- IV. No circumstances have arisen and no material events have occurred since the reporting date, which require disclosures or adjustments to the financial statements.
- V. During the period there were no material changes in the composition of assets, liabilities and contingent liabilities except for changes that arose from adoption of SLFRS 09.
- 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, 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 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.

## CERTIFICATION

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 31 March 2019 and its profit for the three month period ended 31 March 2019.

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.  
Ronald C Perera  
**Chairman**  
**(Independent Non-Executive)**

Sgd.  
Kumar Mayadunne  
**Director**  
**(Independent Non-Executive)**

Sgd.  
Senarath Bandara  
**General Manager**

*10 May 2019*  
*Colombo*

As at 31 March	2019				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
<b>Financial assets</b>					
Cash and cash equivalents	-	89,742,722	-	-	89,742,722
Balances with Central Banks	-	54,229,503	-	-	54,229,503
Placements with banks	-	48,287,733	-	-	48,287,733
Securities purchased under resale agreements	-	-	-	-	-
Derivative financial instruments	957,342	-	-	-	957,342
Loans and advances	-	1,396,787,164	-	-	1,396,787,164
Financial investments	8,453,561	521,253,459	17,228,517	-	546,935,537
<b>Total financial assets</b>	<b>9,410,903</b>	<b>2,110,300,581</b>	<b>17,228,517</b>	<b>-</b>	<b>2,136,940,001</b>
Other assets				70,079,068	70,079,068
<b>Total assets</b>	<b>9,410,903</b>	<b>2,110,300,581</b>	<b>17,228,517</b>	<b>70,079,068</b>	<b>2,207,019,069</b>

	Fair value through profit or loss	Amortised Cost	Others	Total
<b>Financial liabilities</b>				
Due to banks	-	2,926,677	-	2,926,677
Securities sold under repurchase agreements	-	57,399,432	-	57,399,432
Derivative financial instruments	103,095	-	-	103,095
Other financial liabilities held for trading	-	-	-	-
Due to depositors	-	1,770,802,063	-	1,770,802,063
Other borrowings	-	172,073,779	-	172,073,779
Debt securities issued	-	-	-	-
Subordinated liabilities	-	51,976,420	-	51,976,420
<b>Total financial liabilities</b>	<b>103,095</b>	<b>2,055,178,371</b>	<b>-</b>	<b>2,055,281,466</b>
Other liabilities	-	-	26,695,254	26,695,254
<b>Total liabilities</b>	<b>103,095</b>	<b>2,055,178,371</b>	<b>26,695,254</b>	<b>2,081,976,720</b>

As at 31 December	2018				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
<b>Financial assets</b>					
Cash and cash equivalents	-	78,447,577	-	-	78,447,577
Balances with Central Banks	-	65,680,371	-	-	65,680,371
Placements with banks	-	40,450,089	-	-	40,450,089
Securities purchased under resale agreements	-	-	-	-	-
Derivative financial instruments	1,205,657	-	-	-	1,205,657
Loans and advances	-	1,429,107,181	-	-	1,429,107,181
Financial investments	9,277,298	551,839,449	16,699,582	-	577,816,329
<b>Total financial assets</b>	<b>10,482,955</b>	<b>2,165,524,667</b>	<b>16,699,582</b>	<b>-</b>	<b>2,192,707,204</b>
Other assets	-	-	-	75,447,190	75,447,190
<b>Total assets</b>	<b>10,482,955</b>	<b>2,165,524,667</b>	<b>16,699,582</b>	<b>75,447,190</b>	<b>2,268,154,394</b>

	Fair value through profit or loss	Amortised Cost	Others	Total
<b>Financial liabilities</b>				
Due to banks	-	2,402,468	-	2,402,468
Securities sold under repurchase agreements	-	97,399,359	-	97,399,359
Derivative financial instruments	509,018	-	-	509,018
Due to depositors	-	1,765,025,970	-	1,765,025,970
Other borrowings	-	201,792,174	-	201,792,174
Debt securities issued	-	-	-	-
Subordinated liabilities	-	50,827,239	-	50,827,239
<b>Total financial liabilities</b>	<b>509,018</b>	<b>2,117,447,210</b>	<b>-</b>	<b>2,117,956,228</b>
Other liabilities	-	-	28,756,144	28,756,144
<b>Total liabilities</b>	<b>509,018</b>	<b>2,117,447,210</b>	<b>28,756,144</b>	<b>2,146,712,372</b>

As at 31 March	2019				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
<b>Financial assets</b>					
Cash and cash equivalents	-	90,179,635	-	-	90,179,635
Balances with Central Banks	-	54,229,503	-	-	54,229,503
Placements with banks	-	49,155,508	-	-	49,155,508
Securities purchased under resale agreements	-	1,643,961	-	-	1,643,961
Derivative financial instruments	957,342	-	-	-	957,342
Loans and advances	-	1,429,922,902	-	-	1,429,922,902
Financial investments	8,730,258	521,386,716	21,814,657	-	551,931,631
<b>Total financial assets</b>	<b>9,687,600</b>	<b>2,146,518,224</b>	<b>21,814,657</b>	<b>-</b>	<b>2,178,020,481</b>
Other assets	-	-	-	76,533,502	76,533,502
<b>Total assets</b>	<b>9,687,600</b>	<b>2,146,518,224</b>	<b>21,814,657</b>	<b>76,533,502</b>	<b>2,254,553,984</b>

	Fair value through profit or loss	Amortised cost	Others	Total
<b>Financial liabilities</b>				
Due to banks	-	2,948,631	-	2,948,631
Securities sold under repurchase agreements	-	57,937,418	-	57,937,418
Derivative financial instruments	103,095	-	-	103,095
Other financial liabilities held for trading	-	-	-	-
Due to depositors	-	1,791,528,160	-	1,791,528,160
Other borrowings	-	177,898,170	-	177,898,170
Debt securities issued	-	3,969,053	-	3,969,053
Subordinated liabilities	-	51,641,411	-	51,641,411
<b>Total financial liabilities</b>	<b>103,095</b>	<b>2,085,922,843</b>	<b>-</b>	<b>2,086,025,938</b>
Other liabilities	-	-	32,830,981	32,830,981
<b>Total liabilities</b>	<b>103,095</b>	<b>2,085,922,843</b>	<b>32,830,981</b>	<b>2,118,856,918</b>

As at 31 December	2018				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
<b>Financial assets</b>					
Cash and cash equivalents	-	78,558,031	-	-	78,558,031
Balances with Central Banks	-	65,680,371	-	-	65,680,371
Placements with banks	-	41,681,910	-	-	41,681,910
Securities purchased under resale agreements	-	1,436,068	-	-	1,436,068
Derivative financial instruments	1,205,657	-	-	-	1,205,657
Loans and advances to customers	-	1,460,618,588	-	-	1,460,618,588
Financial investments	9,583,327	551,956,734	20,415,199	-	581,955,260
<b>Total financial assets</b>	<b>10,788,984</b>	<b>2,199,931,702</b>	<b>20,415,199</b>	<b>-</b>	<b>2,231,135,885</b>
Other assets	-	-	-	81,786,990	81,786,990
<b>Total assets</b>	<b>10,788,984</b>	<b>2,199,931,702</b>	<b>20,415,199</b>	<b>81,786,990</b>	<b>2,312,922,875</b>

	Fair value through profit or loss	Amortised cost	Others	Total
<b>Financial liabilities</b>				
Due to banks	-	2,515,998	-	2,515,998
Securities sold under repurchase agreements	-	97,423,302	-	97,423,302
Derivative financial instruments	509,018	-	-	509,018
Due to depositors	-	1,783,975,493	-	1,783,975,493
Other borrowings	-	207,053,674	-	207,053,674
Debt securities issued	-	4,105,681	-	4,105,681
Subordinated liabilities	-	50,484,487	-	50,484,487
<b>Total financial liabilities</b>	<b>509,018</b>	<b>2,145,558,635</b>	<b>-</b>	<b>2,146,067,653</b>
Other liabilities	-	-	34,714,576	34,714,576
<b>Total liabilities</b>	<b>509,018</b>	<b>2,145,558,635</b>	<b>34,714,576</b>	<b>2,180,782,229</b>

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount	
					31.03.2019	31.12.2018		Bank	
					%	%		31.03.2019	31.12.2018
							%	Rs '000	Rs '000
<b>Sri Lanka rupee debentures</b>									
<b>Fixed interest rate</b>									
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2021	13.25	13.25	11.49	1,265,349	1,226,594
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2022	13.25	13.25	11.57	1,266,404	1,227,617
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2023	13.75	13.75	11.54	1,691,763	1,638,142
Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2019	8.00	8.00	10.33	5,336,666	5,234,969
Unsecured, subordinated, redeemable debentures	a	Quarterly	22.09.2014	21.09.2019	7.75	7.75	10.33	216,182	216,182
Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2022	8.25	8.25	11.57	1,911,299	1,873,793
Unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2020	8.25	8.25	11.06	299,876	293,991
Unsecured, subordinated, redeemable debentures	a	Quarterly	06.10.2015	05.10.2020	8.00	8.00	11.06	12,449	12,449
Unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2023	9.50	9.50	11.54	1,233,245	1,205,580
Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2021	13.25	13.25	11.51	8,252,994	8,003,631
Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2024	12.75	12.75	11.59	808	784
Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2017	28.12.2022	12.50	12.50	11.57	5,150,664	5,003,228
Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2017	28.12.2025	12.75	12.75	11.67	5,153,542	5,003,289
Unsecured, subordinated, unlisted debentures	a	Annually	31.07.2018	30.07.2026	12.00	12.00	11.75	7,225,060	7,025,960
Unsecured, subordinated, unlisted debentures	a	Annually	03.12.2018	02.12.2023	12.00	12.00	11.59	5,301,707	5,346,278
								<b>44,318,008</b>	<b>43,312,487</b>
<b>Floating interest rate</b>									
Unsecured, subordinated, redeemable debentures (6 months TB ( Gross ) rate plus 100 basis points)	a/b	Semi annually	25.10.2013	24.10.2021	9.52	9.52	11.54	1,046	1,019
Unsecured, subordinated, redeemable debentures (6 months TB ( Gross ) rate plus 50 basis points)	a/b	Semi annually	22.09.2014	21.09.2019	9.97	9.97	10.33	826,843	845,444
Unsecured, subordinated, redeemable debentures (6 months TB ( Gross ) rate plus 50 basis points)	a/b	Semi annually	22.09.2014	21.09.2022	9.97	9.97	11.57	30	31
Unsecured, subordinated, redeemable debentures (6 months TB ( Gross ) rate plus 125 basis points)	a/b	Semi annually	06.10.2015	05.10.2020	10.72	10.72	11.06	4,691,688	4,580,253
Unsecured, subordinated, redeemable debentures (6 months TB ( Gross ) rate plus 125 basis points)	a/b	Semi annually	06.10.2015	05.10.2023	10.72	10.72	11.54	2,137,736	2,086,964
Unsecured, subordinated, redeemable debentures (6 months TB ( Gross ) rate plus 125 basis points)	a/b	Semi annually	29.12.2016	28.12.2021	11.24	11.24	11.51	1,048	1,021
Unsecured, subordinated, redeemable debentures (6 months TB ( Gross ) rate plus 125 basis points)	a/b	Semi annually	29.12.2016	28.12.2024	11.24	11.24	11.59	21	20
								<b>7,658,412</b>	<b>7,514,752</b>
								<b>51,976,420</b>	<b>50,827,239</b>

**Notes**

- a) Debentures that are listed in the Colombo Stock Exchange. Some of these have been traded in the Colombo Stock Exchange.  
2014/2022 - ( Highest Price - Rs. 97.31, Lowest Price - Rs. 97.30, Last Transaction Price - Rs. 97.30)  
2015/2020 - ( Highest Price - Rs. 98.50, Lowest Price - Rs. 94.00, Last Transaction Price - Rs. 98.50)
- b) 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.

	01-Jan-2019 to 31-Mar-2019 Rs.	01-Jan-2018 to 31-Dec-2018 Rs.
<b>Market Value</b>		
<b>BoC Debentures 2013/2023 ,</b>		
Unsecured, subordinated, redeemable, 5 years, fixed rate (13.0%)	N/A	Not Traded
Unsecured, subordinated, redeemable, 5 years, fixed rate (12.60%)	N/A	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 100 basis points )	N/A	Not Traded
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%)	Not Traded	Not Traded
<b>BoC Debentures 2014/2022 ,</b>		
Unsecured, subordinated, redeemable, 5 years, fixed rate (8.0%)		
Highest	97.31	Not Traded
Lowest	97.30	Not Traded
Last transaction	97.30	Not Traded
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%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 50 basis points )	Not Traded	Not Traded
<b>BoC Debentures 2015/2023</b>		
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	98.50	97.00
Lowest	98.50	94.00
Last transaction	98.50	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
<b>BoC Debentures 2016/2024</b>		
Unsecured, subordinated, redeemable, 5 years, fixed rate (13.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 125 basis points )	Not Traded	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

	31-Mar-2019 %	31-Dec-2018 %
<b>Interest yield as at date of last trade done</b>		
<b>BoC Debentures 2013/2023 ,</b>		
5 years, fixed rate (13.0%)	N/A	Not Traded
5 years, fixed rate (12.6%)	N/A	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 100 basis points )	N/A	Not Traded
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	Not Traded
<b>BoC Debentures 2014/2022 ,</b>		
5 years, fixed rate (8.0%)	12.66	Not Traded
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	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 50 basis points )	Not Traded	Not Traded
<b>BoC Debentures 2015/2023 ,</b>		
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 )	10.90	11.70
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
<b>BoC Debentures 2016/2024 ,</b>		
5 years, fixed rate (13.25%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points )	Not Traded	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
<b>Yield to maturity of last trade done</b>		
<b>BoC Debentures 2013/2023 ,</b>		
5 years, fixed rate (13.0%)	N/A	Not Traded
5 years, fixed rate (12.6%)	N/A	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 100 basis points )	N/A	Not Traded
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	Not Traded
<b>BoC Debentures 2014/2022 ,</b>		
5 years, fixed rate (8.0%)	9.58	Not Traded
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	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 50 basis points )	Not Traded	Not Traded
<b>BoC Debentures 2015/2023 ,</b>		
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 )	9.99	11.05
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
<b>BoC Debentures 2016/2024 ,</b>		
5 years, fixed rate (13.25%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points )	Not Traded	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	
	31.03.2019 LKR '000	31.12.2018 LKR '000	31.03.2019 LKR '000	31.12.2018 LKR '000
Gross loans and receivables	1,481,960,717	1,510,534,078	1,517,519,165	1,544,355,486
Stage 1	1,255,631,068	1,294,790,735	1,282,026,022	1,319,427,641
Stage 2	81,301,626	78,528,007	85,103,088	82,329,469
Stage 3	145,028,023	137,215,336	150,390,055	142,598,376
Less : Accumulated impairment	85,173,553	81,426,897	87,596,263	83,736,898
Stage 1	9,573,508	10,091,396	10,050,837	10,437,278
Stage 2	10,197,862	10,140,798	10,480,349	10,383,179
Stage 3	65,402,183	61,194,703	67,065,077	62,916,441
<b>Net loans and advances</b>	<b>1,396,787,164</b>	<b>1,429,107,181</b>	<b>1,429,922,902</b>	<b>1,460,618,588</b>

2) Loans and advances to customers - By product

As at	Bank		Group	
	31.03.2019 LKR '000	31.12.2018 LKR '000	31.03.2019 LKR '000	31.12.2018 LKR '000
<b>Local currency</b>				
Overdrafts	279,930,618	269,901,138	279,858,025	269,522,956
Term loans	311,557,964	332,813,980	315,398,743	337,897,738
Lease rentals receivable	45,638,309	47,746,892	63,872,319	65,073,155
Credit cards	4,444,082	4,345,178	4,444,082	4,345,178
Pawning	59,072,901	57,873,578	60,839,232	59,349,689
Loans under schemes	72,174,120	68,916,645	72,766,328	69,873,066
Housing loans	69,778,076	67,516,430	71,123,952	68,751,323
Trade finance	53,568,496	53,171,938	54,144,820	53,342,440
Personal loans	211,267,912	207,143,891	216,938,566	211,868,476
Staff loans	17,634,632	16,774,028	17,896,059	17,047,122
Foreclosed properties	1,296,231	1,283,378	1,296,231	1,283,378
Other loans	12,849,681	14,831,527	12,849,681	14,831,527
<b>Total local currency loans and advances</b>	<b>1,139,213,022</b>	<b>1,142,318,603</b>	<b>1,171,428,038</b>	<b>1,173,186,048</b>
<b>Foreign currency</b>				
Overdrafts	22,621,618	26,993,663	22,724,686	27,088,774
Term loans	281,833,830	299,677,694	285,065,206	302,527,377
Trade finance	34,107,671	37,391,521	34,107,671	37,391,521
Lease rentals receivable	201,982	215,693	201,982	215,693
Housing loans	253,829	259,951	253,829	259,951
Staff loans	13,682	12,426	22,670	21,595
Foreclosed properties	603,207	625,879	603,207	625,879
Other loans	3,111,876	3,038,648	3,111,876	3,038,648
<b>Total foreign currency loans and advances</b>	<b>342,747,695</b>	<b>368,215,475</b>	<b>346,091,127</b>	<b>371,169,438</b>
<b>Total loans and advances to customers</b>	<b>1,481,960,717</b>	<b>1,510,534,078</b>	<b>1,517,519,165</b>	<b>1,544,355,486</b>

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)	10,091,396	10,140,798	61,194,703	81,426,897
Charge / (reversal) during the period	(516,726)	94,988	5,787,544	5,365,806
Amount recovered during the period	-	-	(1,564,383)	(1,564,383)
Exchange rate variance on foreign currency impairment	(1,162)	(28,923)	(15,681)	(45,766)
Amount written-off during the period	-	-	(1,464)	(1,464)
Other movements	-	(9,001)	1,464	(7,537)
<b>Closing balance as at 31 March 2019</b>	<b>9,573,508</b>	<b>10,197,862</b>	<b>65,402,183</b>	<b>85,173,553</b>
	Group			
	Stage 1	Stage 2	Stage 3	Total
Opening balance (01 January)	10,437,278	10,383,179	62,916,441	83,736,898
Charge / (reversal) during the period	(383,272)	135,095	5,728,700	5,480,523
Amount recovered during the period	-	-	(1,564,383)	(1,564,383)
Exchange rate variance on foreign currency impairment	(1,162)	(28,923)	(15,681)	(45,766)
Amount written-off during the period	(2,007)	-	(1,464)	(3,471)
Other movements	-	(9,002)	1,464	(7,538)
<b>Closing balance as at 31 March 2019</b>	<b>10,050,837</b>	<b>10,480,349</b>	<b>67,065,077</b>	<b>87,596,263</b>

4) Contingent liabilities and commitments

As at	Bank		Group	
	31-Mar-2019	31-Dec-2018 (Audited)	31-Mar-2019	31-Dec-2018 (Audited)
<b>By product - Domestic Currency</b>				
Acceptances and documentary credits	17,325,769	17,245,652	17,325,769	17,245,652
Bills for collection	3,937,922	4,055,953	3,937,922	4,055,953
Forward exchange contracts	12,863,392	11,657,794	12,863,392	11,657,794
Guarantees	68,742,441	66,955,808	68,848,872	67,143,803
Undrawn and undisbursed facilities	105,414,390	110,507,290	105,542,240	110,771,889
Other commitments	11,678,821	19,628,818	15,774,426	23,932,861
	<b>219,962,736</b>	<b>230,051,315</b>	<b>224,292,621</b>	<b>234,807,951</b>
<b>By product - Foreign Currency</b>				
Acceptances and documentary credits	187,547,130	208,336,467	187,625,794	208,427,239
Bills for collection	18,617,681	17,497,945	18,617,681	17,497,945
Forward exchange contracts	12,221,682	4,143,948	12,221,682	4,143,948
Guarantees	35,426,975	33,759,294	35,464,073	33,797,497
Undrawn and undisbursed facilities	10,544,491	11,053,929	10,544,491	11,053,929
Other commitments	1,745,111	3,463,909	1,745,111	3,463,909
	<b>266,103,070</b>	<b>278,255,493</b>	<b>266,218,832</b>	<b>278,384,468</b>
	<b>486,065,806</b>	<b>508,306,808</b>	<b>490,511,454</b>	<b>513,192,419</b>

5) Financial liabilities at amortised cost

Due to depositors - By product

As at	Bank		Group	
	31-Mar-2019	31-Dec-2018 (Audited)	31-Mar-2019	31-Dec-2018 (Audited)
<b>Local currency</b>				
Demand deposits (current accounts)	96,302,402	110,943,266	96,062,759	110,870,030
Savings deposits	384,602,573	365,545,986	385,496,601	366,430,640
Time deposits	900,383,093	864,658,291	919,187,392	881,551,886
Other deposits	3,124,092	3,407,037	3,124,753	3,407,037
<b>Total local currency deposits</b>	<b>1,384,412,160</b>	<b>1,344,554,580</b>	<b>1,403,871,505</b>	<b>1,362,259,593</b>
<b>Foreign currency</b>				
Demand deposits (current accounts)	30,375,538	26,779,911	31,123,873	27,531,733
Savings deposits	89,252,105	97,655,512	89,661,561	98,041,252
Time deposits	265,736,750	294,842,690	265,845,712	294,949,638
Other deposits	1,025,509	1,193,277	1,025,509	1,193,277
<b>Total foreign currency deposits</b>	<b>386,389,903</b>	<b>420,471,390</b>	<b>387,656,655</b>	<b>421,715,900</b>
<b>Total due to depositors</b>	<b>1,770,802,063</b>	<b>1,765,025,970</b>	<b>1,791,528,160</b>	<b>1,783,975,493</b>

Rs. '000

For the three months ended 31st March	Retail banking		Corporate banking		International, treasury and investment		Group functions		Unallocated		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
<b>Revenue from external customers:</b>												
Net interest income	10,384,801	8,086,446	6,658,659	2,940,090	1,578,516	3,629,761	699,609	778,474	(215,624)	(305,951)	19,105,961	15,128,820
Net fee and commission income	1,265,491	907,703	555,897	511,365	267,808	146,671	71,086	100,544	88,909	138,801	2,249,191	1,805,084
Other income	1,065,482	828,078	(2,057,206)	79,569	384,650	686,975	939,941	890,377	(320,106)	562,979	12,761	3,047,978
<b>Total operating income</b>	<b>12,715,774</b>	<b>9,822,227</b>	<b>5,157,350</b>	<b>3,531,024</b>	<b>2,230,974</b>	<b>4,463,407</b>	<b>1,710,636</b>	<b>1,769,395</b>	<b>(446,821)</b>	<b>395,829</b>	<b>21,367,913</b>	<b>19,981,882</b>
<b>Expenses :</b>												
Impairment (charge)/ reversal for loans and advances and other financial assets	(1,691,709)	(1,760,085)	(1,928,553)	(447,540)	112,366	-	(114,701)	(232,096)	(59,296)	(11,005)	(3,681,893)	(2,450,726)
Total operation expenses	(4,871,432)	(4,512,062)	(1,392,340)	(1,327,819)	(1,400,409)	(1,468,466)	(1,450,520)	(1,374,057)	116,820	(52,411)	(8,997,881)	(8,734,815)
<b>Total expenses</b>	<b>(6,563,141)</b>	<b>(6,272,147)</b>	<b>(3,320,893)</b>	<b>(1,775,359)</b>	<b>(1,288,043)</b>	<b>(1,468,466)</b>	<b>(1,565,221)</b>	<b>(1,606,153)</b>	<b>57,524</b>	<b>(63,416)</b>	<b>(12,679,774)</b>	<b>(11,185,541)</b>
<b>Operating profit before taxes on financial services</b>	<b>6,152,633</b>	<b>3,550,080</b>	<b>1,836,457</b>	<b>1,755,665</b>	<b>942,931</b>	<b>2,994,941</b>	<b>145,415</b>	<b>163,242</b>	<b>(389,297)</b>	<b>332,413</b>	<b>8,688,139</b>	<b>8,796,341</b>
Taxes on financial services											(2,217,028)	(1,976,013)
<b>Operating profit after taxes on financial services</b>											<b>6,471,111</b>	<b>6,820,328</b>
Share of profit/ (loss) of associate companies, net of tax							166	665			166	665
<b>Profit/(loss) before income tax</b>	<b>6,152,633</b>	<b>3,550,080</b>	<b>1,836,457</b>	<b>1,755,665</b>	<b>942,931</b>	<b>2,994,941</b>	<b>145,581</b>	<b>163,907</b>	<b>(389,297)</b>	<b>332,413</b>	<b>6,471,277</b>	<b>6,820,993</b>
Income tax expense											(2,291,988)	(2,058,903)
<b>Profit for the period</b>											<b>4,179,289</b>	<b>4,762,090</b>
<b>Total assets</b>	<b>708,796,218</b>	<b>655,804,587</b>	<b>783,392,043</b>	<b>635,108,106</b>	<b>615,812,545</b>	<b>651,634,517</b>	<b>75,172,392</b>	<b>75,688,869</b>	<b>71,380,786</b>	<b>74,431,575</b>	<b>2,254,553,984</b>	<b>2,092,667,654</b>
<b>Total liabilities</b>	<b>668,638,185</b>	<b>618,739,296</b>	<b>739,007,659</b>	<b>599,212,555</b>	<b>580,922,658</b>	<b>614,804,914</b>	<b>64,021,806</b>	<b>63,486,648</b>	<b>66,266,610</b>	<b>69,373,712</b>	<b>2,118,856,918</b>	<b>1,965,617,125</b>
Cash flows from / (used in) operating activities	(2,078,493)	(5,260,479)	(2,297,240)	(5,094,464)	(1,805,825)	(5,227,029)	(220,438)	(607,132)	(209,318)	(597,046)	(6,611,314)	(16,786,150)
Cash flows from / (used in) investing activities	12,514,897	5,037,238	13,832,002	4,878,268	10,873,126	5,005,208	1,327,285	581,367	1,260,338	571,709	39,807,648	16,073,790
Cash flows from / (used in) financing activities	(7,060,027)	2,671,437	(7,803,045)	2,587,130	(6,133,855)	2,654,451	(675,994)	274,107	(699,698)	299,524	(22,372,619)	8,486,649
Capital expenditure to non-current assets	-	-	-	-	-	-	-	-	-	-	820,886	1,397,366
Depreciation and amortization expenses	191,274	173,200	211,404	167,734	166,182	172,099	89,598	101,874	147,179	113,723	805,637	728,630

During the period from 01.01.2015 to 31.03.2019

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...)
<b>2015</b>	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.							
<b>2016</b>	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.							