



INTERIM FINANCIAL STATEMENTS
for the nine-month period ended 30 September 2023
(Un-audited)

Bank of Ceylon

Fitch Ratings: A(lka)

Financial commentary for the nine-month period ended 30 September 2023

- Profit Before Tax (PBT) of Rs. 22.6 billion
- Total Assets base of Rs. 4.3 trillion
- Total Deposit base of Rs. 3.7 trillion
- Gross loans and advances of Rs. 2.4 trillion

Bank of Ceylon (BOC) concluded the third quarter of 2023 on a positive note, demonstrating resilience in a challenging economic environment. The Bank's PBT stood at Rs. 22.6 billion, supported by a 20% increase in interest income. However, interest expenses outpaced growth, leading to a 53% decline in net interest income compared to Q3-2022. This reflects, the Bank's prudent approach of not transferring the full impact of interest rate hikes to its customers, prioritizing their business revival efforts.

Net fee and commission income grew by 10%, mainly due to increased card-related transactions and retail banking services. However, income from trading and other operating income were impacted by exchange losses associated with the LKR appreciation.

The Bank proactively managed credit risk by applying management overlays to identify risk-elevated industries and reassessing exposures to high-risk borrowers. This resulted in a net reversal of impairment provisions during the period, due to business revival activities, stringent credit monitoring, and currency appreciation.

Operating expenses increased by 13%, primarily due to inflationary pressures. Despite these challenges, the Bank maintained a healthy capital position, with Tier I and Total Capital Adequacy Ratios exceeding regulatory requirements.

Despite the LKR appreciation and low interest regime, the Bank's deposit base grew by 11% to Rs. 3.7 trillion, demonstrating strong customer confidence. The Bank's asset base reached Rs. 4.3 trillion, with loans and advances amounting to Rs. 2.3 trillion and investments of Rs. 1.8 trillion.

BOC's resilience and contributions to the Sri Lankan economy have been recognized globally. The Bank was ranked among the world's top 1000 banks by The Banker UK magazine for the 12th consecutive year, and it was named the No.1 Banking Brand in Sri Lanka for the 15th consecutive year by Brand Finance Lanka. The Bank's brand value stands at over Rs. 50 billion, the highest in the sector.

STATEMENT OF PROFIT OR LOSS

Rs. 000

30 September	Bank						Group					
	For the period ended			For the quarter ended			For the period ended			For the quarter ended		
	2023	2022	Change %	2023	2022	Change %	2023	2022	Change %	2023	2022	Change %
Total income	398,494,891	368,688,298	8.1	137,406,889	136,801,871	0.4	405,473,456	374,537,389	8.3	139,808,575	139,199,394	0.4
Interest income	388,950,043	323,607,938	20.2	129,276,764	126,090,214	2.5	394,736,921	328,769,391	20.1	130,886,229	128,125,532	2.2
Interest expenses	(337,730,897)	(215,692,476)	56.6	(106,624,661)	(98,984,552)	7.7	(340,190,960)	(218,325,865)	55.8	(107,117,185)	(100,333,240)	6.8
Net interest income	51,219,146	107,915,462	(52.5)	22,652,103	27,105,662	(16.4)	54,545,961	110,443,526	(50.6)	23,769,044	27,792,292	(14.5)
Fee and commission income	18,940,353	16,261,195	16.5	6,381,654	5,575,392	14.5	19,197,242	16,535,520	16.1	6,466,572	5,701,295	13.4
Fee and commission expenses	(6,003,154)	(4,490,747)	33.7	(2,130,342)	(1,650,538)	29.1	(6,013,968)	(4,500,353)	33.6	(2,128,688)	(1,643,431)	29.5
Net fee and commission income	12,937,199	11,770,448	9.9	4,251,312	3,924,854	8.3	13,183,274	12,035,167	9.5	4,337,884	4,057,864	6.9
Net gains/ (losses) from trading	(8,022,091)	16,480,339	(148.7)	(1,358,318)	2,199,252	(161.8)	(7,875,580)	16,523,614	(147.7)	(1,308,663)	2,229,837	(158.7)
Net fair value gains/ (losses) from financial instruments at fair value through profit or loss	1,395,400	(48,648)	(2,968.4)	935,424	2,390,650	(60.9)	1,906,653	(127,734)	(1,592.7)	1,336,478	2,489,580	(46.3)
Net gains/(losses) on derecognition of financial assets	1,241,062	544,470	127.9	234,931	317,396	(26.0)	1,322,446	545,872	142.3	308,908	318,798	(3.1)
Other operating income	(4,009,876)	11,843,004	(133.9)	1,936,434	228,967	745.7	(3,814,226)	12,290,726	(131.0)	2,119,051	334,352	533.8
	(9,395,505)	28,819,165	(132.6)	1,748,471	5,136,265	(66.0)	(8,460,707)	29,232,478	(128.9)	2,455,774	5,372,567	(54.3)
Total operating income	54,760,840	148,505,075	(63.1)	28,651,886	36,166,781	(20.8)	59,268,528	151,711,171	(60.9)	30,562,702	37,222,723	(17.9)
Impairment (charge)/ reversal												
Loans and advances	3,005,525	(65,339,368)	(104.6)	(2,054,188)	(15,811,357)	(87.0)	3,058,052	(65,429,498)	(104.7)	(1,904,882)	(15,576,121)	(87.8)
Other financial assets	10,768,911	(14,683,405)	(173.3)	2,736,147	(441,130)	(720.3)	10,768,911	(14,965,447)	(172.0)	2,664,842	(217,775)	(1,323.7)
Net operating income	68,535,276	68,482,302	0.1	29,333,845	19,914,294	47.3	73,095,491	71,316,226	2.5	31,322,662	21,428,827	46.2
Operating expenses												
Personnel expenses	(22,469,948)	(21,236,406)	5.8	(8,389,675)	(7,630,320)	10.0	(24,279,933)	(22,950,978)	5.8	(8,992,973)	(8,219,566)	9.4
Depreciation and amortisation	(2,675,720)	(2,881,061)	(7.1)	(902,013)	(954,501)	(5.5)	(2,922,462)	(2,977,331)	(1.8)	(997,877)	(1,005,325)	(0.7)
Other expenses	(12,463,593)	(9,214,008)	35.3	(4,113,903)	(3,220,160)	27.8	(13,627,392)	(10,356,025)	31.6	(4,491,422)	(3,513,188)	27.8
Total operating expenses	(37,609,261)	(33,331,475)	12.8	(13,405,591)	(11,804,981)	13.6	(40,829,787)	(36,284,334)	12.5	(14,482,272)	(12,738,079)	13.7
Operating profit before taxes on financial services	30,926,015	35,150,827	(12.0)	15,928,254	8,109,313	96.4	32,265,704	35,031,892	(7.9)	16,840,390	8,690,748	93.8
Taxes on Financial Services												
Value Added Tax (VAT) on financial services	(7,150,247)	(7,671,435)	(6.8)	(3,242,302)	(2,480,104)	30.7	(7,326,533)	(7,759,443)	(5.6)	(3,369,636)	(2,510,123)	34.2
Social Security Contribution Levy (SSCL)	(1,143,298)	-	-	(518,518)	-	-	(1,168,584)	-	-	(535,985)	-	-
Operating profit after taxes on financial services	22,632,470	27,479,392	(17.6)	12,167,434	5,629,209	116.1	23,770,587	27,272,449	(12.8)	12,934,769	6,180,625	109.3
Share of profits/ (losses) of Associate companies, net of tax	-	-	-	-	-	-	55,148	91,607	(39.8)	26,860	21,324	26.0
Profit before income tax	22,632,470	27,479,392	(17.6)	12,167,434	5,629,209	116.1	23,825,735	27,364,056	(12.9)	12,961,629	6,201,949	109.0
Income tax expense	(4,564,338)	(8,491,447)	(46.2)	(2,611,622)	(2,555,783)	2.2	(4,957,458)	(8,651,392)	(42.7)	(2,842,898)	(2,625,112)	8.3
Profit for the period	18,068,132	18,987,945	(4.8)	9,555,812	3,073,426	210.9	18,868,277	18,712,664	0.8	10,118,731	3,576,837	182.9
Profit attributable to:												
Equity holder of the Bank	18,068,132	18,987,945	(4.8)	9,555,812	3,073,426	210.9	18,845,490	18,831,148	0.1	10,070,010	3,570,961	182.0
Non controlling interest	-	-	-	-	-	-	22,787	(118,484)	(119.2)	48,721	5,876	729.2
Profit for the period	18,068,132	18,987,945	(4.8)	9,555,812	3,073,426	210.9	18,868,277	18,712,664	0.8	10,118,731	3,576,837	182.9
Earnings per share:												
Basic earnings per share (Rs.)	722.73	759.52	(4.8)	382.23	122.94	210.9	753.82	753.25	0.1	402.80	142.84	182.0
Diluted earnings per share (Rs.)	702.22	759.52	(7.5)	371.39	122.94	202.1	732.43	753.25	(2.8)	391.37	142.84	174.0

STATEMENT OF COMPREHENSIVE INCOME

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Rs. 000

30 September	Bank						Group					
	For the period ended			For the quarter ended			For the period ended			For the quarter ended		
	2023	2022	Change %	2023	2022	Change %	2023	2022	Change %	2023	2022	Change %
Profit for the period	18,068,132	18,987,945	(4.8)	9,555,812	3,073,426	210.9	18,868,277	18,712,664	0.8	10,118,731	3,576,837	182.9
Other comprehensive income for the period , net of tax												
Items that will be reclassified to profit or loss												
Exchange differences on translation of foreign operations	(1,947,517)	7,762,307	(125.1)	669,737	(176,239)	(480.0)	(2,530,092)	9,549,352	(126.5)	681,071	(564,654)	(220.6)
Net gains/ (losses) on cashflow hedge instruments	(19,311,000)	17,346,428	(211.3)	(10,056,661)	3,367,157	(398.7)	(19,311,000)	17,346,428	(211.3)	(10,056,661)	3,367,157	(398.7)
Net gains/ (losses) on investments in debt instruments measured at FVTOCI	(29,805)	971,972	(103.1)	83,150	(183,913)	(145.2)	78,049	892,048	(91.3)	85,552	(244,830)	(134.9)
Net (gains)/ losses on FVTOCI financial investments reclassification to profit or loss	-	(5,631)	(100.0)	-	-	-	-	10,172	(100.0)	-	15,803	(100.0)
Deferred tax effect on net gains/ (losses) on investments in debt instruments measured at FVTOCI	(91,897)	(187,622)	(51.0)	(25,900)	1,785	(1,551.0)	(91,897)	(187,622)	(51.0)	(25,900)	1,785	(1,551.0)
Share of other comprehensive income of Associate companies, net of tax	-	-	-	-	-	-	1,116	(8,068)	(113.8)	(1,358)	41,889	(103.2)
	(21,380,219)	25,887,454	(182.6)	(9,329,674)	3,008,790	(410.1)	(21,853,824)	27,602,310	(179.2)	(9,317,296)	2,617,150	(456.0)
Items that will not be reclassified to profit or loss												
Change in fair value on investments in equity instruments measured at FVTOCI	1,671,631	(615,518)	(371.6)	979,083	(15,308)	(6,495.9)	1,940,037	54,237	3,477.0	760,465	763,455	(0.4)
Deferred tax effect on change in fair value on investments in equity instruments measured at FVTOCI	(3,882)	(222,319)	(98.3)	(39,978)	63,811	(162.7)	(3,882)	(222,319)	(98.3)	(39,978)	63,811	(162.7)
Re-measurement of post-employment benefit obligations	-	-	-	-	-	-	290	90,198	(99.7)	(1,870)	89,515	(102.1)
Deferred tax effect on post-employment benefit obligations	-	-	-	-	-	-	(87)	19,673	(100.4)	562	20,429	(97.2)
	1,667,749	(837,837)	(299.1)	939,105	48,503	1,836.2	1,936,358	(58,211)	(3,426.4)	719,179	937,210	(23.3)
Other comprehensive income for the period, net of tax	(19,712,470)	25,049,617	(178.7)	(8,390,569)	3,057,293	(374.4)	(19,917,466)	27,544,099	(172.3)	(8,598,117)	3,554,360	(341.9)
Total comprehensive income for the period	(1,644,338)	44,037,562	(103.7)	1,165,243	6,130,719	(81.0)	(1,049,189)	46,256,763	(102.3)	1,520,614	7,131,197	(78.7)
Attributable to:												
Equity holder of the Bank	(1,644,338)	44,037,562	(103.7)	1,165,243	6,130,719	(81.0)	(1,077,540)	46,355,621	(102.3)	1,475,180	7,098,939	(79.2)
Non controlling interest	-	-	-	-	-	-	28,351	(98,858)	(128.7)	45,434	32,258	40.8
Total comprehensive income for the period	(1,644,338)	44,037,562	(103.7)	1,165,243	6,130,719	(81.0)	(1,049,189)	46,256,763	(102.3)	1,520,614	7,131,197	(78.7)

Rs. 000

As at	Bank			Group		
	30-Sep-2023	31-Dec-2022 (Audited)	Change %	30-Sep-2023	31-Dec-2022 (Audited)	Change %
Assets						
Cash and cash equivalents	138,746,222	128,401,532	8.1	135,521,175	135,230,827	0.2
Balances with Central Banks	30,934,819	70,494,529	(56.1)	30,934,819	70,494,529	(56.1)
Placements with banks	119,982,495	16,459,303	629.0	120,590,320	17,811,665	577.0
Securities purchased under resale agreements	45,533,372	1,480,403	2,975.7	45,268,029	1,463,368	2,993.4
Derivative financial instruments	33,881,850	57,155,486	(40.7)	33,881,850	57,155,486	(40.7)
Financial assets recognized through profit or loss measured at fair value	65,151,331	10,280,055	533.8	73,157,258	10,636,190	587.8
Financial assets at amortized cost						
- loans and advances	2,136,680,277	2,325,594,329	(8.1)	2,165,413,839	2,355,978,333	(8.1)
- debt and other instruments	1,474,220,392	1,555,897,307	(5.2)	1,479,955,304	1,562,373,679	(5.3)
Financial assets - measured at fair value through other comprehensive income	46,870,573	8,690,802	439.3	49,181,765	10,750,044	357.5
Investment in Subsidiary companies	8,181,138	8,181,138	-	-	-	-
Investment in Associate companies	92,988	92,988	-	791,268	684,536	15.6
Investment properties	2,414,640	2,414,640	-	96,708	104,798	(7.7)
Property, plant and equipment	35,106,562	34,845,004	0.8	50,621,787	50,992,323	(0.7)
Right of Use Asset/ Leasehold properties	3,354,970	3,002,305	11.7	2,603,189	2,624,300	(0.8)
Intangible assets	1,584,702	1,442,433	9.9	1,696,820	1,593,344	6.5
Deferred tax assets	12,838,682	15,577,466	(17.6)	12,902,812	15,598,541	(17.3)
Other assets	144,544,601	96,449,984	49.9	145,440,515	97,276,598	49.5
Total assets	4,300,119,614	4,336,459,704	(0.8)	4,348,057,458	4,390,768,561	(1.0)
Liabilities						
Due to banks	12,275,347	11,514,897	6.6	12,425,499	11,547,714	7.6
Securities sold under repurchase agreements	103,911,620	180,218,543	(42.3)	102,967,132	179,938,744	(42.8)
Derivative financial instruments	1,526,865	921,033	65.8	1,526,865	921,033	65.8
Financial liabilities at amortized cost						
- due to depositors	3,688,049,932	3,334,774,261	10.6	3,712,360,914	3,358,198,424	10.5
- due to other borrowers	49,596,702	390,489,543	(87.3)	49,310,631	397,083,583	(87.6)
Debt securities issued	-	-	-	741,325	58,807	1,160.6
Current tax liabilities	-	6,523,443	(100.0)	260,709	6,853,709	(96.2)
Deferred tax liabilities	-	-	-	2,452,646	2,694,221	(9.0)
Insurance provision - Life	-	-	-	379,865	355,190	6.9
Insurance provision - Non life	-	-	-	715,615	662,773	8.0
Other liabilities	124,490,665	94,075,650	32.3	125,985,480	96,425,230	30.7
Subordinated liabilities	67,901,883	63,758,191	6.5	67,628,074	63,498,599	6.5
Total liabilities	4,047,753,014	4,082,275,561	(0.8)	4,076,754,755	4,118,238,027	(1.0)
Equity						
Share capital	25,730,000	25,730,000	-	25,730,000	25,730,000	-
Permanent reserve fund	15,131,000	15,131,000	-	15,131,000	15,131,000	-
OCI reserve	2,407,371	861,324	179.5	4,501,109	2,584,356	74.2
Cashflow hedge reserve	6,309,635	25,620,635	(75.4)	6,309,635	25,620,635	(75.4)
Retained earnings	176,511,165	158,616,238	11.3	178,302,538	159,819,481	11.6
Other reserves	26,277,429	28,224,946	(6.9)	40,248,541	42,588,095	(5.5)
Total equity attributable to equity holder of the Bank	252,366,600	254,184,143	(0.7)	270,222,823	271,473,567	(0.5)
Non controlling interest	-	-	-	1,079,880	1,056,967	2.2
Total equity	252,366,600	254,184,143	(0.7)	271,302,703	272,530,534	(0.5)
Total liabilities and equity	4,300,119,614	4,336,459,704	(0.8)	4,348,057,458	4,390,768,561	(1.0)
Contingent liabilities and commitments	1,171,044,515	1,344,899,769	(12.9)	1,209,713,881	1,346,920,056	(10.2)

STATEMENT OF CHANGES IN EQUITY- BANK

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	Rs. 000								
	Share capital	Capital pending allotment	Permanent reserve fund	OCI reserve	Cashflow hedge reserve	Other reserves		Retained earnings	Total Equity
						Other reserves	Revaluation reserve		
Balance as at 01 January 2022	25,000,000	-	14,491,000	588,427	3,239,266	3,345,420	17,356,542	136,739,177	200,759,832
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	18,987,945	18,987,945
Other comprehensive income, net of tax	-	-	-	(59,118)	17,346,428	7,762,307	-	-	25,049,617
Dividends for the period	-	-	-	-	-	-	-	(346,410)	(346,410)
Capital infusion during the period	-	730,000	-	-	-	-	-	-	730,000
Surcharge Tax	-	-	-	-	-	-	-	(6,738,542)	(6,738,542)
Balance as at 30 September 2022	25,000,000	730,000	14,491,000	529,309	20,585,694	11,107,727	17,356,542	148,642,170	238,442,442
Balance as at 01 January 2023	25,000,000	730,000	15,131,000	861,324	25,620,635	10,909,464	17,315,482	158,616,238	254,184,143
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	18,068,132	18,068,132
Other comprehensive income, net of tax	-	-	-	1,546,047	(19,311,000)	(1,947,517)	-	-	(19,712,470)
Dividends for the period	-	-	-	-	-	-	-	(173,205)	(173,205)
Balance as at 30 September 2023	25,000,000	730,000	15,131,000	2,407,371	6,309,635	8,961,947	17,315,482	176,511,165	252,366,600

STATEMENT OF CHANGES IN EQUITY -GROUP

	Rs. 000									
	Share capital	Capital pending allotment	Permanent reserve fund	OCI reserve	Cashflow hedge reserve	Other reserves		Retained earnings	Non controlling interest	Total Equity
						Other reserves	Revaluation reserve			
Balance as at 01 January 2022	25,000,000	-	14,491,000	1,483,412	3,239,266	5,186,788	26,302,644	138,104,222	1,589,446	215,396,778
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	-	18,831,148	(118,484)	18,712,664
Other comprehensive income, net of tax	-	-	-	543,565	17,346,428	9,549,352	-	85,128	19,626	27,544,099
Dividends for the period	-	-	-	-	-	-	-	(346,410)	-	(346,410)
Capital infusion during the period	-	730,000	-	-	-	-	-	-	-	730,000
Surcharge Tax	-	-	-	-	-	-	-	(7,042,422)	-	(7,042,422)
Change of non controlling interest	-	-	-	-	-	-	-	125,221	(413,130)	(287,909)
Balance as at 30 September 2022	25,000,000	730,000	14,491,000	2,026,977	20,585,694	14,736,140	26,302,644	149,756,887	1,077,458	254,706,800
Balance as at 01 January 2023	25,000,000	730,000	15,131,000	2,584,356	25,620,635	15,029,992	27,558,103	159,819,481	1,056,967	272,530,534
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	-	18,845,490	22,787	18,868,277
Other comprehensive income, net of tax	-	-	-	1,916,753	(19,311,000)	(2,530,092)	-	1,310	5,563	(19,917,466)
Dividends for the period	-	-	-	-	-	-	-	(173,205)	-	(173,205)
Subsidiary dividends to non controlling interest	-	-	-	-	-	-	-	-	(5,437)	(5,437)
Transfers to Other reserves	-	-	-	-	-	190,538	-	(190,538)	-	-
Balance as at 30 September 2023	25,000,000	730,000	15,131,000	4,501,109	6,309,635	12,690,438	27,558,103	178,302,538	1,079,880	271,302,703

For the nine month period ended 30 September	Bank		Group	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before income tax	22,632,470	27,479,392	23,825,735	27,364,056
Adjustments for :				
Net interest income	(51,219,146)	(107,915,462)	(54,545,961)	(110,443,526)
Dividend income	(145,365)	(279,268)	(173,032)	(346,304)
Dividends from Subsidiaries and Associates	(347,814)	(133,227)	-	-
Share of profits of Associate companies, net of tax	-	-	(55,148)	(91,607)
Change in operating assets	40,970,051	(454,115,394)	37,803,282	(454,892,606)
Change in operating liabilities	(7,097,246)	525,013,760	(8,426,187)	534,318,957
Other non cash items included in profit before tax	1,634,512	98,506,170	1,951,712	99,106,158
Other net losses/ (gains) from investing activities	(2,636,462)	(495,822)	(3,229,099)	(418,138)
	3,791,000	88,060,149	(2,848,698)	94,596,990
Contribution paid from defined benefit plans	(10,015,257)	(7,789,157)	(10,059,034)	(7,815,716)
Interest received	221,569,437	214,430,827	226,037,306	219,170,598
Interest paid	(316,143,531)	(65,348,918)	(318,685,614)	(67,435,930)
Dividends received	52,084	58,705	52,105	58,705
Net cash from/ (used in) operating activities before income tax	(100,746,267)	229,411,606	(105,503,935)	238,574,647
Income tax paid	(11,108,566)	(5,045,996)	(11,577,381)	(5,478,061)
Net cash from/(used in) operating activities	(111,854,833)	224,365,610	(117,081,316)	233,096,586
Cash flows from investing activities				
Net (increase)/ decrease in financial investments at amortized cost	71,915,338	(155,607,743)	72,656,798	(159,874,009)
Net (increase)/ decrease in financial investments recognized at fair value through OCI	(35,873,924)	10,369,061	(37,196,057)	12,711,018
Addition to investment properties	-	-	(20,896)	-
Purchase of property plant and equipment	(371,722)	(624,181)	(426,939)	(651,590)
Purchase of intangible assets	(65,158)	(39,793)	(69,199)	(39,793)
Proceeds from sale of property plant and equipment	2,061	-	15,234	-
Dividends received	441,095	353,790	120,927	287,599
Interest received	145,452,767	93,544,600	146,771,776	93,966,282
Net cash from / (used in) investing activities	181,500,457	(52,004,266)	181,851,644	(53,600,493)
Cash flows from financing activities				
Net decrease in other borrowings	(50,985,023)	(45,037,970)	(57,026,289)	(43,817,984)
Proceeds from issue of shares	-	730,000	-	730,000
Payments on redemption of debentures	-	(1,949,281)	-	(3,949,281)
Dividends paid to Equity holder of the Bank	(173,205)	(346,410)	(173,205)	(346,410)
Dividends paid to non controlling interest	-	-	(5,437)	-
Payments for share repurchase	-	-	-	(287,909)
Interest payments on borrowings and debt securities	(9,557,244)	(53,452,355)	(8,806,922)	(54,101,731)
Net cash used in financing activities	(60,715,472)	(100,056,016)	(66,011,853)	(101,773,315)
Net increase/ (decrease) in cash and cash equivalents during the period	8,930,152	72,305,328	(1,241,525)	77,722,778
Cash and cash equivalents at the beginning of the period	118,512,831	66,789,233	125,309,309	65,745,466
Cash and cash equivalents at the end of the period	127,442,983	139,094,561	124,067,784	143,468,244
Analysis of cash and cash equivalents				
Cash and cash equivalents	138,746,222	151,512,588	135,521,175	156,096,929
Bank overdrafts	(11,303,239)	(12,418,027)	(11,453,391)	(12,628,685)
Cash and cash equivalents at the end of the period	127,442,983	139,094,561	124,067,784	143,468,244

SELECTED PERFORMANCE INDICATORS

6

As at	Bank		Group	
	30-Sep-2023	31-Dec-2022	30-Sep-2023	31-Dec-2022
Net assets value per share (Rs)	10,094.66	10,167.37	10,808.91	10,858.94
Profitability				
Interest margin *	1.58%	3.10%	1.66%	3.15%
Return on assets (before tax) *	0.70%	0.76%	0.73%	0.75%
Return on equity (after tax) *	9.51%	14.06%	9.25%	13.05%
Assets Quality				
Impaired Loans (Stage 3) Ratio	5.78%	5.27%		
Impairment (Stage 3) to Stage 3 Loans Ratio	58.78%	59.73%		
Investor Information				
Debt equity (%)	30.53	43.89		
Interest cover (times)	1.46	1.32		
Memorandum Information				
Number of employees	8,180	8,209		
Number of branches	583	581		

* These ratios have been calculated by annualizing the 3Q-2023 figures.

KEY REGULATORY RATIOS - CAPITAL AND LIQUIDITY

As at	Bank		Group	
	30-Sep-2023	31-Dec-2022	30-Sep-2023	31-Dec-2022
Regulatory Capital (Rs. ' 000)				
Common equity Tier 1	191,758,244	194,949,918	201,279,924	200,533,817
Total Tier I capital	210,108,244	213,299,918	219,608,216	218,883,817
Total capital	255,762,525	264,494,074	266,361,581	270,747,789
Regulatory Capital Ratios (%)				
Common equity Tier 1 capital ratio (Minimum requirement, Basel III - 8.50%)	10.87%	11.34%	11.23%	11.35%
Total Tier I capital ratio (Minimum requirement, Basel III - 10.00%)	11.91%	12.41%	12.26%	12.39%
Total capital ratio (Minimum requirement, Basel III - 14.00%)	14.50%	15.38%	14.87%	15.32%
Leverage ratio (Minimum requirement - 3%)	4.63%	4.59%	4.79%	4.65%
Regulatory Liquidity				
Statutory liquid assets				
- Total bank (Rs. ' 000)	1,600,230,543	802,548,166		
- Domestic banking unit (Rs. ' 000)	1,421,218,674	698,946,861		
- Off-shore banking unit (US\$ '000)	700,408	368,308		
Statutory liquid assets ratio (minimum requirement - 20%)				
- Total Bank	44.00%	23.00%		
- Domestic banking unit	41.30%	21.22%		
- Off-shore banking unit	68.70%	32.79%		
Total Stock of High Quality Liquid Assets (Rs. ' 000)	1,397,755,588	522,718,280		
Liquidity coverage ratio - Rupee (Minimum requirement 2023-100%, 2022-90%)	330.00%	169.00%		
Liquidity coverage ratio - All currency (Minimum requirement 2023-100%, 2022-90%)	232.08%	122.77%		
Net stable funding ratio (Minimum requirement 2023-100%, 2022-90%)	139.00%	137.00%		

SHARE INFORMATION

Shareholder	30-Sep-2023		31-Dec-2022	
	No. of Ordinary Shares*	Holding %	No. of Ordinary Shares*	Holding %
Government of Sri Lanka	25,730,000	100	25,730,000	100

* This includes 730,000 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 condensed Interim Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2022. 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 Financial Statements for the year 2022.
- III. During the period, there were no material changes in the composition of assets, liabilities and contingent liabilities in the Bank.
- IV. All known expenses have been charged in these financial statements.
- V. The Bank closely monitors and considers the impact of economy to business operations and performance. In order to capture the expected losses from loans and advances due to prevalent economic conditions, the Bank adjusted the Economic Factor Adjustment (EFA) which is used in calculating the impairment provision for loans and advances. Individually Significant Loan (ISL) customers were carefully evaluated for significant increase in credit risk indicators and management overlays were used for the stressed industries by ensuring the credit risk of those customers are identified in the Financial Statements adequately. Impairment for investments in foreign currency denominated sovereign exposures have been made considering the Sovereign rating downgrade.
- VI. The Bank has entered in to ten USD/LKR funding SWAPs amounting to USD 90 million during the year 2021 as against the borrowings of USD 90 million. These SWAP transactions have been recorded in these financial statements under hedge accounting as per the SLFRS 09: Financial Instruments.
- VII. The Bank has adopted the Alternative Treatment (SoAT) on Reclassification of Debt Portfolio, issued by the Institute of Chartered Accountants of Sri Lanka and reclassified its Debt Portfolio of Rs. 12.8 Bn from Fair Value Through Other Comprehensive Income (FVTOCI) to Amortized Cost (AC) with effect from 01st April 2022. If the current portfolio is continued to be measured at FVTOCI, the fair value and the cumulative fair value loss as at 30 September 2023 would have been Rs. 10.6 Bn and Rs. 1.6 Bn respectively.
- VIII. Under the Domestic Debt Optimization (DDO) programme announced by the Government on August 2023, the investments in Sri Lanka Development Bonds (SLDBs) were converted to LKR Treasury Bonds. The Bank assessed the Day 1 impact from this transaction and same was taken into consideration in the preparation of these financial statements.
- IX. No circumstances have arisen and no material events have occurred since the reporting date, which require disclosures or adjustments to the financial statements.
- X. The Group financial statements comprise a consolidation of the Bank and its Subsidiaries, Property Development Limited, 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, and Bank of Ceylon (UK) Limited and the Group’s interest in its Associate companies, Lanka Securities (Private) Limited, Southern Development Financial Company Limited, Transnational Lanka Records Solutions (Private) Limited and Ceybank Asset Management Limited.

We certify that the above financial statements give a true and fair view of the state of affairs of Bank of Ceylon and the Group as at 30 September 2023 and its profit for the nine-month period ended 30 September 2023.

Sgd.
M P Ruwan Kumara
Chief Financial Officer

We, the undersigned, being the Directors and the 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.
N C A Abeysekera
Director
(Independent Non-Executive)

Sgd.
W P Russel Fonseka
General Manager

15 November 2023
Colombo

Rs. '000

As at 30 September	2023				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	138,746,222	-	-	138,746,222
Balances with Central Banks	-	30,934,819	-	-	30,934,819
Placements with banks	-	119,982,495	-	-	119,982,495
Securities purchased under resale agreements	-	45,533,372	-	-	45,533,372
Derivative financial instruments	33,881,850	-	-	-	33,881,850
Loans and advances	-	2,136,680,277	-	-	2,136,680,277
Financial investments	65,151,331	1,474,220,392	46,870,573	-	1,586,242,296
Total financial assets	99,033,181	3,946,097,577	46,870,573	-	4,092,001,331
Other assets	-	-	-	208,118,283	208,118,283
Total assets	99,033,181	3,946,097,577	46,870,573	208,118,283	4,300,119,614

	Fair value through profit or loss	Amortised Cost	Others	Total
Financial liabilities				
Due to banks	-	12,275,347	-	12,275,347
Securities sold under repurchase agreements	-	103,911,620	-	103,911,620
Derivative financial instruments	1,526,865	-	-	1,526,865
Due to depositors	-	3,688,049,932	-	3,688,049,932
Other borrowings	-	49,596,702	-	49,596,702
Debt securities issued	-	-	-	-
Subordinated liabilities	-	67,901,883	-	67,901,883
Total financial liabilities	1,526,865	3,921,735,484	-	3,923,262,349
Other liabilities	-	-	124,490,665	124,490,665
Total liabilities	1,526,865	3,921,735,484	124,490,665	4,047,753,014

As at 31 December	2022				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	128,401,532	-	-	128,401,532
Balances with Central Banks	-	70,494,529	-	-	70,494,529
Placements with banks	-	16,459,303	-	-	16,459,303
Securities purchased under resale agreements	-	1,480,403	-	-	1,480,403
Derivative financial instruments	57,155,486	-	-	-	57,155,486
Loans and advances	-	2,325,594,329	-	-	2,325,594,329
Financial investments	10,280,055	1,555,897,307	8,690,802	-	1,574,868,164
Total financial assets	67,435,541	4,098,327,403	8,690,802	-	4,174,453,746
Other assets	-	-	-	162,005,958	162,005,958
Total assets	67,435,541	4,098,327,403	8,690,802	162,005,958	4,336,459,704

	Fair value through profit or loss	Amortised Cost	Others	Total
Financial liabilities				
Due to banks	-	11,514,897	-	11,514,897
Securities sold under repurchase agreements	-	180,218,543	-	180,218,543
Derivative financial instruments	921,033	-	-	921,033
Due to depositors	-	3,334,774,261	-	3,334,774,261
Other borrowings	-	390,489,543	-	390,489,543
Debt securities issued	-	-	-	-
Subordinated liabilities	-	63,758,191	-	63,758,191
Total financial liabilities	921,033	3,980,755,435	-	3,981,676,468
Other liabilities	-	-	100,599,093	100,599,093
Total liabilities	921,033	3,980,755,435	100,599,093	4,082,275,561

Rs. '000

As at 30 September	2023				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	135,521,175	-	-	135,521,175
Balances with Central Banks	-	30,934,819	-	-	30,934,819
Placements with banks	-	120,590,320	-	-	120,590,320
Securities purchased under resale agreements	-	45,268,029	-	-	45,268,029
Derivative financial instruments	33,881,850	-	-	-	33,881,850
Loans and advances	-	2,165,413,839	-	-	2,165,413,839
Financial investments	73,157,258	1,479,955,304	49,181,765	-	1,602,294,327
Total financial assets	107,039,108	3,977,683,486	49,181,765	-	4,133,904,359
Other assets	-	-	-	214,153,099	214,153,099
Total assets	107,039,108	3,977,683,486	49,181,765	214,153,099	4,348,057,458

	Fair value through profit or loss	Amortised cost	Others	Total
Financial liabilities				
Due to banks	-	12,425,499	-	12,425,499
Securities sold under repurchase agreements	-	102,967,132	-	102,967,132
Derivative financial instruments	1,526,865	-	-	1,526,865
Due to depositors	-	3,712,360,914	-	3,712,360,914
Other borrowings	-	49,310,631	-	49,310,631
Debt securities issued	-	741,325	-	741,325
Subordinated liabilities	-	67,628,074	-	67,628,074
Total financial liabilities	1,526,865	3,945,433,575	-	3,946,960,440
Other liabilities	-	-	129,794,315	129,794,315
Total liabilities	1,526,865	3,945,433,575	129,794,315	4,076,754,755

As at 31 December	2022				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	135,230,827	-	-	135,230,827
Balances with Central Banks	-	70,494,529	-	-	70,494,529
Placements with banks	-	17,811,665	-	-	17,811,665
Securities purchased under resale agreements	-	1,463,368	-	-	1,463,368
Derivative financial instruments	57,155,486	-	-	-	57,155,486
Loans and advances to customers	-	2,355,978,333	-	-	2,355,978,333
Financial investments	10,636,190	1,562,373,679	10,750,044	-	1,583,759,913
Total financial assets	67,791,676	4,143,352,401	10,750,044	-	4,221,894,121
Other assets	-	-	-	168,874,440	168,874,440
Total assets	67,791,676	4,143,352,401	10,750,044	168,874,440	4,390,768,561

	Fair value through profit or loss	Amortised cost	Others	Total
Financial liabilities				
Due to banks	-	11,547,714	-	11,547,714
Securities sold under repurchase agreements	-	179,938,744	-	179,938,744
Derivative financial instruments	921,033	-	-	921,033
Due to depositors	-	3,358,198,424	-	3,358,198,424
Other borrowings	-	397,083,583	-	397,083,583
Debt securities issued	-	58,807	-	58,807
Subordinated liabilities	-	63,498,599	-	63,498,599
Total financial liabilities	921,033	4,010,325,871	-	4,011,246,904
Other liabilities	-	-	106,991,123	106,991,123
Total liabilities	921,033	4,010,325,871	106,991,123	4,118,238,027

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount	
					30.09.2023	31.12.2022		Bank	
					%	%		30.09.2023	31.12.2022
							Rs '000	Rs '000	
Sri Lanka rupee debentures									
Fixed interest rate									
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2023	13.75	13.75	15.21	1,803,804	1,637,668
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2023	9.50	9.50	15.21	1,290,433	1,205,521
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2024	12.75	12.75	15.07	858	784
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	29.12.2017	28.12.2025	12.75	12.75	14.65	5,474,792	5,004,820
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	31.07.2018	30.07.2026	12.00	12.00	15.06	6,829,329	7,027,089
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	03.12.2018	02.12.2023	12.00	12.00	15.24	5,820,950	5,347,618
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	27.06.2019	26.06.2024	11.75	11.75	14.83	3,088,906	3,176,634
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	17.07.2019	16.07.2024	11.80	11.80	14.91	1,073,479	1,104,092
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	18.07.2019	17.07.2024	11.80	11.80	14.91	2,250,973	2,315,164
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	23.07.2019	22.07.2024	11.80	11.80	14.91	2,553,374	2,626,346
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	24.07.2019	23.07.2024	11.50	11.50	14.83	408,311	419,670
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	26.07.2019	25.07.2027	11.75	11.75	14.39	62,399	64,174
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	30.12.2022	29.12.2027	29.00	29.00	14.29	7,857,141	6,494,529
								38,514,749	36,424,109
Floating interest rate									
Listed, Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	06.10.2015	05.10.2023	27.04	31.84	15.21	2,306,741	2,194,782
Listed, Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	29.12.2016	28.12.2024	20.74	33.51	15.07	21	20
Unlisted, Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 250 basis points with a floor rate of 9.0%)	b	Semi annually	22.11.2021	22.11.2026	27.72	35.01	15.06	5,927,236	5,589,394
								8,233,998	7,784,196
Additional Tier I capital bond									
Unlisted, Unsecured, subordinated, perpetual capital bond (12 months TB (Net) rate plus 150 basis points with a Floor rate of 9.5%)		Annually	06.07.2020	N/A	15.36	25.34	-	5,171,199	5,583,891
Unlisted, Unsecured, subordinated, perpetual capital bond (Weighted average 12 months TB (Net) rate plus 150 basis points with a Floor rate of 9.0%)		Annually	01.12.2020	N/A	30.96	30.96	-	12,517,233	10,224,787
Unlisted, Unsecured, subordinated, perpetual capital bond (Weighted average 12 months TB (Net) rate plus 150 basis points with a Floor rate of 9.0%)		Annually	06.07.2021	N/A	15.36	25.34	-	3,464,704	3,741,208
								21,153,136	19,549,886
								67,901,883	63,758,191

Notes

a) Debentures that are listed in the Colombo Stock Exchange.

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

INFORMATION ON LISTED DEBENTURES

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	01-Jan-2023 to 30-Sep-2023 Rs.	01-Jan-2022 to 31-Dec-2022 Rs.
Market Value		
BoC Debentures 2013/2023 , Unsecured, subordinated, redeemable, 10 years, fixed rate (13.75%)	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	Not Traded	Not Traded
Lowest	Not Traded	Not Traded
Last transaction	Not Traded	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, 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

YIELD OF LAST TRADE DONE

	30-Sep-2023 %	31-Dec-2022 %
Interest yield as at date of last trade done		
BoC Debentures 2013/2023 , 10 years, fixed rate (13.75%)	Not Traded	Not Traded
BoC Debentures 2015/2023 , 8 years, fixed rate (9.50%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
BoC Debentures 2016/2024 , 8 years, fixed rate (12.75%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
Yield to maturity of last trade done		
BoC Debentures 2013/2023 , 10 years, fixed rate (13.75%)	Not Traded	Not Traded
BoC Debentures 2015/2023 , 8 years, fixed rate (9.50%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
BoC Debentures 2016/2024 , 8 years, fixed rate (12.75%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded

1 Loans and advances to customers

As at	Bank		Group	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Gross loans and receivables	2,385,109,815	2,584,778,967	2,416,577,130	2,617,905,189
Stage 1	1,810,291,970	1,986,928,070	1,828,722,219	2,002,738,770
Stage 2	251,941,925	273,220,831	254,806,088	277,121,666
Stage 3	322,875,920	324,630,066	333,048,823	338,044,753
Less : Accumulated impairment	248,429,538	259,184,638	251,163,291	261,926,856
Stage 1	32,176,550	39,710,949	33,318,388	39,904,019
Stage 2	26,479,154	25,419,553	26,828,887	25,564,731
Stage 3	189,773,834	194,054,136	191,016,016	196,458,106
Net loans and advances	2,136,680,277	2,325,594,329	2,165,413,839	2,355,978,333

2 Loans and advances to customers - By product

As at	Bank		Group	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Local currency				
Overdrafts	139,275,222	146,415,234	139,082,590	146,223,589
Term loans	646,330,378	746,658,700	653,183,709	755,678,340
Lease rentals receivable	15,489,814	20,673,590	23,962,473	29,509,308
Credit cards	8,880,162	7,483,788	8,880,162	7,483,788
Pawning	138,885,916	116,879,501	143,216,390	122,545,263
Housing loans	72,910,297	78,125,880	72,936,345	78,155,920
Trade finance	49,254,021	39,846,557	49,478,742	40,077,612
Personal loans	371,336,310	413,928,850	372,420,692	415,315,733
Staff loans	24,239,940	26,186,008	24,213,013	26,420,658
Foreclosed properties	3,357,628	3,325,096	3,357,628	3,325,096
Other loans	56,904,469	47,861,160	56,904,469	47,861,160
Total local currency loans and advances	1,526,864,157	1,647,384,364	1,547,636,213	1,672,596,467
Foreign currency				
Overdrafts	62,629,072	67,382,222	62,862,765	67,622,802
Term loans	728,691,995	788,273,917	739,136,710	795,933,677
Trade finance	59,065,282	73,328,306	59,065,282	73,328,306
Housing loans	33,203	46,205	33,203	46,205
Staff loans	210,990	32,490	227,841	46,269
Foreclosed properties	8,361	8,624	8,361	8,624
Other loans	7,606,755	8,322,839	7,606,755	8,322,839
Total foreign currency loans and advances	858,245,658	937,394,603	868,940,917	945,308,722
Total loans and advances to customers	2,385,109,815	2,584,778,967	2,416,577,130	2,617,905,189

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)	39,710,949	25,419,553	194,054,136	259,184,638
Charge / (reversal) during the period	(5,456,429)	2,157,563	21,352,087	18,053,221
Amount recovered during the period	-	-	(21,058,746)	(21,058,746)
Exchange rate variance on foreign currency impairment	(2,077,970)	(1,097,962)	(4,573,643)	(7,749,575)
Amount written-off during the period	-	-	(54,477)	(54,477)
Other movements	-	-	54,477	54,477
Closing balance as at 30 September 2023	32,176,550	26,479,154	189,773,834	248,429,538

	Group			
	Stage 1	Stage 2	Stage 3	Total
Opening balance (01 January)	39,904,019	25,564,731	196,458,106	261,926,856
Charge / (reversal) during the period	(4,507,661)	2,362,118	20,146,237	18,000,694
Amount recovered during the period	-	-	(21,058,746)	(21,058,746)
Exchange rate variance on foreign currency impairment	(2,077,970)	(1,097,962)	(4,573,643)	(7,749,575)
Amount written-off during the period	-	-	(54,477)	(54,477)
Other movements	-	-	98,539	98,539
Closing balance as at 30 September 2023	33,318,388	26,828,887	191,016,016	251,163,291

Rs.'000

4) Contingent liabilities and commitments

As at	Bank		Group	
	30-Sep-2023	31-Dec-2022	30-Sep-2023	31-Dec-2022
By product - Domestic currency				
Acceptances and documentary credits	152,906,071	145,698,142	152,906,071	145,698,142
Bills for collection	49,358,319	51,385,079	49,358,319	51,385,079
Forward exchange contracts	389,629,810	124,122,135	389,629,810	124,122,135
Guarantees	165,651,256	157,927,423	165,695,649	158,085,923
Undrawn and undisbursed facilities	202,092,187	648,009,606	202,092,187	648,009,622
Other commitments	30,056,193	20,106,379	30,080,168	21,460,286
Total domestic currency contingent liabilities and commitments	989,693,836	1,147,248,764	989,762,204	1,148,761,187
By product - Foreign currency				
Acceptances and documentary credits	15,495,258	12,249,993	15,573,115	12,757,857
Bills for collection	7,416,101	13,430,539	7,416,101	13,430,539
Forward exchange contracts	42,560,987	75,331,192	80,579,785	75,331,192
Guarantees	12,684,773	10,047,160	12,684,773	10,047,160
Undrawn and undisbursed facilities	15,371,730	29,779,390	15,371,730	29,779,390
Other commitments	87,821,830	56,812,731	88,326,173	56,812,731
Total foreign currency contingent liabilities and commitments	181,350,679	197,651,005	219,951,678	198,158,869
Total Contingent liabilities and commitments	1,171,044,515	1,344,899,769	1,209,713,881	1,346,920,056

5) Financial liabilities at amortised cost

Due to depositors - By product

As at	Bank		Group	
	30-Sep-2023	31-Dec-2022	30-Sep-2023	31-Dec-2022
Local currency				
Demand deposits	153,089,392	174,674,605	152,701,986	174,245,474
Savings deposits	828,384,304	558,213,697	829,252,920	558,984,668
Time deposits	1,736,088,399	1,558,730,483	1,754,826,667	1,576,815,334
Other deposits	3,523,467	4,785,426	3,531,415	4,785,426
Total local currency deposits	2,721,085,562	2,296,404,211	2,740,312,988	2,314,830,902
Foreign currency				
Demand deposits	48,024,397	56,168,342	48,884,822	57,356,149
Savings deposits	177,376,339	189,799,490	178,337,109	190,755,490
Time deposits	736,139,608	786,788,397	739,401,969	789,642,062
Other deposits	5,424,026	5,613,821	5,424,026	5,613,821
Total foreign currency deposits	966,964,370	1,038,370,050	972,047,926	1,043,367,522
Total due to depositors	3,688,049,932	3,334,774,261	3,712,360,914	3,358,198,424

Rs. '000

For the nine month period ended 30th September	Retail banking		Corporate banking		International, treasury and investment		Group functions		Unallocated		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from external customers:												
Net interest income	20,526,977	27,318,514	17,882,096	45,941,560	9,879,961	25,848,340	3,326,815	2,528,064	2,930,112	8,807,048	54,545,961	110,443,526
Net fee and commission income	10,539,170	8,158,661	2,423,784	2,792,585	(539,819)	355,635	246,075	264,719	514,064	463,567	13,183,274	12,035,167
Other income	(213,547)	2,155,060	(244,911)	23,344,078	(9,774,816)	3,238,830	934,798	413,313	837,769	81,197	(8,460,707)	29,232,478
Total operating income	30,852,600	37,632,235	20,060,969	72,078,223	(434,674)	29,442,805	4,507,688	3,206,096	4,281,945	9,351,812	59,268,528	151,711,171
Expenses :												
Impairment (charge)/ reversal for loans and other losses	576,448	(11,561,258)	818,339	(48,532,482)	12,199,971	(19,450,240)	52,527	(372,172)	179,678	(478,793)	13,826,963	(80,394,945)
Total operating expenses	(26,810,135)	(24,087,321)	(3,689,450)	(4,531,825)	(6,573,023)	(4,312,724)	(3,220,526)	(2,952,859)	(536,653)	(399,605)	(40,829,787)	(36,284,334)
Total expenses	(26,233,687)	(35,648,579)	(2,871,111)	(53,064,307)	5,626,948	(23,762,964)	(3,167,999)	(3,325,031)	(356,975)	(878,398)	(27,002,824)	(116,679,279)
Operating profit before VAT and SSCL	4,618,913	1,983,656	17,189,858	19,013,916	5,192,274	5,679,841	1,339,689	(118,935)	3,924,970	8,473,414	32,265,704	35,031,892
Taxes on financial services											(8,495,117)	(7,759,443)
Operating profit after taxes on financial services											23,770,587	27,272,449
Share of profit/ (loss) of associate companies, net of tax							55,148	91,607			55,148	91,607
Profit/(loss) before income tax	4,618,913	1,983,656	17,189,858	19,013,916	5,192,274	5,679,841	1,394,837	(27,328)	3,924,970	8,473,414	23,825,735	27,364,056
Income tax expense											(4,957,458)	(8,651,392)
Profit for the period											18,868,277	18,712,664
Total assets	824,746,654	1,016,723,258	1,170,828,917	1,438,232,492	2,047,472,764	1,769,781,986	47,937,845	54,446,761	257,071,278	177,761,254	4,348,057,458	4,456,945,751
Total liabilities	776,343,696	961,656,811	1,102,114,988	1,360,336,808	1,927,310,121	1,673,929,348	29,001,740	38,182,403	241,984,210	168,133,581	4,076,754,755	4,202,238,951
Cash flows from / (used in) operating activities	(63,019,714)	56,940,050	(40,976,660)	107,134,672	887,867	46,147,185	(5,226,482)	8,730,976	(8,746,327)	14,143,703	(117,081,316)	233,096,586
Cash flows from / (used in) investing activities	34,811,100	(11,310,413)	49,418,621	(16,124,578)	86,420,211	(22,591,791)	351,187	(1,596,227)	10,850,525	(1,977,484)	181,851,644	(53,600,493)
Cash flows from/ (used in) financing activities	(33,770,113)	(52,907,652)	(19,857,710)	(29,792,421)	(3,852,991)	(14,848,273)	(5,296,381)	(1,717,299)	(3,234,658)	(2,507,670)	(66,011,853)	(101,773,315)
Capital expenditure to non-current assets											(517,034)	(691,383)
Depreciation and amortization expenses	513,193	665,359	728,540	941,201	1,274,026	1,158,172	246,742	96,270	159,961	116,329	2,922,462	2,977,331

During the period from 01.01.2015 to 30.09.2023

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