



INTERIM FINANCIAL STATEMENTS
for the year ended 31 December 2016
(Un-audited)

Bank of Ceylon

STATEMENT OF PROFIT OR LOSS

1
Rs. 000

31 December	Bank						Group					
	For the Year ended			For the quarter ended			For the Year ended			For the quarter ended		
	2016	2015 (Audited)	Change %	2016	2015	Change %	2016	2015 (Audited)	Change %	2016	2015	Change %
Total income	153,869,225	131,501,809	17.0	43,010,869	34,197,904	25.8	159,392,314	137,984,350	15.5	43,732,692	36,005,009	21.5
Interest income	134,247,945	112,745,122	19.1	35,612,123	28,864,397	23.4	139,264,176	117,083,894	18.9	37,020,034	29,982,547	23.5
Interest expenses	(80,727,849)	(66,419,398)	21.5	(20,468,396)	(18,048,958)	13.4	(83,095,076)	(68,381,409)	21.5	(21,118,879)	(18,508,876)	14.1
Net interest income	53,520,096	46,325,724	15.5	15,143,727	10,815,439	40.0	56,169,100	48,702,485	15.3	15,901,155	11,473,671	38.6
Fee and commission income	8,739,625	8,909,197	(1.9)	2,476,677	2,316,108	6.9	8,983,083	9,258,470	(3.0)	2,527,822	2,418,264	4.5
Fee and commission expenses	(1,520,190)	(1,070,847)	42.0	(549,251)	(190,898)	187.7	(1,607,271)	(1,176,580)	36.6	(549,217)	(217,117)	153.0
Net fee and commission income	7,219,435	7,838,350	(7.9)	1,927,426	2,125,210	(9.3)	7,375,812	8,081,890	(8.7)	1,978,605	2,201,147	(10.1)
Net gains / (losses) from trading	2,061,673	3,968,014	(48.0)	(855,204)	1,322,817	(164.7)	2,037,447	3,985,172	(48.9)	(869,443)	1,310,052	(166.4)
Net gains / (losses) from financial investments	273,881	610,336	(55.1)	39,092	457,573	(91.5)	312,273	641,918	(51.4)	58,288	479,557	(87.8)
Net gains / (losses) from financial instruments designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
Other operating income	8,546,101	5,269,140	62.2	5,738,181	1,237,009	363.9	8,795,335	7,014,896	25.4	4,995,991	1,814,589	175.3
Total operating income	10,881,655	9,847,490	10.5	4,922,069	3,017,399	63.1	11,145,055	11,641,986	(4.3)	4,184,836	3,604,198	16.1
Total operating income	71,621,186	64,011,564	11.9	21,993,222	15,958,048	37.8	74,689,967	68,426,361	9.2	22,064,596	17,279,016	27.7
Impairment (charge) / reversal for loans and other losses	(4,132,498)	(5,903,803)	(30.0)	(3,473,747)	2,821,591	(223.1)	(4,156,737)	(6,365,954)	(34.7)	(3,499,794)	2,775,518	(226.1)
Individual impairment	(5,117,127)	(2,046,684)	150.0	(3,724,705)	430,607	(965.0)	(5,196,825)	(2,394,291)	117.1	(3,807,419)	380,009	(1,101.9)
Collective impairment	984,629	(3,857,119)	(125.5)	250,958	2,390,984	(89.5)	1,040,088	(3,971,663)	(126.2)	307,625	2,395,509	(87.2)
Other losses	-	-	-	-	-	-	-	-	-	-	-	-
Net operating income	67,488,688	58,107,761	16.1	18,519,475	18,779,639	(1.4)	70,533,230	62,060,407	13.7	18,564,802	20,054,534	(7.4)
Operating expenses												
Personnel expenses	(16,844,431)	(16,744,196)	0.6	(4,135,925)	(4,428,903)	(6.6)	(18,409,235)	(18,158,068)	1.4	(4,581,327)	(4,841,321)	(5.4)
Depreciation and amortization	(1,453,180)	(1,390,735)	4.5	(259,789)	(403,815)	(35.7)	(2,000,314)	(1,885,062)	6.1	(401,322)	(529,145)	(24.2)
Other expenses	(11,725,326)	(9,878,190)	18.7	(2,215,818)	(3,330,411)	(33.5)	(13,751,857)	(11,761,255)	16.9	(3,028,172)	(3,833,619)	(21.0)
Total operating expenses	(30,022,937)	(28,013,121)	7.2	(6,611,532)	(8,163,129)	(19.0)	(34,161,406)	(31,804,385)	7.4	(8,010,821)	(9,204,085)	(13.0)
Operating profit before Value Added Tax (VAT) and Nation Building Tax (NBT) on financial services	37,465,751	30,094,640	24.5	11,907,943	10,616,510	12.2	36,371,824	30,256,022	20.2	10,553,981	10,850,449	(2.7)
Value Added Tax (VAT) and Nation Building Tax (NBT) on financial services	(6,339,449)	(4,815,725)	31.6	(2,165,527)	(1,889,029)	14.6	(6,475,569)	(4,872,944)	32.9	(2,220,276)	(1,906,922)	16.4
Operating profit after Value Added Tax (VAT) and Nation Building Tax (NBT) on financial services	31,126,302	25,278,915	23.1	9,742,416	8,727,481	11.6	29,896,255	25,383,078	17.8	8,333,705	8,943,527	(6.8)
Share of profits / (losses) of Associate companies before tax	-	-	-	-	-	-	73,371	106,833	(31.3)	(5,432)	12,186	(144.6)
Profit before income tax	31,126,302	25,278,915	23.1	9,742,416	8,727,481	11.6	29,969,626	25,489,911	17.6	8,328,273	8,955,713	(7.0)
Income tax expense	(6,816,810)	(7,921,477)	(13.9)	(1,295,471)	(3,659,800)	(64.6)	(7,063,544)	(8,102,524)	(12.8)	(1,402,396)	(3,734,000)	(62.4)
Profit for the year	24,309,492	17,357,438	40.1	8,446,945	5,067,681	66.7	22,906,082	17,387,387	31.7	6,925,877	5,221,713	32.6
Profit attributable to:												
Equity holder of the Bank	24,309,492	17,357,438	40.1	8,446,945	5,067,681	66.7	22,944,362	17,376,077	32.0	6,950,480	5,206,758	33.5
Non controlling interest	-	-	-	-	-	-	(38,280)	11,310	(438.5)	(24,603)	14,955	(264.5)
Profit for the year	24,309,492	17,357,438	40.1	8,446,945	5,067,681	66.7	22,906,082	17,387,387	31.7	6,925,877	5,221,713	32.6
Earnings per share:												
Basic earnings per share (Rs.)	2,430.95	2,436.72	(0.2)	844.69	823.50	2.6	2,294.44	2,439.33	(5.9)	695.05	846.10	(17.9)
Diluted earnings per share (Rs.)	2,391.63	1,735.74	37.8	831.03	506.77	64.0	2,257.33	1,737.61	29.9	681.39	520.68	30.9

STATEMENT OF COMPREHENSIVE INCOME

2
Rs. 000

31 December	Bank						Group					
	For the year ended			For the quarter ended			For the year ended			For the quarter ended		
	2016	2015 (Audited)	Change %	2016	2015	Change %	2016	2015 (Audited)	Change %	2016	2015	Change %
Profit for the year	24,309,492	17,357,438	40.1	8,446,945	5,067,681	66.7	22,906,082	17,387,387	31.7	6,925,877	5,221,713	32.6
Other comprehensive income for the year , net of tax												
Items that will not be reclassified to profit or loss												
Changes in revaluation surplus / (deficit)	1,394,640	8,169	16,972.3	1,394,640	8,169	16,972.3	2,307,452	933,459	147.2	2,307,452	933,459	147.2
Deffered tax effect on changes in revaluation surplus / (deficit)	142,061	12,318	1,053.3	142,061	12,318	1,053.3	(113,526)	(246,763)	(54.0)	(113,526)	(246,763)	(54.0)
Actuarial gains / (losses) on defined benefit plans	(1,617,183)	(1,005,125)	60.9	(1,617,183)	(1,005,125)	60.9	(1,575,840)	(967,908)	62.8	(1,575,024)	(966,470)	63.0
Deffered tax effect on actuarial gains / (losses)	30,716	(365,207)	108.4	30,716	(365,207)	(108.4)	30,419	(377,122)	108.1	30,419	(377,122)	108.1
	(49,766)	(1,349,845)	(96.3)	(49,766)	(1,349,845)	(96.3)	648,505	(658,334)	(198.5)	649,321	(656,896)	(198.8)
Items that are or may be reclassified to profit or loss												
Exchange gains / (losses) arising from translating the financial statements of foreign operations	165,793	459,561	(63.9)	77,895	143,075	(45.6)	(228,067)	578,104	(139.5)	5,971	142,729	(95.8)
Gains / (Losses) on remeasuring available for sale financial investments	(1,025,760)	(1,307,417)	(21.5)	(491,786)	(660,873)	(25.6)	(957,182)	(1,102,109)	(13.1)	(631,123)	(466,677)	35.2
Realized gains on available for sale financial investments transferred to profit or loss	(15,525)	3,772	(511.6)	-	3,772	(100.0)	(15,525)	3,772	(511.6)	-	3,772	(100.0)
Deffered tax effect on gains / (losses) on available for sale financial investments	(8,893)	(122,661)	(92.7)	(395)	(122,661)	(99.7)	(8,893)	(122,661)	(92.7)	(395)	(122,661)	(99.7)
Share of other comprehensive income of Associate companies, net of tax	-	-	-	-	-	-	2,174	416	422.5	2,355	2,599	(9.4)
	(884,385)	(966,745)	(8.5)	(414,286)	(636,687)	(34.9)	(1,207,493)	(642,478)	87.9	(623,192)	(440,238)	41.6
Total other comprehensive income for the year, net of tax	(934,151)	(2,316,590)	(59.7)	(464,052)	(1,986,532)	(76.6)	(558,988)	(1,300,812)	(57.0)	26,129	(1,097,134)	(102.4)
Total comprehensive income for the year	23,375,341	15,040,848	55.4	7,982,893	3,081,149	159.1	22,347,094	16,086,575	38.9	6,952,006	4,124,579	68.6
Attributable to:												
Equity holder of the Bank	23,375,341	15,040,848	55.4	7,982,893	3,081,149	159.1	22,352,512	16,047,289	39.3	6,950,930	4,074,563	70.6
Non controlling interest	-	-	-	-	-	-	(5,419)	39,286	(113.8)	1,075	50,016	(97.9)
Total comprehensive income for the year	23,375,341	15,040,848	55.4	7,982,893	3,081,149	159.1	22,347,094	16,086,575	38.9	6,952,006	4,124,579	68.6

As at 31 December	Bank			Group		
	2016	2015 (Audited)	Change %	2016	2015 (Audited)	Change %
Assets						
Cash and cash equivalents	67,705,791	79,916,559	(15.3)	73,244,160	83,722,721	(12.5)
Balances with Central Banks	56,387,741	38,939,790	44.8	56,387,741	38,939,790	44.8
Placements with banks	11,674,664	27,975,582	(58.3)	12,931,605	28,355,579	(54.4)
Derivative financial instruments	5,300,844	7,419,288	(28.6)	5,300,844	7,419,288	(28.6)
Securities purchased under resale agreements	1,901,618	12,299,088	(84.5)	2,350,704	13,678,789	(82.8)
Financial instruments - Held for trading	8,474,041	12,173,304	(30.4)	8,804,647	12,726,045	(30.8)
Financial investments - Loans and receivables	191,874,639	232,561,268	(17.5)	191,984,083	233,003,742	(17.6)
Loans and advances to customers	1,000,275,231	826,789,630	21.0	1,027,960,767	851,905,227	20.7
Financial investments - Available for sale	10,463,045	12,021,569	(13.0)	16,264,617	16,266,652	(0.0)
Financial investments - Held to maturity	243,178,400	246,288,625	(1.3)	243,253,967	246,349,511	(1.3)
Investment in Subsidiary companies	6,213,048	6,213,048	-	-	-	-
Investment in Associate companies	92,988	842,988	(89.0)	420,669	1,912,317	(78.0)
Investment properties	3,000,000	-	100.0	102,120	145,840	(30.0)
Property, plant and equipment	15,482,162	16,325,758	(5.2)	29,195,207	26,441,803	10.4
Leasehold properties	101,839	104,653	(2.7)	136,155	140,330	(3.0)
Intangible assets	563,490	373,315	50.9	652,721	503,958	29.5
Deferred tax assets	-	-	-	5,456	10,142	(46.2)
Other assets	46,607,801	48,044,235	(3.0)	47,561,995	48,677,586	(2.3)
Total assets	1,669,297,342	1,568,288,700	6.4	1,716,557,458	1,610,199,320	6.6
Liabilities						
Due to banks	2,042,322	2,630,408	(22.4)	2,053,945	2,632,827	(22.0)
Derivative financial instruments	171,663	156,302	9.8	171,663	156,302	9.8
Due to customers	1,256,589,490	1,082,337,118	16.1	1,273,631,287	1,097,950,702	16.0
Other borrowings	254,894,482	337,442,256	(24.5)	263,411,102	342,009,044	(23.0)
Debt securities issued	3,427,058	3,427,058	-	8,360,333	8,703,747	(3.9)
Current tax liabilities	414,395	2,080,849	(80.1)	682,251	2,284,079	(70.1)
Deferred tax liabilities	1,268,688	1,516,995	(16.4)	3,807,436	3,948,551	(3.6)
Insurance provision - Life	-	-	-	514,675	444,257	15.9
Insurance provision - Non life	-	-	-	775,375	517,659	49.8
Other liabilities	19,330,147	21,585,644	(10.4)	21,775,278	23,187,932	(6.1)
Subordinated term debts	38,645,546	35,627,450	8.5	38,295,318	35,290,007	8.5
Total liabilities	1,576,783,791	1,486,804,080	6.1	1,613,478,663	1,517,125,107	6.4
Equity						
Share capital	15,000,000	10,000,000	50.0	15,000,000	10,000,000	50.0
Permanent reserve fund	7,990,000	5,209,955	53.4	7,990,000	5,209,955	53.4
Retained earnings	53,682,580	51,086,010	5.1	55,080,000	53,888,295	2.2
Other reserves	15,840,971	15,188,655	4.3	24,002,332	22,965,323	4.5
Total equity attributable to equity holder of the Bank	92,513,551	81,484,620	13.5	102,072,332	92,063,573	10.9
Non controlling interest	-	-	-	1,006,463	1,010,640	(0.4)
Total equity	92,513,551	81,484,620	13.5	103,078,795	93,074,213	10.7
Total liabilities and equity	1,669,297,342	1,568,288,700	6.4	1,716,557,458	1,610,199,320	6.6
Contingent liabilities and commitments	547,398,626	696,857,050	(21.4)	548,334,403	697,938,094	(21.4)

STATEMENT OF CHANGES IN EQUITY- BANK

4

Rs. 000

	Share capital		Permanent reserve fund	Other reserves			Retained earnings	Total Equity
	Share capital	Capital pending allotment		Available for sale reserve	Other reserves	Revaluation reserve		
Balance as at 01 January 2015	5,000,000	5,000,000	3,809,955	6,963,665	584,081	8,587,167	44,861,045	74,805,913
Super Gain Tax paid							(2,015,731)	(2,015,731)
Total comprehensive income for the year								
Profit for the year							17,357,438	17,357,438
Other comprehensive income, net of tax				(1,426,306)	459,561	20,487	(1,370,332)	(2,316,590)
Dividends for 2015							(6,346,410)	(6,346,410)
Transferred to share capital	5,000,000	(5,000,000)						-
Transfers to permanent reserve fund			1,400,000				(1,400,000)	-
Balance as at 31 December 2015	10,000,000	-	5,209,955	5,537,359	1,043,642	8,607,654	51,086,010	81,484,620
Balance as at 01 January 2016	10,000,000	-	5,209,955	5,537,359	1,043,642	8,607,654	51,086,010	81,484,620
Shares under pending allotment		5,000,000						5,000,000
Total comprehensive income for the year								
Profit for the year							24,309,492	24,309,492
Other comprehensive income, net of tax				(1,050,178)	165,793	1,536,701	(1,586,467)	(934,151)
Dividends for 2016							(17,346,410)	(17,346,410)
Transfers to permanent reserve fund			2,780,045				(2,780,045)	-
Balance as at 31 December 2016	10,000,000	5,000,000	7,990,000	4,487,181	1,209,435	10,144,355	53,682,580	92,513,551

STATEMENT OF CHANGES IN EQUITY -GROUP

Rs. 000

	Share capital		Permanent reserve fund	Other reserves			Retained earnings	Non controlling interest	Total Equity
	Share capital	Capital pending allotment		Available for sale reserve	Other reserves	Revaluation reserve			
Balance as at 01 January 2015	5,000,000	5,000,000	3,809,955	7,762,004	1,352,418	13,807,627	47,661,936	1,186,781	85,580,721
Super Gain Tax paid							(2,197,156)	(15,059)	(2,212,215)
Total comprehensive income for the year									
Profit for the year							17,376,077	11,310	17,387,387
Other comprehensive income, net of tax				(1,218,216)	578,104	661,381	(1,350,058)	27,977	(1,300,812)
Dividends for 2015							(6,346,410)		(6,346,410)
Subsidiary dividends to non controlling interest								(8,811)	(8,811)
Transferred to share capital	5,000,000	(5,000,000)							-
Transfers to permanent reserve fund			1,400,000				(1,400,000)		-
Transfers to other reserves					22,936		(22,936)		-
Merger and changes in non controlling interest				(4,273)	3,342	-	166,842	(191,558)	(25,647)
Balance as at 31 December 2015	10,000,000	-	5,209,955	6,539,515	1,956,800	14,469,008	53,888,295	1,010,640	93,074,213
Balance as at 01 January 2016	10,000,000	-	5,209,955	6,539,515	1,956,800	14,469,008	53,888,295	1,010,640	93,074,213
Total comprehensive income for the year									
Profit for the year							22,944,362	(38,280)	22,906,082
Other comprehensive income, net of tax				(977,249)	(228,067)	2,167,112	(1,553,645)	32,861	(558,988)
Dividends for 2016							(17,346,410)		(17,346,410)
Shares under pending allotment		5,000,000							5,000,000
Subsidiary dividends to non controlling interest								(52,866)	(52,866)
Transfers to permanent reserve fund			2,780,045				(2,780,045)		-
Transfers to other reserves					75,213		(75,213)		-
Adjustment to non controlling interest							2,656	54,108	56,764
Balance as at 31 December 2016	10,000,000	5,000,000	7,990,000	5,562,266	1,803,946	16,636,120	55,080,000	1,006,463	103,078,795

STATEMENT OF CASH FLOWS

5

Rs.'000

For the year ended 31 December	Bank		Group	
	2016	2015 (Audited)	2016	2015 (Audited)
Cash flows from operating activities				
Profit before income tax	31,126,302	25,278,915	29,969,626	25,489,911
Adjustments for :				
Net interest income	(53,520,096)	(46,325,724)	(56,169,100)	(48,702,485)
Dividend income on trading securities	(113,675)	(111,327)	(126,802)	(123,886)
Dividends from Subsidiaries and Associates	(1,102,158)	(259,048)	-	-
Share of profits of Associate companies before tax	-	-	(73,371)	(106,833)
Change in operating assets	(161,013,246)	(74,890,341)	(164,261,006)	(78,214,226)
Change in operating liabilities	131,499,878	188,810,164	135,218,409	190,869,467
Other non cash items included in profit before tax	3,567,815	7,217,589	4,582,557	8,390,832
Other net gains from investing activities	(273,881)	(610,336)	(312,273)	(641,918)
	(49,829,061)	99,109,892	(51,171,960)	96,960,862
Contribution paid to defined benefit plans	(6,440,045)	(6,221,447)	(6,479,440)	(6,238,989)
Interest received	95,086,587	85,793,707	100,008,459	89,713,175
Interest paid	(54,415,320)	(46,611,096)	(56,022,273)	(47,694,488)
Dividends received	113,675	111,327	126,802	123,886
Net cash from operating activities before income tax	(15,484,164)	132,182,383	(13,538,412)	132,864,446
Income tax paid	(6,020,924)	(2,663,879)	(6,230,691)	(2,936,778)
Super gain tax paid	-	(2,015,731)	-	(2,212,215)
Net cash from/(used in) operating activities	(21,505,088)	127,502,773	(19,769,103)	127,715,453
Cash flows from investing activities				
Net (increase)/decrease in financial investments - Held to maturity	3,105,015	(30,362,837)	3,090,334	(30,201,031)
Net (increase)/ decrease in financial investments - Available for sale	624,947	1,128,180	(863,296)	338,023
Net (increase)/ decrease in financial investments - Loans and receivables	40,686,630	(101,699,901)	41,019,663	(101,320,902)
Proceeds from sale of an Associate Company	3,880,000	-	3,880,000	-
Purchase of property plant and equipment and leasehold properties	(1,891,903)	(1,332,486)	(2,328,331)	(1,571,210)
Purchase of intangible assets	(376,643)	(180,593)	(363,631)	(205,725)
Proceeds from sale of property plant and equipment	17,194	7,677	55,829	14,711
Dividends received	1,268,331	777,533	204,565	550,067
Interest received	36,487,744	29,674,085	36,804,235	30,093,413
Net cash from/(used in) investing activities	83,801,315	(101,988,342)	81,499,369	(102,302,654)
Cash flows from financing activities				
Net increase / (decrease) in other borrowings	(42,090,586)	62,621,862	(38,650,060)	65,572,367
Proceeds from issue of shares	5,000,000	-	5,000,000	-
Proceeds from issue of debentures	8,000,000	8,000,000	7,990,000	8,000,000
Payments on redemption of debentures	(5,032,015)	(22,398,509)	(5,368,253)	(22,677,294)
Dividends paid to Government of Sri Lanka	(18,346,410)	(5,346,410)	(18,346,410)	(5,346,410)
Dividends paid to non controlling interest	-	-	(52,866)	(8,811)
Interest payments on borrowings and debt securities	(21,458,109)	(24,894,920)	(22,211,673)	(25,882,760)
Net cash from/(used in) financing activities	(73,927,120)	17,982,023	(71,639,262)	19,657,092
Net increase/(decrease) in cash and cash equivalents during the year	(11,630,893)	43,496,454	(9,908,996)	45,069,891
Cash and cash equivalents at the beginning of the year	78,529,331	35,032,877	82,333,072	37,263,183
Cash and cash equivalents at the end of the year	66,898,438	78,529,331	72,424,076	82,333,074
Analysis of cash and cash equivalents				
Cash and cash equivalents	67,705,791	79,916,559	73,244,160	83,722,721
Bank overdrafts	(807,353)	(1,387,228)	(820,084)	(1,389,647)
Cash and cash equivalents at the end of the year	66,898,438	78,529,331	72,424,076	82,333,074

As at	Bank		Group	
	31-Dec-2016	31-Dec -2015 (Audited)	31-Dec-2016	31-Dec -2015 (Audited)
Net assets value per share (Rs)	9,251.36	8,148.46	10,207.23	9,206.36
Regulatory Capital Adequacy				
Core capital (Tier 1 capital), Rs. Mn	68,107	64,207	74,918	71,112
Total capital base, Rs. Mn	98,837	92,245	107,827	101,330
Core capital adequacy ratio, % of risk weighted assets (Minimum requirement, 5%)	8.00% *	9.10%	8.24% *	9.36%
Total capital adequacy ratio, % of risk weighted assets (Minimum requirement, 10%)	11.61% *	13.07%	11.86% *	13.33%
Profitability				
Interest margin	3.31%	3.30%	3.38%	3.37%
Return on assets (before tax)	1.92%	1.74%	1.80%	1.71%
Return on equity (after tax)	27.94%	22.21%	23.36%	19.46%
Assets Quality				
Gross non - performing advances ratio, (Net of interest in suspense)	2.88%	4.30%		
Net non - performing advances ratio, (Net of interest in suspense and provisions)	0.41%	1.77%		
Investor Information				
Debt equity (%)	124.91	228.20		
Interest cover (times)	2.29	2.15		
Regulatory Liquidity				
Statutory liquid assets,				
- Domestic banking unit (Rs. Mn)	307,550	340,029		
- Off-shore banking unit (US\$ Mn)	997	1,299		
Statutory liquid assets ratio, (minimum requirement, 20%)				
- Domestic banking unit	21.62%	28.18%		
- Off-shore banking unit	28.08%	37.60%		
Memorandum Information				
Number of employees	7,569	7,980		
Number of branches	580	578		

* Capital Adequacy Ratio is calculated without considering the current year profit.

SHARE INFORMATION

Shareholder	31-Dec-2016		31-Dec-2015	
	No of Ordinary	Holding %	No of Ordinary	Holding %
Government of Sri Lanka	15,000,000 **	100	10,000,000	100

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

1. 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 2015. In order to conform to better presentation, previous year figures and phrases have been adjusted where relevant.
2. There are no changes in accounting policies and methods of computation since the publication of annual accounts for the year 2015.
3. Other than the above, no circumstances have arisen and no material events have occurred since the reporting date, which require disclosures or adjustments to the financial statements.
4. During the period there were no material changes in the composition of assets, liabilities and contingent liabilities.
5. All known expenses have been charged in these financial statements.
6. The Group financial statements comprise a consolidation of the Bank and its Subsidiaries, Property Development PLC, Merchant Bank of Sri Lanka & 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. Mireka Capital Land (Private) Limited, an Associate (40% holding) of the Bank was disposed on 30 December 2016. Effects on this transaction have been adjusted in these financial statements.

CERTIFICATION

I 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 December 2016 and its profit for the year ended 31 December 2016.

Sgd.
W P Russel Fonseka
Chief Financial Officer

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

- a) the above statements have been prepared in compliance with the 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.
Ranel T Wijesinha
Director
(Independent Non-Executive)

Sgd.
D M Gunasekara
General Manager

28 February 2017
Colombo

As at 31 December	2016						Total
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised Cost	Available for sale	Others	
Financial assets							
Cash and cash equivalents				67,705,791			67,705,791
Balances with Central Banks				56,387,741			56,387,741
Placements with banks				11,674,664			11,674,664
Derivative financial instruments	5,300,844						5,300,844
Securities purchased under resale agreements				1,901,618			1,901,618
Loans and advances to customers				1,000,275,231			1,000,275,231
Financial investments	8,474,041	-	243,178,400	191,874,639	10,463,045		453,990,125
Total financial assets	13,774,885	-	243,178,400	1,329,819,684	10,463,045	-	1,597,236,014
Other assets						72,061,328	72,061,328
Total assets	13,774,885	-	243,178,400	1,329,819,684	10,463,045	72,061,328	1,669,297,342

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		2,042,322		2,042,322
Derivative financial instruments	171,663			171,663
Other financial liabilities held for trading				-
Due to customers		1,256,589,490		1,256,589,490
Other borrowings		254,894,482		254,894,482
Debt securities issued		3,427,058		3,427,058
Subordinated term debts		38,645,546		38,645,546
Total financial liabilities	171,663	1,555,598,898	-	1,555,770,561
Other liabilities			21,013,230	21,013,230
Total liabilities	171,663	1,555,598,898	21,013,230	1,576,783,791

As at 31 December	2015						Total
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised Cost	Available for sale	Others	
Financial assets							
Cash and cash equivalents				79,916,559			79,916,559
Balances with Central Banks				38,939,790			38,939,790
Placements with banks				27,975,582			27,975,582
Derivative financial instruments	7,419,288						7,419,288
Securities purchased under resale agreements				12,299,088			12,299,088
Loans and advances to customers				826,789,630			826,789,630
Financial investments	12,173,304	-	246,288,625	232,561,268	12,021,569		503,044,766
Total financial assets	19,592,592	-	246,288,625	1,218,481,917	12,021,569	-	1,496,384,703
Other assets						71,903,997	71,903,997
Total assets	19,592,592	-	246,288,625	1,218,481,917	12,021,569	71,903,997	1,568,288,700

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		2,630,408		2,630,408
Derivative financial instruments	156,302			156,302
Other financial liabilities held for trading				-
Due to customers		1,082,337,118		1,082,337,118
Other borrowings		337,442,256		337,442,256
Debt securities issued		3,427,058		3,427,058
Subordinated term debts		35,627,450		35,627,450
Total financial liabilities	156,302	1,461,464,290	-	1,461,620,592
Other liabilities			25,183,488	25,183,488
Total liabilities	156,302	1,461,464,290	25,183,488	1,486,804,080

As at 31 December		2016					
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised Cost	Available for sale	Others	Total
Financial assets							
Cash and cash equivalents				73,244,160			73,244,160
Balances with Central Banks				56,387,741			56,387,741
Placements with banks				12,931,605			12,931,605
Derivative financial instruments	5,300,844						5,300,844
Securities purchased under resale agreements				2,350,704			2,350,704
Loans and advances to customers				1,027,960,767			1,027,960,767
Financial investments	8,804,647	-	243,253,967	191,984,083	16,264,617		460,307,314
Total financial assets	14,105,491	-	243,253,967	1,364,859,060	16,264,617	-	1,638,483,135
Other assets						78,074,323	78,074,323
Total assets	14,105,491	-	243,253,967	1,364,859,060	16,264,617	78,074,323	1,716,557,458

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		2,053,945		2,053,945
Derivative financial instruments	171,663			171,663
Other financial liabilities held for trading				-
Due to customers		1,273,631,287		1,273,631,287
Other borrowings		263,411,102		263,411,102
Debt securities issued		8,360,333		8,360,333
Subordinated term debts		38,295,318		38,295,318
Total financial liabilities	171,663	1,585,751,985	-	1,585,923,648
Other liabilities			27,555,015	27,555,015
Total liabilities	171,663	1,585,751,985	27,555,015	1,613,478,663

As at 31 December		2015					
	Held for trading	Designated at fair value	Held to maturity	Loans and receivables / Amortised Cost	Available for sale	Others	Total
Financial assets							
Cash and cash equivalents				83,722,721			83,722,721
Balances with Central Banks				38,939,790			38,939,790
Placements with banks				28,355,579			28,355,579
Derivative financial instruments	7,419,288						7,419,288
Securities purchased under resale agreements				13,678,789			13,678,789
Loans and advances to customers				851,905,227			851,905,227
Financial investments	12,726,045	-	246,349,511	233,003,742	16,266,652		508,345,950
Total financial assets	20,145,333	-	246,349,511	1,249,605,848	16,266,652	-	1,532,367,344
Other assets						77,831,976	77,831,976
Total assets	20,145,333	-	246,349,511	1,249,605,848	16,266,652	77,831,976	1,610,199,320

	Held for trading	Amortised Cost	Others	Total
Financial liabilities				
Due to banks		2,632,827		2,632,827
Derivative financial instruments	156,302			156,302
Other financial liabilities held for trading				-
Due to customers		1,097,950,702		1,097,950,702
Other borrowings		342,009,044		342,009,044
Debt securities issued		8,703,747		8,703,747
Subordinated term debts		35,290,007		35,290,007
Total financial liabilities	156,302	1,486,586,327	-	1,486,742,629
Other liabilities			30,382,478	30,382,478
Total liabilities	156,302	1,486,586,327	30,382,478	1,517,125,107

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount			
					2016	2015		Bank		Group	
					%	%		2016	2015	2016	2015
								Rs '000	Rs '000	Rs '000	Rs '000
Fixed interest rate											
Unsecured, subordinated, redeemable debentures	a	Annually	08.12.2011	07.12.2016	-	11.00	-	-	3,926,514	-	3,926,514
Unsecured, subordinated, redeemable debentures	a	Semi annually	08.12.2011	07.12.2016	-	10.50	-	-	2,315	-	2,315
Unsecured, subordinated, redeemable debentures	a	Annually	30.11.2012	29.11.2017	16.00	16.00	10.85	6,034,052	6,034,052	6,028,987	6,028,990
Unsecured, subordinated, redeemable debentures	a	Semi annually	30.11.2012	29.11.2017	15.25	15.25	10.85	40,189	40,189	40,189	40,189
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2018	13.00	13.00	11.34	3,869,827	3,869,827	3,869,827	3,869,827
Unsecured, subordinated, redeemable debentures	a	Semi annually	25.10.2013	24.10.2018	12.60	12.60	11.34	220,369	220,369	220,369	220,369
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2021	13.25	13.25	12.15	1,226,594	1,226,594	1,226,594	1,226,594
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2022	13.25	13.25	12.23	1,227,617	1,227,617	1,227,617	1,227,617
Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2023	13.75	13.75	12.51	1,638,142	1,638,142	1,638,142	1,638,142
Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2019	8.00	8.00	11.71	5,234,969	5,234,969	5,234,969	5,234,969
Unsecured, subordinated, redeemable debentures	a	Quarterly	22.09.2014	21.09.2019	7.75	7.75	11.71	216,182	216,182	216,182	216,182
Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2022	8.25	8.25	12.23	1,873,793	1,873,793	1,873,793	1,873,793
Unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2020	8.25	8.25	12.00	293,991	293,991	293,991	293,991
Unsecured, subordinated, redeemable debentures	a	Quarterly	06.10.2015	05.10.2020	8.00	8.00	12.00	12,449	12,449	12,449	12,449
Unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2023	9.50	9.50	12.51	1,205,580	1,205,580	1,205,580	1,205,580
Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2021	13.25	-	12.30	8,003,632	-	7,993,622	-
Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2024	12.75	-	12.49	784	-	784	-
Unsecured, redeemable debentures		Semi annually	18.06.2012	17.06.2017	14.75	14.75	10.03	1,286,404	1,286,404	1,286,404	1,286,404
Unsecured, redeemable debentures		Annually	07.12.2012	06.12.2017	15.50	15.50	10.85	2,140,654	2,140,654	2,140,654	2,140,654
Unsecured, redeemable debentures	a	Annually	28.03.2013	27.03.2018	17.50	17.50	11.08	-	-	735,088	734,412
Unsecured, redeemable debentures	a	Annually	28.03.2013	27.03.2017	17.25	17.25	9.65	-	-	569,943	569,250
Unsecured, redeemable debentures	a	Quarterly	28.03.2013	27.03.2018	16.70	16.70	11.08	-	-	655,752	655,818
Unsecured, redeemable debentures	a	Monthly	28.03.2013	27.03.2018	16.50	16.50	11.08	-	-	168,786	168,718
Unsecured, redeemable debentures	a	Annually	17.12.2013	16.12.2017	14.25	14.25	10.96	-	-	771,045	770,901
Unsecured, redeemable debentures	a	Annually	17.12.2013	16.12.2016	-	13.50	-	-	-	-	336,238
Unsecured, redeemable debentures	a	Quarterly	17.12.2013	16.12.2017	13.50	13.50	10.96	-	-	18,136	18,137
Unsecured, redeemable debentures	a	Monthly	17.12.2013	16.12.2017	13.25	13.25	10.96	-	-	11,599	11,599
Unsecured, redeemable debentures	a	Annually	13.11.2014	12.11.2019	9.00	9.00	11.94	-	-	868,031	876,589
Unsecured, redeemable debentures	a	Annually	13.11.2014	12.11.2019	8.75	8.75	11.94	-	-	1,134,895	1,135,027
								34,525,228	30,449,641	39,443,428	35,721,268
Floating interest rate											
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	08.12.2011	07.12.2016	-	7.75	7.57	-	1,103,186	-	1,103,186
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	30.11.2012	29.11.2017	12.04	8.36	10.85	424	423	424	423
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 100 basis points)	a/b	Semi annually	25.10.2013	24.10.2018	11.51	8.81	11.34	204	203	204	203
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 100 basis points)	a/b	Semi annually	25.10.2013	24.10.2021	11.51	8.81	12.15	1,021	1,016	1,021	1,016
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 50 basis points)	a/b	Semi annually	22.09.2014	21.09.2019	11.29	8.36	11.71	850,291	843,802	515,138	511,421
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 50 basis points)	a/b	Semi annually	22.09.2014	21.09.2022	11.29	8.36	12.23	31	31	31	31
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	06.10.2015	05.10.2020	11.68	9.11	12.00	4,598,903	4,572,690	4,598,903	4,572,690
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	06.10.2015	05.10.2023	11.68	9.11	12.51	2,095,461	2,083,516	2,095,461	2,083,516
Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	29.12.2016	28.12.2021	11.95	-	12.30	1,021	-	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	11.95	-	12.49	20	-	20	-
								7,547,376	8,604,867	7,212,223	8,272,486
								42,072,604	39,054,508	46,655,651	43,993,754

Notes

- a) Debentures that are listed in the Colombo Stock Exchange. Some of these have been traded in the Colombo Stock Exchange during the year ended 31 December 2016.
2012/2017 - (Highest Price - Rs. 102.65, Lowest Price - Rs. 102.65, Last Transaction Price - Rs. 102.65)
2014/2019 - (Highest Price - Rs. 96.87, Lowest Price - Rs. 96.87, Last Transaction Price - Rs. 96.87)
2015/2020 - (Highest Price - Rs. 95.00, Lowest Price - Rs. 95.00, Last Transaction Price - Rs. 95.00)

- b) Weighted average 6 months Treasury Bill interest rate before deducting 10% withholding tax at the primary quotations as announced by the Central Bank of Sri Lanka, at the preceding week of the interest resetting date.

	01-Jan-2016 to 31-Dec-2016 Rs.	01-Jan-2015 to 31-Dec-2015 Rs.
Market Value		
BoC Debentures 2011/2016 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (11.0%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, fixed rate (10.5%)	Not Traded	Not Traded
BoC Debentures 2012/2017 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (16.0%)		
Highest , Lowest and Last transaction	102.65	100.00
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, fixed rate (15.3%)	Not Traded	Not Traded
BoC Debentures 2013/2023 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (13.0%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, fixed rate (12.60%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	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%)		
Highest , Lowest and Last transaction	Not Traded	117.32
BoC Debentures 2014/2022 ,		
Unsecured, subordinated, redeemable, 5 years, fixed rate (8.0%)		
Highest	96.87	99.90
Lowest	96.87	95.50
Last transaction	96.87	95.50
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
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 , Lowest and Last transaction	95.00	Not Traded
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%)	Not Traded	N/A
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	N/A
Unsecured, subordinated, redeemable, 8 years, fixed rate (12.75%)	Not Traded	N/A
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	N/A

	31-Dec-2016 %	31-Dec-2015 %
Interest yield as at date of last trade done		
BoC Debentures 2011/2016 ,		
5 years, fixed rate (11.0%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
5 years, fixed rate (10.5%)	Not Traded	Not Traded
BoC Debentures 2012/2017 ,		
5 years, fixed rate (16.0%)	13.94	15.87
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
5 years, fixed rate (15.3%)	Not Traded	Not Traded
BoC Debentures 2013/2023 ,		
5 years, fixed rate (13.0%)	Not Traded	Not Traded
5 years, fixed rate (12.6%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	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	10.39
BoC Debentures 2014/2022 ,		
5 years, fixed rate (8.0%)	9.06	9.47
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
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)	13.39	Not Traded
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 2016/2023 ,		
5 years, fixed rate (13.25%)	Not Traded	N/A
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	N/A
8 years, fixed rate (12.75%)	Not Traded	N/A
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	N/A
Yield to maturity of last trade done		
BoC Debentures 2011/2016 ,		
5 years, fixed rate (11.0%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 75 basis points)	Not Traded	Not Traded
5 years, fixed rate (10.5%)	Not Traded	Not Traded
BoC Debentures 2012/2017 ,		
5 years, fixed rate (16.0%)	15.59	16.00
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
5 years, fixed rate (15.3%)	Not Traded	Not Traded
BoC Debentures 2013/2023 ,		
5 years, fixed rate (13.0%)	Not Traded	Not Traded
5 years, fixed rate (12.6%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 100 basis points)	Not Traded	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	11.72
BoC Debentures 2014/2022 ,		
5 years, fixed rate (8.0%)	8.26	8.38
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
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)	12.29	Not Traded
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 2016/2023 ,		
5 years, fixed rate (13.25%)	Not Traded	N/A
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	N/A
8 years, fixed rate (12.75%)	Not Traded	N/A
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	N/A

LOANS AND ADVANCES TO OTHER CUSTOMERS

Rs '000

As at	Bank		Group	
	31-Dec-2016	31-Dec-2015 (Audited)	31-Dec-2016	31-Dec-2015 (Audited)
1) Loans and advances to customers				
Gross loans and advances	1,048,346,528	870,729,910	1,077,113,394	897,353,046
Less : Individual impairment	17,746,689	12,629,562	18,148,294	13,396,778
Collective impairment	30,324,608	31,310,718	31,004,333	32,051,041
Net loans and advances including those designated at fair value through profit or loss	1,000,275,231	826,789,630	1,027,960,767	851,905,227
Less : Loans and advances designated at fair value through profit or loss	-	-	-	-
Net loans and advances	1,000,275,231	826,789,630	1,027,960,767	851,905,227
2) Loans and advances to customers - By product				
Local currency				
Overdrafts	153,996,835	130,276,382	153,965,103	130,276,382
Term loans	269,121,338	183,589,269	272,064,824	188,572,506
Lease rentals receivable	47,111,702	46,688,101	62,427,099	61,589,220
Credit cards	3,370,916	3,053,597	3,370,916	3,053,597
Pawning	47,344,362	56,900,717	47,844,217	57,097,560
Loans under schemes	53,436,989	49,975,989	54,430,161	50,870,448
Housing loans	48,851,923	42,804,370	48,888,959	42,863,284
Trade finance	24,229,806	25,429,477	25,226,000	26,157,989
Personal loans	161,303,694	107,539,804	165,985,036	110,137,186
Staff loans	15,794,418	14,044,875	16,007,909	14,277,198
Foreclosed properties	547,784	590,991	547,784	590,991
Other loans	7,412,050	7,516,305	7,754,858	7,629,455
Total local currency loans and advances	832,521,817	668,409,877	858,512,866	693,115,816
Foreign currency				
Overdrafts	13,363,959	11,697,581	13,536,495	11,954,817
Term loans	173,572,289	167,977,440	175,397,473	168,644,758
Trade finance	26,049,147	19,927,355	26,049,147	19,927,355
Lease rentals receivable	363,587	454,146	363,587	454,146
Loans under schemes	972,387	726,483	972,387	726,483
Housing loans	-	-	756,832	964,386
Staff loans	9,543	11,813	22,242	30,528
Foreclosed properties	513,033	497,450	513,033	497,450
Other loans	980,766	1,027,765	989,332	1,037,307
Total foreign currency loans and advances	215,824,711	202,320,033	218,600,528	204,237,230
Total loans and advances to customers	1,048,346,528	870,729,910	1,077,113,394	897,353,046

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

Individual impairment				
Opening balance (01 January)	12,629,562	10,138,002	13,396,778	10,925,062
Charge during the year	7,468,902	3,672,310	7,548,600	4,019,917
Amount recovered / reversal during the year	(2,523,858)	(1,625,626)	(2,523,858)	(1,625,626)
Exchange rate variance on foreign currency impairment	172,083	444,876	172,083	444,876
Amount written-off during the year	(15,452)	(86,794)	(460,761)	(86,794)
Other movements	15,452	86,794	15,452	(280,657)
Closing balance (31 December)	17,746,689	12,629,562	18,148,294	13,396,778
Collective impairment				
Opening balance (01 January)	31,310,718	26,019,278	32,051,041	26,887,361
Charge / (Reversal) during the year	(997,735)	5,270,751	(1,053,194)	5,385,295
Exchange rate variance on foreign currency impairment	13,106	18,236	13,106	18,236
Amount written-off during the year	(15,492)	(22,603)	(15,492)	(22,603)
Other movements	14,011	25,056	8,872	(217,248)
Closing balance (31 December)	30,324,608	31,310,718	31,004,333	32,051,041
Total impairment	48,071,297	43,940,280	49,152,627	45,447,819

DUE TO OTHER CUSTOMERS

4) Due to other customers - By product

Local currency				
Demand deposits (current accounts)	110,289,302	108,093,327	110,085,641	107,843,116
Savings deposits	321,546,458	298,982,460	322,247,426	299,654,895
Time deposits	509,934,665	392,003,167	525,473,967	406,058,321
Other deposits	3,172,486	3,408,403	3,172,486	3,408,403
Total local currency deposits	944,942,911	802,487,357	960,979,520	816,964,735
Foreign currency				
Demand deposits (current accounts)	33,967,358	18,988,483	34,548,616	19,564,488
Savings deposits	77,935,473	77,085,118	78,259,071	77,558,608
Time deposits	198,582,914	183,214,749	198,683,246	183,301,460
Other deposits	1,160,834	561,411	1,160,834	561,411
Total foreign currency deposits	311,646,579	279,849,761	312,651,767	280,985,967
Total deposits	1,256,589,490	1,082,337,118	1,273,631,287	1,097,950,702

Rs. '000

For the year ended 31 December	Retail Banking		Corporate Banking		International, Treasury and Investment		Group Functions		Unallocated		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenue from external customers:												
Net interest income	25,580,079	22,387,946	10,816,539	11,056,885	18,100,466	12,933,938	2,646,753	2,376,914	(974,737)	(53,198)	56,169,100	48,702,485
Net fee and commission income	3,106,801	3,351,876	2,690,581	3,108,889	854,018	816,961	156,377	243,540	568,035	560,624	7,375,812	8,081,890
Other income	2,182,381	2,266,332	495,813	2,067,980	7,892,156	5,032,548	2,869,873	3,028,978	(2,295,168)	(753,853)	11,145,055	11,641,986
Total operating income	30,869,261	28,006,154	14,002,933	16,233,754	26,846,640	18,783,447	5,673,003	5,649,432	(2,701,870)	(246,427)	74,689,967	68,426,361
Expenses :												
Impairment (charge) / reversal for loans and other losses	(22,355)	(2,953,286)	(4,065,194)	(2,867,378)	-	-	(24,239)	(462,151)	(44,949)	(83,139)	(4,156,737)	(6,365,954)
Total operating expenses	(18,876,879)	(19,195,165)	(5,645,701)	(4,173,311)	(5,582,440)	(5,010,554)	(4,496,550)	(4,468,631)	440,164	1,043,276	(34,161,406)	(31,804,385)
Total expenses	(18,899,234)	(22,148,451)	(9,710,895)	(7,040,689)	(5,582,440)	(5,010,554)	(4,520,789)	(4,930,782)	395,215	960,137	(38,318,143)	(38,170,339)
Operating profit before VAT and NBT on financial services	11,970,027	5,857,703	4,292,038	9,193,065	21,264,200	13,772,893	1,152,214	718,650	(2,306,655)	713,710	36,371,824	30,256,022
VAT and NBT on financial services											(6,475,569)	(4,872,944)
Operating profit after VAT and NBT on financial services											29,896,255	25,383,078
Share of profit/ (loss) of Associate companies before tax							73,371	106,833			73,371	106,833
Profit/(loss) before income tax	11,970,027	5,857,703	4,292,038	9,193,065	21,264,200	13,772,893	1,225,585	825,483	(2,306,655)	713,710	29,969,626	25,489,911
Income tax expense											(7,063,544)	(8,102,524)
Profit for the year											22,906,082	17,387,387
Total assets	571,713,773	478,085,347	509,248,916	429,748,985	521,703,276	599,586,745	66,935,968	63,961,962	46,955,525	38,816,281	1,716,557,458	1,610,199,320
Total liabilities	540,029,021	453,245,149	481,026,008	407,420,231	492,790,139	568,433,618	55,538,154	51,559,499	44,095,341	36,466,610	1,613,478,663	1,517,125,107
Cash flows from / (used in) operating activities	(9,003,086)	58,709,257	(3,806,956)	28,995,134	(6,370,584)	33,917,443	(931,543)	6,233,124	343,066	(139,505)	(19,769,103)	127,715,453
Cash flows from / (used in) investing activities	(877,986)	(523,228)	(782,058)	(470,328)	83,334,317	(101,196,615)	(102,794)	(70,002)	(72,110)	(42,481)	81,499,369	(102,302,654)
Cash flows from / (used in) financing activities	(23,977,559)	5,872,608	(21,357,796)	5,278,864	(21,880,129)	7,365,083	(2,465,922)	668,046	(1,957,856)	472,491	(71,639,262)	19,657,092
Capital expenditure to non current assets											2,691,962	1,776,935
Depreciation and amortization expenses	497,696	423,959	443,318	381,095	454,160	531,705	247,629	237,601	357,511	310,702	2,000,314	1,885,062