



**INTERIM FINANCIAL STATEMENTS**  
**for the three-month period ended 31 March 2024**  
**(Un-audited)**

**Bank of Ceylon**

Fitch Ratings: A(Ika)

## **Financial commentary for 1Q -2024**

- Profit Before Tax: Rs. 9.3 billion
- Net Interest income of Rs. 25.9 billion
- Total Assets base of Rs. 4.3 trillion
- Total Deposit base of Rs. 3.7 trillion
- Gross loans and advances of Rs. 2.3 trillion

During the first quarter of 2024, Bank of Ceylon demonstrated impressive growth and resilience, achieving a Profit Before Tax (PBT) of Rs. 9.3 billion, a substantial increase compared to the previous year, illustrating its dedication in challenging economic conditions. As favorable conditions emerge, the Sri Lankan economy is expected to achieve moderate growth in 2024, signaling a pathway towards economic stabilization after setbacks experienced in previous years.

### **Fund Based & Non- Fund Based Income**

The Bank's interest income for the quarter reached to Rs. 108.6 billion, making a significant contribution to its total income even though reflected a reduction of 21% YoY in line with the low interest regime. Similarly, interest expenses also decreased to Rs. 82.7 billion with 31% reduction, resulting in a Net Interest Income (NII) of Rs. 25.9 billion with 39% growth YoY. The increase in NII showcase the strategic approach and ability of the Bank to handle the low interest rate scenario leading to commendable performance in 1Q of 2024.

Net fee and commission income remained robust at Rs. 4.9 billion with 11% growth, reflecting continued growth in card transactions and remittance services. BOC cards, among the top-tier rewards cards, offer best discount rates that align with the "Avurudu" New Year season. The 'Pita Pita Rata Thegi Season 3' raffle draw significantly contributed to the increase in remittance flow, reaching a record high. The grand prize awarded in 'The Pita Pita Rata Thegi Season 3' by Bank of Ceylon was a magnificent villa valued at Rs.30 million. This represents a significant milestone in Sri Lankan remittance rewards, underscoring BoC's unwavering commitment to our customers.

### **Impairment charge for Loans and Advances and Other Financial Instruments**

Concerted efforts to support customers through unexpected economic turmoil in previous years helped the Bank to manage its stage 3 loan ratio at 5.51% as of the end of 1Q-2024. During the quarter, an impairment provision of Rs. 2.7 billion was allocated for loans and advances,

maintaining a provision coverage of 60% for stage 3 loans. These strategic maneuvers safeguarded the Bank's financial health and underscored its commitment to fostering stability and resilience in challenging economic landscapes.

The Business Revival and Rehabilitation Unit put in a major effort to convert financially distressed customers who had the operational capability and carried out thorough and intense evaluations to support them in enhancing their portfolios with the required financing.

### **Operating Income, Expenses and Profitability**

Total operating income reached Rs. 30.4 billion. With an impairment provision of Rs. 3.2 billion and operating expenses of Rs. 14.6 billion, the Operating Profit Before Taxes on Financial Services amounted to Rs. 12.5 billion, marking a notable improvement of 143% compared to the previous year. The Profit Before Tax (PBT) of Rs. 9.3 billion was reported after charging the Value Added Tax (VAT) and Social Security Contribution Levy (SSCL) by reporting 180% growth. Furthermore, income tax expenses totaling to Rs. 4.3 billion were accounted for the quarter, resulting in a profit after tax of Rs. 5.1 billion.

### **Financial Position**

As of the end of March 2024, the Bank maintained a strong financial position, with total Assets amounting to Rs. 4.3 trillion and total Deposits of Rs. 3.7 trillion. Notably, Net Loans and Advances amounted to Rs. 2.1 trillion, and total Investments amounted to Rs. 1.9 trillion. During the period under review, LKR appreciated by 7%, in line with that, foreign currency assets and liabilities came down in LKR terms which was the main reason for reporting a contraction in assets book by end March 2024.

### **Key Performance Indicators**

The Bank achieved a Return on Assets (ROA) ratio of 0.86% and reported a Return on Equity (ROE) ratio of 8.02%. Notably, the Bank ensured compliance with regulatory capital requirements, maintaining a Tier I Capital Adequacy Ratio of 12.41% and Total Capital Adequacy Ratio of 15.41%. Liquidity ratios improved, reflecting positive market conditions during the period under review. To achieve robust returns, optimal liquidity, and sufficient capital adequacy, the Bank remains committed to implementing prudent strategies in balance sheet management aligned with external dynamics. Further stabilization of key economic indicators such as inflation, interest rates, and exchange rates increased certainty and confidence, fostering conducive conditions for banking business.

## **Digital Excellence**

Over the past few years, the Bank has accelerated its investment in digital infrastructure in order to drive greater digital adoption levels across our customer base, which is showcased by; at the Technnovation Awards 2024, Bank of Ceylon received multiple prestigious accolades in the banking sector, including the esteemed ‘Overall Award – Gold for Excellence in Digital Payments’. In addition to this top recognition, BoC achieved Gold awards in various categories, such as ‘Bank of the Year for Financial Inclusivity’ (Category A), ‘Best Common ATM Enabler of the Year’ (Category A), and ‘Best Bank for Digital Government Payments’. Furthermore, the Bank earned a Silver award for ‘Best Bank for Retail Payments’ and a Merit Award for the ‘Most Popular Digital Payment Product’ (State Banks Category). These accolades highlight BoC's leadership and commitment to excellence in providing innovative digital payment solutions, enhancing financial inclusivity, and delivering exceptional banking services to its customers.

With an extensive footprint comprising of a network of over 2,200 direct customer touchpoints, including fully-equipped and mobile branches, SME centers, ATMs, CDMs and CRMs island-wide, the Bank promotes financial inclusion across all provinces of the country. The Bank also operates overseas with three branches in India, Maldives, and Seychelles, a limited services branch in Hulhumale and a fully-owned subsidiary in London, United Kingdom.

Further, as the No 1 Bank in Sri Lanka and as a government bank, Bank of Ceylon is dedicated to advancing the socio-economic welfare and fostering financial inclusion throughout the nation. BoC recognizes the pivotal role technology plays in modernizing agriculture and enhancing the livelihoods of farmers. By partnering with the Agriculture Drone Pilot Programme, BoC aims to equip farmers with the tools and resources they need to thrive in an increasingly digital world.

Bank of Ceylon plays a crucial role in the Sri Lankan financial system by supplying liquidity to the entire economy and adjusting the risk characteristics of assets. Moreover, it provides payment services, facilitating seamless financial transactions for all entities. Since 1939, the Bank of Ceylon has continuously interacted with individuals from diverse backgrounds in Sri Lanka, demonstrating a steadfast commitment to generating value for all stakeholders. Its goal is to be the “preferred financial partner” for customers and to uphold its dedication as “Bankers to the Nation.”

## STATEMENT OF PROFIT OR LOSS

1

Rs. 000

For the three-month period ended 31 March	Bank			Group		
	2024	2023	Change %	2024	2023	Change %
<b>Total income</b>	<b>115,490,018</b>	<b>139,228,282</b>	<b>(17.0)</b>	<b>118,130,239</b>	<b>140,932,794</b>	<b>(16.2)</b>
Interest income	108,589,186	137,777,886	(21.2)	110,518,765	139,088,174	(20.5)
Interest expenses	(82,703,593)	(119,124,156)	(30.6)	(83,685,844)	(119,354,628)	(29.9)
<b>Net interest income</b>	<b>25,885,593</b>	<b>18,653,730</b>	<b>38.8</b>	<b>26,832,921</b>	<b>19,733,546</b>	<b>36.0</b>
Fee and commission income	7,284,361	6,533,242	11.5	7,392,952	6,624,757	11.6
Fee and commission expenses	(2,373,722)	(2,098,169)	13.1	(2,380,479)	(2,099,203)	13.4
<b>Net fee and commission income</b>	<b>4,910,639</b>	<b>4,435,073</b>	<b>10.7</b>	<b>5,012,473</b>	<b>4,525,554</b>	<b>10.8</b>
Net gains/ (losses) from trading	2,596,976	(3,461,930)	(175.0)	2,607,198	(3,412,148)	(176.4)
Net fair value gains/ (losses) from financial instruments at fair value through profit or loss	522,371	565,442	(7.6)	761,041	576,822	31.9
Net gains/(losses) on derecognition of financial assets	379,173	597,315	(36.5)	550,532	603,803	(8.8)
Other operating income	(3,882,049)	(2,783,673)	39.5	(3,700,249)	(2,548,614)	45.2
	<b>(383,529)</b>	<b>(5,082,846)</b>	<b>(92.5)</b>	<b>218,522</b>	<b>(4,780,137)</b>	<b>(104.6)</b>
<b>Total operating income</b>	<b>30,412,703</b>	<b>18,005,957</b>	<b>68.9</b>	<b>32,063,916</b>	<b>19,478,963</b>	<b>64.6</b>
Impairment (charge)/ reversal						
Loans and advances	(2,677,410)	(1,233,531)	117.1	(2,725,734)	(1,293,611)	110.7
Other financial assets	(572,505)	165,307	(446.3)	(572,505)	165,307	(446.3)
<b>Net operating income</b>	<b>27,162,788</b>	<b>16,937,733</b>	<b>60.4</b>	<b>28,765,677</b>	<b>18,350,659</b>	<b>56.8</b>
<b>Operating expenses</b>						
Personnel expenses	(8,888,994)	(6,822,135)	30.3	(9,563,004)	(7,415,997)	29.0
Depreciation and amortisation	(1,076,042)	(883,325)	21.8	(1,102,784)	(952,852)	15.7
Other expenses	(4,652,808)	(4,071,682)	14.3	(5,074,590)	(4,413,550)	15.0
<b>Total operating expenses</b>	<b>(14,617,844)</b>	<b>(11,777,142)</b>	<b>24.1</b>	<b>(15,740,378)</b>	<b>(12,782,399)</b>	<b>23.1</b>
<b>Operating profit before taxes on financial services</b>	<b>12,544,944</b>	<b>5,160,591</b>	<b>143.1</b>	<b>13,025,299</b>	<b>5,568,260</b>	<b>133.9</b>
<b>Taxes on Financial Services</b>						
Value Added Tax (VAT) on financial services	(2,814,288)	(1,578,075)	78.3	(2,902,294)	(1,592,543)	82.2
Social Security Contribution Levy (SSCL)	(391,012)	(252,401)	54.9	(403,630)	(254,541)	58.6
<b>Operating profit after taxes on financial services</b>	<b>9,339,644</b>	<b>3,330,115</b>	<b>180.5</b>	<b>9,719,375</b>	<b>3,721,176</b>	<b>161.2</b>
Share of profits/ (losses) of Associate companies, net of tax	-	-	-	19,694	24,754	(20.4)
<b>Profit before income tax</b>	<b>9,339,644</b>	<b>3,330,115</b>	<b>180.5</b>	<b>9,739,069</b>	<b>3,745,930</b>	<b>160.0</b>
Income tax expense	(4,266,136)	(20,712)	20,497.4	(4,424,953)	(94,946)	4,560.5
<b>Profit for the period</b>	<b>5,073,508</b>	<b>3,309,403</b>	<b>53.3</b>	<b>5,314,116</b>	<b>3,650,984</b>	<b>45.6</b>
<b>Profit attributable to:</b>						
Equity holder of the Bank	5,073,508	3,309,403	53.3	5,314,516	3,663,520	45.1
Non controlling interest	-	-	-	(400)	(12,536)	(96.8)
<b>Profit for the period</b>	<b>5,073,508</b>	<b>3,309,403</b>	<b>53.3</b>	<b>5,314,116</b>	<b>3,650,984</b>	<b>45.6</b>
<b>Earnings per share:</b>						
Basic earnings per share (Rs.)	202.94	132.38	53.3	212.58	146.54	45.1
Diluted earnings per share (Rs.)	197.18	128.62	53.3	206.55	142.38	45.1

Rs. 000

For the three-month period ended 31 March	Bank			Group		
	2024	2023	Change %	2024	2023	Change %
<b>Profit for the period</b>	<b>5,073,508</b>	<b>3,309,403</b>	<b>53.3</b>	<b>5,314,116</b>	<b>3,650,984</b>	<b>45.6</b>
<b>Other comprehensive income for the period , net of tax</b>						
<b>Items that will be reclassified to profit or loss</b>						
Exchange differences on translation of foreign operations	(1,186,738)	(1,674,323)	(29.1)	(1,670,486)	(2,115,618)	(21.0)
Net gains/ (losses) on cashflow hedge instruments	(2,256,612)	(4,807,259)	(53.1)	(2,256,612)	(4,807,259)	(53.1)
Net gains/ (losses) on investments in debt instruments measured at FVTOCI	645,321	(85,461)	(855.1)	645,320	(85,364)	(856.0)
Net (gains)/ losses on FVTOCI financial investments reclassification to profit or loss	-	-	-	-	-	-
Deferred tax effect on net gains/ (losses) on investments in debt instruments measured at FVTOCI	(193,575)	(24,345)	695.1	(193,575)	(24,345)	695.1
Share of other comprehensive income of Associate Companies, net of tax	-	-	-	(1,426)	(20,342)	(93.0)
	(2,991,604)	(6,591,388)	(54.6)	(3,476,779)	(7,052,928)	(50.7)
<b>Items that will not be reclassified to profit or loss</b>						
Change in fair value on investments in equity instruments measured at FVTOCI	319,737	406,941	(21.4)	134,020	877,972	(84.7)
Deferred tax effect on change in fair value on investments in equity instruments measured at FVTOCI	(30,579)	47,911	(163.8)	(30,579)	47,911	(163.8)
Changes in revaluation surplus/ (deficit)	-	3,200	(100.0)	-	3,200	(100.0)
Deferred tax effect on revaluation surplus/ (deficit)	-	-	-	-	-	-
Re-measurement of post-employment benefit obligations	-	-	-	4,691	2,102	123.2
Deferred tax effect on post-employment benefit obligations	-	-	-	(1,407)	(630)	123.3
	289,158	458,052	(36.9)	106,725	930,555	(88.5)
<b>Other comprehensive income for the period, net of tax</b>	<b>(2,702,446)</b>	<b>(6,133,336)</b>	<b>(55.9)</b>	<b>(3,370,054)</b>	<b>(6,122,373)</b>	<b>(45.0)</b>
<b>Total comprehensive income for the period</b>	<b>2,371,062</b>	<b>(2,823,933)</b>	<b>(184.0)</b>	<b>1,944,062</b>	<b>(2,471,389)</b>	<b>(178.7)</b>
<b>Attributable to:</b>						
Equity holder of the Bank	2,371,062	(2,823,933)	(184.0)	1,946,380	(2,466,716)	(178.9)
Non controlling interest	-	-	-	(2,318)	(4,673)	(50.4)
<b>Total comprehensive income for the period</b>	<b>2,371,062</b>	<b>(2,823,933)</b>	<b>(184.0)</b>	<b>1,944,062</b>	<b>(2,471,389)</b>	<b>(178.7)</b>

Rs. 000

As at	Bank			Group		
	31-Mar-2024	31-Dec-2023 Audited	Change %	31-Mar-2024	31-Dec-2023 Audited	Change %
<b>Assets</b>						
Cash and cash equivalents	118,221,095	135,550,505	(12.8)	119,377,081	137,369,158	(13.1)
Balances with Central Banks	39,383,747	34,932,639	12.7	39,383,747	34,932,639	12.7
Placements with banks	86,773,002	74,966,171	15.7	90,057,319	73,024,979	23.3
Securities purchased under resale agreements	3,077,811	3,711,918	(17.1)	3,019,338	3,695,392	(18.3)
Derivative financial instruments	22,243,061	20,525,840	8.4	22,243,061	20,525,840	8.4
Financial assets recognized through profit or loss measured at fair value	28,443,495	40,642,530	(30.0)	37,479,952	48,830,871	(23.2)
Financial assets at amortized cost						
- loans and advances	2,077,984,411	2,209,061,924	(5.9)	2,111,248,647	2,240,611,228	(5.8)
- debt and other instruments	1,688,745,037	1,653,728,403	2.1	1,695,066,293	1,660,012,978	2.1
Financial assets - measured at fair value through other comprehensive income	36,007,987	49,533,998	(27.3)	38,584,952	52,199,685	(26.1)
Investment in Subsidiary companies	8,181,138	8,181,138	-	-	-	-
Investment in Associate companies	92,988	92,988	-	753,271	737,115	2.2
Investment properties	2,414,640	2,414,640	-	-	95,446	(100.0)
Property, plant and equipment	42,554,333	42,564,498	(0.0)	59,315,504	59,566,898	(0.4)
Right of Use Asset/ Leasehold properties	3,229,991	3,508,618	(7.9)	2,878,014	2,986,704	(3.6)
Intangible assets	1,613,242	1,554,875	3.8	1,695,787	1,654,722	2.5
Deferred tax assets	18,842,821	18,503,397	1.8	18,942,602	18,594,558	1.9
Other assets	103,729,050	112,274,233	(7.6)	104,919,407	112,921,804	(7.1)
<b>Total assets</b>	<b>4,281,537,849</b>	<b>4,411,748,315</b>	<b>(3.0)</b>	<b>4,344,964,975</b>	<b>4,467,760,017</b>	<b>(2.7)</b>
<b>Liabilities</b>						
Due to banks	2,022,386	3,047,732	(33.6)	2,201,910	3,162,463	(30.4)
Securities sold under repurchase agreements	111,351,867	78,463,070	41.9	110,705,367	77,829,770	42.2
Derivative financial instruments	7,887,803	2,169,202	263.6	7,887,803	2,169,202	263.6
Financial liabilities at amortized cost						
- due to depositors	3,718,129,826	3,882,232,323	(4.2)	3,752,069,029	3,909,580,686	(4.0)
- due to other borrowers	39,861,806	33,666,236	18.4	41,978,857	35,592,741	17.9
Debt securities issued	-	-	-	766,883	730,839	4.9
Current tax liabilities	7,925,414	7,621,675	4.0	8,275,705	7,877,471	5.1
Deferred tax liabilities	-	-	-	2,941,484	2,933,596	0.3
Insurance provision - Life	-	-	-	388,001	359,606	7.9
Insurance provision - Non life	-	-	-	667,570	671,728	(0.6)
Other liabilities	75,148,792	88,141,547	(14.7)	77,700,049	89,835,809	(13.5)
Subordinated liabilities	65,124,173	64,691,810	0.7	64,859,469	64,437,320	0.7
<b>Total liabilities</b>	<b>4,027,452,067</b>	<b>4,160,033,595</b>	<b>(3.2)</b>	<b>4,070,442,127</b>	<b>4,195,181,231</b>	<b>(3.0)</b>
<b>Equity</b>						
Share capital	25,730,000	25,730,000	-	25,730,000	25,730,000	-
Permanent reserve fund	15,665,000	15,665,000	-	15,665,000	15,665,000	-
OCI reserve	3,298,211	2,557,307	29.0	5,556,906	4,999,807	11.1
Cashflow hedge reserve	2,994,905	5,251,517	(43.0)	2,994,905	5,251,517	(43.0)
Retained earnings	176,425,117	171,351,609	3.0	178,291,145	173,063,302	3.0
Other reserves	29,972,549	31,159,287	(3.8)	45,166,414	46,748,364	(3.4)
<b>Total equity attributable to equity holder of the Bank</b>	<b>254,085,782</b>	<b>251,714,720</b>	<b>0.9</b>	<b>273,404,370</b>	<b>271,457,990</b>	<b>0.7</b>
Non controlling interest	-	-	-	1,118,478	1,120,796	(0.2)
<b>Total equity</b>	<b>254,085,782</b>	<b>251,714,720</b>	<b>0.9</b>	<b>274,522,848</b>	<b>272,578,786</b>	<b>0.7</b>
<b>Total liabilities and equity</b>	<b>4,281,537,849</b>	<b>4,411,748,315</b>	<b>(3.0)</b>	<b>4,344,964,975</b>	<b>4,467,760,017</b>	<b>(2.7)</b>
Contingent liabilities and commitments	1,531,936,834	1,539,206,229	(0.5)	1,532,994,301	1,548,892,111	(1.0)

## STATEMENT OF CHANGES IN EQUITY- BANK

4

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		
<b>Balance as at 01 January 2023</b>	<b>25,000,000</b>	<b>730,000</b>	<b>15,131,000</b>	<b>861,324</b>	<b>25,620,635</b>	<b>10,909,464</b>	<b>17,315,482</b>	<b>158,616,238</b>	<b>254,184,143</b>
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	3,309,403	3,309,403
Other comprehensive income, net of tax	-	-	-	345,046	(4,807,259)	(1,674,323)	3,200	-	(6,133,336)
Dividends for the period	-	-	-	-	-	-	-	(173,205)	(173,205)
<b>Balance as at 31 March 2023</b>	<b>25,000,000</b>	<b>730,000</b>	<b>15,131,000</b>	<b>1,206,370</b>	<b>20,813,376</b>	<b>9,235,141</b>	<b>17,318,682</b>	<b>161,752,436</b>	<b>251,187,005</b>
<b>Balance as at 01 January 2024</b>	<b>25,000,000</b>	<b>730,000</b>	<b>15,665,000</b>	<b>2,557,307</b>	<b>5,251,517</b>	<b>8,931,901</b>	<b>22,227,386</b>	<b>171,351,609</b>	<b>251,714,720</b>
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	5,073,508	5,073,508
Other comprehensive income, net of tax	-	-	-	740,904	(2,256,612)	(1,186,738)	-	-	(2,702,446)
<b>Balance as at 31 March 2024</b>	<b>25,000,000</b>	<b>730,000</b>	<b>15,665,000</b>	<b>3,298,211</b>	<b>2,994,905</b>	<b>7,745,163</b>	<b>22,227,386</b>	<b>176,425,117</b>	<b>254,085,782</b>

## 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			
<b>Balance as at 01 January 2023</b>	<b>25,000,000</b>	<b>730,000</b>	<b>15,131,000</b>	<b>2,584,356</b>	<b>25,620,635</b>	<b>15,029,992</b>	<b>27,558,103</b>	<b>159,819,481</b>	<b>1,056,967</b>	<b>272,530,534</b>
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	-	3,663,520	(12,536)	3,650,984
Other comprehensive income, net of tax	-	-	-	808,315	(4,807,259)	(2,115,618)	3,200	(18,873)	7,862	(6,122,373)
Dividends for the period	-	-	-	-	-	-	-	(173,205)	-	(173,205)
<b>Balance as at 31 March 2023</b>	<b>25,000,000</b>	<b>730,000</b>	<b>15,131,000</b>	<b>3,392,671</b>	<b>20,813,376</b>	<b>12,914,374</b>	<b>27,561,303</b>	<b>163,290,923</b>	<b>1,052,293</b>	<b>269,885,940</b>
<b>Balance as at 01 January 2024</b>	<b>25,000,000</b>	<b>730,000</b>	<b>15,665,000</b>	<b>4,999,807</b>	<b>5,251,517</b>	<b>13,060,940</b>	<b>33,687,424</b>	<b>173,063,302</b>	<b>1,120,796</b>	<b>272,578,786</b>
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	-	5,314,516	(400)	5,314,116
Other comprehensive income, net of tax	-	-	-	557,099	(2,256,612)	(1,670,486)	-	1,863	(1,918)	(3,370,054)
Transfers to Other reserves	-	-	-	-	-	88,536	-	(88,536)	-	-
<b>Balance as at 31 March 2024</b>	<b>25,000,000</b>	<b>730,000</b>	<b>15,665,000</b>	<b>5,556,906</b>	<b>2,994,905</b>	<b>11,478,990</b>	<b>33,687,424</b>	<b>178,291,145</b>	<b>1,118,478</b>	<b>274,522,848</b>

For the three-month period ended 31 March	Bank		Group	
	2024	2023	2024	2023
<b>Cash flows from operating activities</b>				
Profit before income tax	9,339,644	3,330,115	9,739,069	3,745,930
<b>Adjustments for :</b>				
Net interest income	(25,885,593)	(18,653,730)	(26,832,921)	(19,733,546)
Dividend income	(20,113)	(17,454)	(21,488)	(45,109)
Dividends from Subsidiaries and Associates	-	(425)	-	-
Share of profit of associate companies, net of tax	-	-	(19,694)	(24,754)
Change in operating assets	119,271,067	188,045,519	112,533,709	187,927,218
Change in operating liabilities	(125,529,883)	(278,338,296)	(117,937,165)	(281,507,532)
Other non cash items included in profit before tax	14,252,023	680,217	14,321,986	860,487
Other net losses from investing activities	(901,544)	(1,162,757)	(1,311,573)	(1,180,625)
	<b>(9,474,399)</b>	<b>(106,116,811)</b>	<b>(9,528,077)</b>	<b>(109,957,931)</b>
Benefit paid from defined benefit plans	(3,211,140)	(3,377,082)	(3,253,634)	(3,387,873)
Interest received	49,426,001	90,074,250	51,355,580	91,486,588
Interest paid	(87,150,426)	(72,957,959)	(88,128,822)	(73,316,646)
Dividends received	6,480	10,529	7,855	10,529
<b>Net cash used in operating activities before income tax</b>	<b>(50,403,484)</b>	<b>(92,367,073)</b>	<b>(49,547,098)</b>	<b>(95,165,333)</b>
Income tax paid	(3,973,739)	(2,510,391)	(4,092,381)	(2,646,441)
<b>Net cash used in operating activities</b>	<b>(54,377,223)</b>	<b>(94,877,464)</b>	<b>(53,639,479)</b>	<b>(97,811,774)</b>
<b>Cash flows from investing activities</b>				
Net (increase) / decrease in financial investments at amortized cost	(49,527,002)	120,091,645	(49,563,683)	119,574,278
Net (increase)/ decrease in financial investments recognized at fair value through OCI	14,479,965	(3,307,470)	13,044,381	(3,203,200)
Purchase of property plant and equipment	(271,251)	(1,215,550)	(274,917)	(1,225,285)
Purchase of intangible assets	(189,291)	-	(189,362)	-
Proceeds from sale of property plant and equipment	-	-	582	-
Dividends received	13,633	7,350	13,633	34,580
Interest received	78,748,666	52,054,003	78,748,666	51,951,954
<b>Net cash from investing activities</b>	<b>43,254,720</b>	<b>167,629,978</b>	<b>41,779,300</b>	<b>167,132,327</b>
<b>Cash flows from financing activities</b>				
Net decrease in other borrowings	(1,725,306)	(11,816,051)	(1,737,066)	(9,838,455)
Dividends paid to Equity holder of the Bank	-	(173,205)	-	(173,205)
Interest payments on borrowings and debt securites	(3,251,323)	(18,573,317)	(3,229,347)	(18,433,255)
<b>Net cash used in financing activities</b>	<b>(4,976,629)</b>	<b>(30,562,573)</b>	<b>(4,966,413)</b>	<b>(28,444,915)</b>
Net increase/ (decrease) in cash and cash equivalents during the period	(16,099,132)	42,189,941	(16,826,592)	40,875,638
Cash and cash equivalents at the beginning of the period	133,441,074	118,512,831	135,144,996	125,309,309
<b>Cash and cash equivalents at the end of the period</b>	<b>117,341,942</b>	<b>160,702,772</b>	<b>118,318,404</b>	<b>166,184,947</b>
<b>Analysis of cash and cash equivalents</b>				
Cash and cash equivalents	118,221,095	169,928,022	119,377,081	175,904,741
Bank overdrafts	(879,153)	(9,225,250)	(1,058,677)	(9,719,794)
<b>Cash and cash equivalents at the end of the period</b>	<b>117,341,942</b>	<b>160,702,772</b>	<b>118,318,404</b>	<b>166,184,947</b>

**SELECTED PERFORMANCE INDICATORS**

6

As at	Bank		Group	
	31-Mar-2024	31-Dec-2023	31-Mar-2024	31-Dec-2023
Net assets value per share (Rs)	10,163.43	10,068.59	10,936.17	10,858.32
<b>Profitability</b>				
Interest margin	2.38%	2.08%	2.44%	2.16%
Return on assets (before tax)	0.86%	0.92%	0.88%	0.94%
Return on equity (after tax)	8.02%	10.55%	7.77%	10.13%
<b>Assets Quality</b>				
Impaired Loans (Stage 3) Ratio	5.51%	5.07%		
Impairment (Stage 3) to Stage 3 Loans Ratio	59.62%	60.44%		
<b>Investor Information</b>				
Debt equity (%)	31.39	32.19		
Interest cover (times)	2.49	1.72		
<b>Memorandum Information</b>				
Number of employees	8,448	8,579		
Number of branches	583	583		

\* These ratios have been calculated by annualizing the 1Q-2024 figures.

**KEY REGULATORY RATIOS - CAPITAL AND LIQUIDITY**

As at	Bank		Group	
	31-Mar-2024	31-Dec-2023	31-Mar-2024	31-Dec-2023
<b>Regulatory Capital (Rs. ' 000)</b>				
Common equity Tier I	196,725,934	204,342,671	208,604,571	215,172,411
Total Tier I capital	215,075,934	222,692,671	226,875,224	233,448,400
Total capital	267,027,850	276,409,883	280,078,004	288,363,582
<b>Regulatory Capital Ratios (%)</b>				
Common equity Tier I capital ratio (Minimum requirement, Basel III - 8.50% )	11.35%	11.71%	11.79%	12.10%
Total Tier I capital ratio (Minimum requirement, Basel III - 10.00%)	12.41%	12.76%	12.82%	13.12%
Total capital ratio (Minimum requirement, Basel III - 14.00%)	15.41%	15.84%	15.83%	16.21%
Leverage ratio (Minimum requirement - 3% )	4.69%	4.78%	4.88%	4.95%
<b>Regulatory Liquidity</b>				
Statutory liquid assets				
- Total bank (Rs. ' 000)	1,814,495,233	1,783,850,113		
- Domestic banking unit (Rs. ' 000)	1,647,384,518	1,624,586,782		
- Off-shore banking unit (US\$ '000)	654,772	607,206		
Statutory liquid assets ratio (minimum requirement - 20%)				
- Total Bank	46.00%	45.00%		
- Domestic banking unit	43.41%	42.80%		
- Off-shore banking unit	62.31%	54.20%		
Total Stock of High Quality Liquid Assets (Rs. ' 000)	1,627,880,150	1,566,339,976		
Liquidity coverage ratio - Rupee (Minimum requirement 2024-100%, 2023-100%)	348.00%	316.00%		
Liquidity coverage ratio - All currency (Minimum requirement 2024-100%, 2023-100%)	248.61%	227.21%		
Net stable funding ratio (Minimum requirement 2024-100%, 2023-100%)	157.00%	145.00%		

**SHARE INFORMATION**

Shareholder	31-Mar-2024		31-Dec-2023	
	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 2023. 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 2023.
- III. During the period, there were no material changes in the composition of assets, liabilities and contingent liabilities in the Bank. All known expenses have been charged in these financial statements.
- IV. The Bank evaluated the significant increase in credit risk of Individually Significant Loan (ISL) customers intensively and customers who were identified with objective evidence were classified to higher stages too. Use of management overlays were continued to identify the risk elevated industries and exposures in those industries were classified under stage 2. The positive improvement in Economic Factor Adjustment in line with expected reinforcement in economy following the reform activities underway have not been captured in calculating the impairment provision for collectively assessed loan portfolios on prudence basis.
- V. 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 01 April 2022. If the current portfolio is continued to be measured at FVTOCI, the fair value and the cumulative fair value loss as at 31 March 2024 would have been Rs. 11.4 Bn and Rs. 0.7 Bn respectively.
- VI. No circumstances have arisen and no material events have occurred since the reporting date, which require disclosures or adjustments to the financial statements.
- VII. 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 31 March 2024 and its profit for the three-month period ended 31 March 2024.

Sgd.  
M P Ruwan Kumara  
**Chief Financial Officer**

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

- a) the above Financial 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 Financial Statements have been extracted from the unaudited financial statements of the Bank and the Group.

Sgd.  
Kavan Ratnayaka  
**Chairman**  
**(Independent Non-Executive)**

Sgd.  
N C A Abeysekera  
**Director**  
**(Independent Non-Executive)**

Sgd.  
W P Russel Fonseka  
**General Manager**

*15 May 2024*  
*Colombo*

Rs. '000

As at 31 March	2024				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
<b>Financial assets</b>					
Cash and cash equivalents	-	118,221,095	-	-	118,221,095
Balances with Central Banks	-	39,383,747	-	-	39,383,747
Placements with banks	-	86,773,002	-	-	86,773,002
Securities purchased under resale agreements	-	3,077,811	-	-	3,077,811
Derivative financial instruments	22,243,061	-	-	-	22,243,061
Loans and advances	-	2,077,984,411	-	-	2,077,984,411
Financial investments	28,443,495	1,688,745,037	36,007,987	-	1,753,196,519
<b>Total financial assets</b>	<b>50,686,556</b>	<b>4,014,185,103</b>	<b>36,007,987</b>	<b>-</b>	<b>4,100,879,646</b>
Other assets	-	-	-	180,658,203	180,658,203
<b>Total assets</b>	<b>50,686,556</b>	<b>4,014,185,103</b>	<b>36,007,987</b>	<b>180,658,203</b>	<b>4,281,537,849</b>

	Fair value through profit or loss	Amortised Cost	Others	Total
<b>Financial liabilities</b>				
Due to banks	-	2,022,386	-	2,022,386
Securities sold under repurchase agreements	-	111,351,867	-	111,351,867
Derivative financial instruments	7,887,803	-	-	7,887,803
Due to depositors	-	3,718,129,826	-	3,718,129,826
Other borrowings	-	39,861,806	-	39,861,806
Debt securities issued	-	-	-	-
Subordinated liabilities	-	65,124,173	-	65,124,173
<b>Total financial liabilities</b>	<b>7,887,803</b>	<b>3,936,490,058</b>	<b>-</b>	<b>3,944,377,861</b>
Other liabilities	-	-	83,074,206	83,074,206
<b>Total liabilities</b>	<b>7,887,803</b>	<b>3,936,490,058</b>	<b>83,074,206</b>	<b>4,027,452,067</b>

As at 31 December	2023				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
<b>Financial assets</b>					
Cash and cash equivalents	-	135,550,505	-	-	135,550,505
Balances with Central Banks	-	34,932,639	-	-	34,932,639
Placements with banks	-	74,966,171	-	-	74,966,171
Securities purchased under resale agreements	-	3,711,918	-	-	3,711,918
Derivative financial instruments	20,525,840	-	-	-	20,525,840
Loans and advances	-	2,209,061,924	-	-	2,209,061,924
Financial investments	40,642,530	1,653,728,403	49,533,998	-	1,743,904,931
<b>Total financial assets</b>	<b>61,168,370</b>	<b>4,111,951,560</b>	<b>49,533,998</b>	<b>-</b>	<b>4,222,653,928</b>
Other assets	-	-	-	189,094,387	189,094,387
<b>Total assets</b>	<b>61,168,370</b>	<b>4,111,951,560</b>	<b>49,533,998</b>	<b>189,094,387</b>	<b>4,411,748,315</b>

	Fair value through profit or loss	Amortised Cost	Others	Total
<b>Financial liabilities</b>				
Due to banks	-	3,047,732	-	3,047,732
Securities sold under repurchase agreements	-	78,463,070	-	78,463,070
Derivative financial instruments	2,169,202	-	-	2,169,202
Due to depositors	-	3,882,232,323	-	3,882,232,323
Other borrowings	-	33,666,236	-	33,666,236
Debt securities issued	-	-	-	-
Subordinated liabilities	-	64,691,810	-	64,691,810
<b>Total financial liabilities</b>	<b>2,169,202</b>	<b>4,062,101,171</b>	<b>-</b>	<b>4,064,270,373</b>
Other liabilities	-	-	95,763,222	95,763,222
<b>Total liabilities</b>	<b>2,169,202</b>	<b>4,062,101,171</b>	<b>95,763,222</b>	<b>4,160,033,595</b>

Rs. '000

As at 31 March	2024				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
<b>Financial assets</b>					
Cash and cash equivalents	-	119,377,081	-	-	119,377,081
Balances with Central Banks	-	39,383,747	-	-	39,383,747
Placements with banks	-	90,057,319	-	-	90,057,319
Securities purchased under resale agreements	-	3,019,338	-	-	3,019,338
Derivative financial instruments	22,243,061	-	-	-	22,243,061
Loans and advances	-	2,111,248,647	-	-	2,111,248,647
Financial investments	37,479,952	1,695,066,293	38,584,952	-	1,771,131,197
<b>Total financial assets</b>	<b>59,723,013</b>	<b>4,058,152,425</b>	<b>38,584,952</b>	<b>-</b>	<b>4,156,460,390</b>
Other assets	-	-	-	188,504,585	188,504,585
<b>Total assets</b>	<b>59,723,013</b>	<b>4,058,152,425</b>	<b>38,584,952</b>	<b>188,504,585</b>	<b>4,344,964,975</b>

	Fair value through profit or loss	Amortised cost	Others	Total
<b>Financial liabilities</b>				
Due to banks	-	2,201,910	-	2,201,910
Securities sold under repurchase agreements	-	110,705,367	-	110,705,367
Derivative financial instruments	7,887,803	-	-	7,887,803
Due to depositors	-	3,752,069,029	-	3,752,069,029
Other borrowings	-	41,978,857	-	41,978,857
Debt securities issued	-	766,883	-	766,883
Subordinated liabilities	-	64,859,469	-	64,859,469
<b>Total financial liabilities</b>	<b>7,887,803</b>	<b>3,972,581,515</b>	<b>-</b>	<b>3,980,469,318</b>
Other liabilities	-	-	89,972,809	89,972,809
<b>Total liabilities</b>	<b>7,887,803</b>	<b>3,972,581,515</b>	<b>89,972,809</b>	<b>4,070,442,127</b>

As at 31 December	2023				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
<b>Financial assets</b>					
Cash and cash equivalents	-	137,369,158	-	-	137,369,158
Balances with Central Banks	-	34,932,639	-	-	34,932,639
Placements with banks	-	73,024,979	-	-	73,024,979
Securities purchased under resale agreements	-	3,695,392	-	-	3,695,392
Derivative financial instruments	20,525,840	-	-	-	20,525,840
Loans and advances to customers	-	2,240,611,228	-	-	2,240,611,228
Financial investments	48,830,871	1,660,012,978	52,199,685	-	1,761,043,534
<b>Total financial assets</b>	<b>69,356,711</b>	<b>4,149,646,374</b>	<b>52,199,685</b>	<b>-</b>	<b>4,271,202,770</b>
Other assets	-	-	-	196,557,247	196,557,247
<b>Total assets</b>	<b>69,356,711</b>	<b>4,149,646,374</b>	<b>52,199,685</b>	<b>196,557,247</b>	<b>4,467,760,017</b>

	Fair value through profit or loss	Amortised cost	Others	Total
<b>Financial liabilities</b>				
Due to banks	-	3,162,463	-	3,162,463
Securities sold under repurchase agreements	-	77,829,770	-	77,829,770
Derivative financial instruments	2,169,202	-	-	2,169,202
Due to depositors	-	3,909,580,686	-	3,909,580,686
Other borrowings	-	35,592,741	-	35,592,741
Debt securities issued	-	730,839	-	730,839
Subordinated liabilities	-	64,437,320	-	64,437,320
<b>Total financial liabilities</b>	<b>2,169,202</b>	<b>4,091,333,819</b>	<b>-</b>	<b>4,093,503,021</b>
Other liabilities	-	-	101,678,210	101,678,210
<b>Total liabilities</b>	<b>2,169,202</b>	<b>4,091,333,819</b>	<b>101,678,210</b>	<b>4,195,181,231</b>

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount	
					31.03.2024	31.12.2023		Bank	
					%	%		31.03.2024	31.12.2023
								Rs '000	Rs '000
<b>Sri Lanka rupee debentures</b>									
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2024	12.75	12.75	10.37	808	784
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	29.12.2017	28.12.2025	12.75	12.75	10.88	5,155,194	5,003,247
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	31.07.2018	30.07.2026	12.00	12.00	11.16	7,228,769	7,027,303
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	27.06.2019	26.06.2024	11.75	11.75	10.34	3,265,834	3,176,622
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	17.07.2019	16.07.2024	11.80	11.80	10.38	1,135,221	1,104,087
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	18.07.2019	17.07.2024	11.80	11.80	10.38	2,380,438	2,315,154
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	23.07.2019	22.07.2024	11.80	11.80	10.38	2,700,171	2,626,148
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	24.07.2019	23.07.2024	11.50	11.50	10.38	431,214	419,669
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	26.07.2019	25.07.2027	11.75	11.75	11.87	65,972	64,171
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	30.12.2022	29.12.2027	29.00	29.00	11.91	6,924,373	8,375,369
Listed, Unsecured, subordinated, redeemable debentures with non viability written down features	a	Annually	27.12.2023	27.12.2028	15.00	15.00	12.13	10,375,326	10,019,209
								<b>39,663,320</b>	<b>40,131,763</b>
<b>Floating interest rate</b>									
Listed, Unsecured, subordinated, redeemable debentures (6 months TB ( Gross ) rate plus 125 basis points)	a/b	Semi annually	29.12.2016	28.12.2024	15.41	15.41	10.46	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	17.25	17.25	11.25	5,727,788	5,496,316
								<b>5,727,809</b>	<b>5,496,336</b>
<b>Additional Tier I capital bond</b>									
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	15.36	-	5,555,253	5,360,837
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	14.39	14.39	-	10,455,770	10,111,114
Unlisted, Unsecured, subordinated, perpetual capital bond (Weighted average 12 months TB (Net) rate plus 150 basis points with a Floor rate of 9%)		Annually	06.07.2021	N/A	15.36	15.36	-	3,722,021	3,591,760
								<b>19,733,044</b>	<b>19,063,711</b>
								<b>65,124,173</b>	<b>64,691,810</b>

**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.

	<b>01-Jan-2024 to 31-Mar-2024 Rs.</b>	<b>01-Jan-2023 to 31-Dec-2023 Rs.</b>
<b>Market Value</b>		
<b>BoC Debentures 2016/ 2024,</b> 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
<b>BoC Debentures 2023/ 2028,</b> Unsecured, subordinated, redeemable with non viability written down features 5 years, fixed rate (15.0%)	Not Traded	Not Traded

**YIELD OF LAST TRADE DONE**

	<b>31-Mar-2024 %</b>	<b>31-Dec-2023 %</b>
<b>Interest yield as at date of last trade done</b>		
<b>BoC Debentures 2016/ 2024,</b> 8 years, fixed rate (12.75%) 8 years, floating rate (06 months TB rate (Gross) plus 125 basis points )	Not Traded Not Traded	Not Traded Not Traded
<b>BoC Debentures 2023/ 2028,</b> 5 years, fixed rate (15.0%)	Not Traded	Not Traded
<b>Yield to maturity of last trade done</b>		
<b>BoC Debentures 2016/ 2024,</b> 8 years, fixed rate (12.75%) 8 years, floating rate (06 months TB rate (Gross) plus 125 basis points )	Not Traded Not Traded	Not Traded Not Traded
<b>BoC Debentures 2023/ 2028,</b> 5 years, fixed rate (15.0%)	Not Traded	Not Traded

1 Loans and advances to customers

As at	Bank		Group	
	31.03.2024	31.12.2023	31.03.2024	31.12.2023
Gross loans and receivables	2,325,651,396	2,457,771,739	2,361,524,157	2,491,980,528
Stage 1	1,669,492,822	1,807,745,963	1,693,250,801	1,830,121,287
Stage 2	341,216,410	338,162,831	350,516,277	347,245,385
Stage 3	314,942,164	311,862,945	317,757,079	314,613,856
Less : Accumulated impairment	247,666,985	248,709,815	250,275,510	251,369,300
Stage 1	26,780,119	31,412,474	27,966,753	32,622,298
Stage 2	33,114,208	28,817,796	34,204,984	29,929,889
Stage 3	187,772,658	188,479,545	188,103,773	188,817,113
<b>Net loans and advances</b>	<b>2,077,984,411</b>	<b>2,209,061,924</b>	<b>2,111,248,647</b>	<b>2,240,611,228</b>

2 Loans and advances to customers - By product

As at	Bank		Group	
	31.03.2024	31.12.2023	31.03.2024	31.12.2023
<b>Local currency</b>				
Overdrafts	136,080,597	130,674,115	135,888,952	130,597,463
Term loans	648,366,234	712,215,258	655,672,664	718,675,881
Lease rentals receivable	15,718,348	15,995,619	24,762,331	24,381,339
Credit cards	9,250,466	9,624,273	9,250,466	9,624,273
Pawning	171,018,892	163,247,841	174,589,876	167,225,944
Housing loans	69,905,426	71,231,393	69,930,455	71,256,953
Trade finance	49,618,558	51,417,495	49,842,854	51,641,847
Personal loans	351,086,785	360,375,320	351,992,637	361,359,304
Staff loans	23,981,877	23,342,462	24,210,619	23,580,654
Foreclosed properties	3,891,415	3,891,415	3,891,415	3,891,415
Other loans	62,739,557	61,411,227	62,739,557	61,411,227
<b>Total local currency loans and advances</b>	<b>1,541,658,155</b>	<b>1,603,426,418</b>	<b>1,562,771,826</b>	<b>1,623,646,300</b>
<b>Foreign currency</b>				
Overdrafts	66,107,513	68,855,646	66,448,174	69,150,463
Term loans	647,434,011	704,469,083	661,829,237	718,143,803
Trade finance	60,539,555	70,443,434	60,539,555	70,443,434
Housing loans	27,714	32,858	27,714	32,858
Staff loans	208,274	218,051	231,477	237,421
Foreclosed properties	7,458	8,149	7,458	8,149
Other loans	9,668,716	10,318,100	9,668,716	10,318,100
<b>Total foreign currency loans and advances</b>	<b>783,993,241</b>	<b>854,345,321</b>	<b>798,752,331</b>	<b>868,334,228</b>
<b>Total loans and advances to customers</b>	<b>2,325,651,396</b>	<b>2,457,771,739</b>	<b>2,361,524,157</b>	<b>2,491,980,528</b>

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

	Bank			
	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance (01 January)</b>	31,412,474	28,817,796	188,479,545	248,709,815
Charge / ( reversal ) during the period	(4,383,768)	5,942,601	7,466,683	9,025,516
Amount recovered during the period	-	-	(6,348,106)	(6,348,106)
Exchange rate variance on foreign currency impairment	(248,587)	(1,646,189)	(1,825,464)	(3,720,240)
Amount written-off during the period	-	-	-	-
Other movements	-	-	-	-
<b>Closing balance as at 31 March 2024</b>	<b>26,780,119</b>	<b>33,114,208</b>	<b>187,772,658</b>	<b>247,666,985</b>

	Group			
	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance (01 January)</b>	32,622,298	29,929,889	188,817,113	251,369,300
Charge / ( reversal ) during the period	(4,377,497)	5,948,355	7,502,982	9,073,840
Amount recovered during the period	-	-	(6,348,106)	(6,348,106)
Exchange rate variance on foreign currency impairment	(248,587)	(1,646,189)	(1,825,464)	(3,720,240)
Amount written-off during the period	-	-	-	-
Other movements	(29,461)	(27,071)	(42,752)	(99,284)
<b>Closing balance as at 31 March 2024</b>	<b>27,966,753</b>	<b>34,204,984</b>	<b>188,103,773</b>	<b>250,275,510</b>

Rs.'000

4) Contingent liabilities and commitments

As at	Bank		Group	
	31-Mar-2024	31-Dec-2023	31-Mar-2024	31-Dec-2023
<b>By product - Domestic currency</b>				
Acceptances and documentary credits	132,934,704	156,360,187	132,934,704	156,360,187
Bills for collection	49,947,615	50,645,325	49,947,615	50,645,325
Forward exchange contracts	384,420,673	374,380,469	384,420,673	374,380,469
Guarantees	148,604,733	150,048,539	148,775,726	150,221,232
Undrawn and undisbursed facilities	585,191,528	580,539,424	585,191,528	580,539,424
Other commitments	47,775,731	47,410,863	47,815,217	47,972,356
<b>Total domestic currency contingent liabilities and commitments</b>	<b>1,348,874,984</b>	<b>1,359,384,807</b>	<b>1,349,085,463</b>	<b>1,360,118,992</b>
<b>By product - Foreign currency</b>				
Acceptances and documentary credits	16,789,096	12,632,025	16,845,151	12,640,064
Bills for collection	7,978,896	7,549,785	7,978,896	7,549,785
Forward exchange contracts	7,872,085	18,821,497	7,872,085	27,241,470
Guarantees	13,232,900	14,168,242	13,232,900	14,168,242
Undrawn and undisbursed facilities	19,367,031	22,179,063	19,367,031	22,179,063
Other commitments	117,821,842	104,470,811	118,612,775	104,994,495
<b>Total foreign currency contingent liabilities and commitments</b>	<b>183,061,850</b>	<b>179,821,422</b>	<b>183,908,838</b>	<b>188,773,119</b>
<b>Total Contingent liabilities and commitments</b>	<b>1,531,936,834</b>	<b>1,539,206,229</b>	<b>1,532,994,301</b>	<b>1,548,892,111</b>

5) Financial liabilities at amortised cost

Due to depositors - By product

As at	Bank		Group	
	31-Mar-2024	31-Dec-2023	31-Mar-2024	31-Dec-2023
<b>Local currency</b>				
Demand deposits	146,303,032	180,592,681	145,931,327	180,048,039
Savings deposits	759,132,825	1,034,735,718	760,227,912	1,035,696,345
Time deposits	1,926,561,987	1,695,628,262	1,946,368,213	1,714,698,285
Other deposits	3,152,797	4,035,128	3,160,865	4,042,100
<b>Total local currency deposits</b>	<b>2,835,150,641</b>	<b>2,914,991,789</b>	<b>2,855,688,317</b>	<b>2,934,484,769</b>
<b>Foreign currency</b>				
Demand deposits	51,681,376	50,829,782	52,701,754	51,778,862
Savings deposits	145,134,532	174,171,409	145,936,927	174,970,315
Time deposits	683,585,342	738,711,301	695,164,096	744,818,698
Other deposits	2,577,935	3,528,042	2,577,935	3,528,042
<b>Total foreign currency deposits</b>	<b>882,979,185</b>	<b>967,240,534</b>	<b>896,380,712</b>	<b>975,095,917</b>
<b>Total due to depositors</b>	<b>3,718,129,826</b>	<b>3,882,232,323</b>	<b>3,752,069,029</b>	<b>3,909,580,686</b>

**SEGMENTAL ANALYSIS - GROUP**

Rs. '000

For the three-month period ended 31 March	Retail banking		Corporate banking		International, treasury and investment		Group functions		Unallocated		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Revenue from external customers:</b>												
Net interest income	6,625,458	7,804,750	3,954,069	7,568,257	14,836,525	3,421,949	947,329	1,079,816	469,540	(141,226)	26,832,921	19,733,546
Net fee and commission income	4,484,310	3,435,826	516,685	872,841	(443,322)	(67,890)	101,835	90,481	352,965	194,296	5,012,473	4,525,554
Other income	174,593	(507,092)	(534,793)	(223,362)	(46,709)	(5,031,688)	602,051	302,709	23,380	679,296	218,522	(4,780,137)
<b>Total operating income</b>	<b>11,284,361</b>	<b>10,733,484</b>	<b>3,935,961</b>	<b>8,217,736</b>	<b>14,346,494</b>	<b>(1,677,629)</b>	<b>1,651,215</b>	<b>1,473,006</b>	<b>845,885</b>	<b>732,366</b>	<b>32,063,916</b>	<b>19,478,963</b>
<b>Expenses :</b>												
Impairment (charge)/reversal for loans and other losses	(1,326,854)	(529,575)	(1,255,323)	(647,151)	(640,824)	132,790	(48,324)	(60,080)	(26,914)	(24,288)	(3,298,239)	(1,128,304)
Total operation expenses	(9,281,222)	(8,047,656)	(1,682,385)	(1,240,854)	(3,363,436)	(2,307,619)	(1,122,534)	(1,005,257)	(290,801)	(181,013)	(15,740,378)	(12,782,399)
<b>Total expenses</b>	<b>(10,608,076)</b>	<b>(8,577,231)</b>	<b>(2,937,708)</b>	<b>(1,888,005)</b>	<b>(4,004,260)</b>	<b>(2,174,829)</b>	<b>(1,170,858)</b>	<b>(1,065,337)</b>	<b>(317,715)</b>	<b>(205,301)</b>	<b>(19,038,617)</b>	<b>(13,910,703)</b>
<b>Operating profit before taxes on financial services</b>	<b>676,285</b>	<b>2,156,253</b>	<b>998,253</b>	<b>6,329,731</b>	<b>10,342,234</b>	<b>(3,852,458)</b>	<b>480,357</b>	<b>407,669</b>	<b>528,170</b>	<b>527,065</b>	<b>13,025,299</b>	<b>5,568,260</b>
Taxes on financial services											(3,305,924)	(1,847,084)
<b>Operating profit after taxes on financial services</b>											<b>9,719,375</b>	<b>3,721,176</b>
Share of profits/ (losses) of associate companies, net of tax							19,694	24,754			19,694	24,754
<b>Profit /(loss) before income tax</b>	<b>676,285</b>	<b>2,156,253</b>	<b>998,253</b>	<b>6,329,731</b>	<b>10,342,234</b>	<b>(3,852,458)</b>	<b>500,051</b>	<b>432,423</b>	<b>528,170</b>	<b>527,065</b>	<b>9,739,069</b>	<b>3,745,930</b>
Income tax expense											(4,424,953)	(94,946)
<b>Profit for the period</b>											<b>5,314,116</b>	<b>3,650,984</b>
<b>Total assets</b>	<b>847,733,319</b>	<b>885,479,220</b>	<b>1,041,328,888</b>	<b>1,114,011,189</b>	<b>2,165,895,748</b>	<b>1,833,471,575</b>	<b>63,427,125</b>	<b>52,952,286</b>	<b>226,579,895</b>	<b>232,558,851</b>	<b>4,344,964,975</b>	<b>4,118,473,121</b>
<b>Total liabilities</b>	<b>797,424,997</b>	<b>830,770,148</b>	<b>979,531,731</b>	<b>1,045,182,337</b>	<b>2,037,361,718</b>	<b>1,720,191,075</b>	<b>42,990,061</b>	<b>34,253,348</b>	<b>213,133,620</b>	<b>218,190,273</b>	<b>4,070,442,127</b>	<b>3,848,587,181</b>
Cash flows from operating activities	(20,304,853)	(56,535,975)	(6,840,076)	(43,257,715)	(25,708,102)	9,633,249	737,744	(2,934,310)	(1,524,192)	(4,717,023)	(53,639,479)	(97,811,774)
Cash flows used in investing activities	8,564,322	36,510,171	10,520,143	45,933,025	21,881,207	75,597,891	(1,475,420)	(497,651)	2,289,048	9,588,891	41,779,300	167,132,327
Cash flows from financing activities	(2,777,761)	(18,339,132)	(1,495,604)	(8,216,614)	(327,077)	(2,935,382)	10,217	2,117,658	(376,188)	(1,071,445)	(4,966,413)	(28,444,915)
Capital expenditure to non-current assets											(463,697)	(1,225,285)
Depreciation and amortization expenses	213,054	192,390	261,708	242,044	544,336	398,363	26,742	69,527	56,944	50,528	1,102,784	952,851

During the period from 01.01.2016 to 31.03.2024

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...)
2016	1	To increase the Tier II capital of the Bank in order to enhance the Capital Adequacy Ratio (CAR) and single borrower limit.							Not Applicable
	2	To minimize and manage the gap exposure in the Bank's assets/ liability portfolios.	8 Billion	29.12.2016	8 Billion	100	8 Billion	100	
	3	To strengthen the Bank's liquidity position and to increase the asset base / loan book.							
2023	1	To increase the Tier II capital of the Bank in order to enhance the Capital Adequacy Ratio (CAR) and single borrower limit.		27.12.2023					Not Applicable
	2	To minimize and manage the gap exposure in the Bank's assets/ liability portfolios.	10 Billion		10 Billion	100	10 Billion	100	
	3	To strengthen the Bank's liquidity position and to increase the asset base / loan book.		on or before 27.12.2024					