

# Combanking

## INCOME STATEMENT – GROUP

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	For the six months ended			For the quarter ended		
	30.06.2015 Rs. '000	30.06.2014 Rs. '000	Change (%)	30.06.2015 Rs. '000	30.06.2014 Rs. '000	Change (%)
<b>Gross Income</b>	<b>37,175,809</b>	35,957,428	3.39	<b>18,794,917</b>	18,178,715	3.39
Interest Income	31,939,319	30,985,647	3.08	16,238,132	15,738,870	3.17
Less: Interest Expenses	17,064,455	17,291,613	(1.31)	8,649,233	8,620,695	0.33
<b>Net Interest Income</b>	<b>14,874,864</b>	13,694,034	8.62	<b>7,588,899</b>	7,118,175	6.61
Fees and Commission Income	2,907,902	2,621,463	10.93	1,441,376	1,357,308	6.19
Less: Fees and Commission Expenses	430,336	375,227	14.69	221,904	186,302	19.11
<b>Net Fees and Commission Income</b>	<b>2,477,566</b>	2,246,236	10.30	<b>1,219,472</b>	1,171,006	4.14
Net Gains/(Losses) from Trading	(399,622)	818,049	(148.85)	248,063	342,943	(27.67)
Net Gains/(Losses) from Financial Instruments Designated at Fair Value Through Profit or Loss	-	-	-	-	-	-
Net Gains/(Losses) from Financial Investments	96,785	178,650	(45.82)	62,990	55,193	14.13
Other Income (Net)	2,631,425	1,353,619	94.40	804,356	684,401	17.53
<b>Total Operating Income</b>	<b>19,681,018</b>	18,290,588	7.60	<b>9,923,780</b>	9,371,718	5.89
<b>Less: Impairment Charges for Loans and Other Losses</b>	<b>2,676,191</b>	3,011,338	(11.13)	<b>1,341,969</b>	1,866,585	(28.11)
Individual Impairment	621,570	237,111	162.14	411,117	129,157	218.31
Collective Impairment	2,054,258	2,750,837	(25.32)	930,573	1,721,421	(45.94)
Others	363	23,390	(98.45)	279	16,007	(98.26)
<b>Net Operating Income</b>	<b>17,004,827</b>	15,279,250	11.29	<b>8,581,811</b>	7,505,133	14.35
<b>Less: Expenses</b>	<b>8,219,720</b>	7,631,837	7.70	<b>4,053,070</b>	3,787,691	7.01
Personnel Expenses	4,855,444	4,321,576	12.35	2,390,411	2,153,039	11.02
Depreciation and Amortisation	590,142	606,953	(2.77)	302,408	311,748	(3.00)
Other Expenses	2,774,134	2,703,308	2.62	1,360,251	1,322,904	2.82
<b>Operating Profit Before Value Added Tax (VAT) and Nation Building Tax (NBT) on Financial Services</b>	<b>8,785,107</b>	7,647,413	14.88	<b>4,528,741</b>	3,717,442	21.82
Less: Value Added Tax (VAT) and Nation Building Tax (NBT) on Financial Services	1,297,360	1,112,783	16.59	671,222	506,436	32.54
<b>Operating Profit After Value Added Tax (VAT) and Nation Building Tax (NBT) on Financial Services</b>	<b>7,487,747</b>	6,534,630	14.59	<b>3,857,519</b>	3,211,006	20.13
Add: Share of Profits/(Losses) of Associates, Net of Tax	5,125	7,133	(28.15)	2,864	6,242	(54.12)
<b>Profit Before Income Tax</b>	<b>7,492,872</b>	6,541,763	14.54	<b>3,860,383</b>	3,217,248	19.99
Less: Income Tax Expense	2,309,036	2,022,048	14.19	1,213,339	999,481	21.40
<b>Profit for the Period</b>	<b>5,183,836</b>	4,519,715	14.69	<b>2,647,044</b>	2,217,767	19.36
<b>Profit Attributable to:</b>						
Equity Holders of the Bank	5,181,867	4,517,483	14.71	2,646,098	2,216,414	19.39
Non-Controlling Interest	1,969	2,232	(11.78)	946	1,353	(30.08)
<b>Profit for the Period</b>	<b>5,183,836</b>	4,519,715	14.69	<b>2,647,044</b>	2,217,767	19.36
<b>Earnings per Share (EPS)</b>						
Basic Earnings per Ordinary Share (Rs.)	5.92	5.28	12.12	3.02	2.59	16.60
Diluted Earnings per Ordinary Share (Rs.)	5.90	5.26	12.17	3.01	2.58	16.67

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME – GROUP 3**

	For the six months ended			For the quarter ended		
	30.06.2015 Rs. '000	30.06.2014 Rs. '000	Change (%)	30.06.2015 Rs. '000	30.06.2014 Rs. '000	Change (%)
<b>Profit for the Period</b>	<b>5,183,836</b>	4,519,715	14.69	<b>2,647,044</b>	2,217,767	19.36
<b>Other Comprehensive Income, Net of Tax</b>						
<b>Items that are or may be Reclassified to Profit or Loss</b>						
Net Gains/(Losses) Arising from Translating the Financial Statements of Foreign Operations	216,934	(26,445)	920.32	(12,190)	(25,377)	51.96
Net Fair Value Gains/(Losses) on Remeasuring Financial Investments – Available-for-Sale	(3,019,223)	421,562	(816.20)	1,714,461	301,905	467.88
Government Securities	(3,019,717)	425,337	(809.96)	1,709,947	301,396	467.34
Fair Value Gains/(Losses) Arose During the Period, Net of Tax	(2,978,053)	571,542	(621.06)	1,735,318	326,244	431.91
Fair Value Gains/(Losses) Realised and Recycled to the Income Statement on Disposal, Net of Tax	(41,664)	(146,205)	71.50	(25,371)	(24,848)	(2.10)
Equity Securities	494	(3,775)	113.09	4,514	509	786.84
Fair Value Gains/(Losses) Arose During the Period	494	(3,775)	113.09	4,514	509	786.84
Fair Value Gains/(Losses) Realised and Recycled to the Income Statement on Disposal	–	–	–	–	–	–
Share of Other Comprehensive Income/(Expense) of Associates, Net of Tax	(4,473)	(587)	(662.01)	(659)	(599)	(10.02)
Other Comprehensive Income/(Expense) for the Period, Net of Taxes	(2,806,762)	394,530	(811.42)	1,701,612	275,929	516.68
<b>Total Comprehensive Income for the Period</b>	<b>2,377,074</b>	4,914,245	(51.63)	<b>4,348,656</b>	2,493,696	74.39
<b>Attributable to:</b>						
Equity Holders of the Bank	2,375,105	4,912,013	(51.65)	4,347,710	2,492,343	74.44
Non-Controlling Interest	1,969	2,232	(11.78)	946	1,353	(30.08)
<b>Total Comprehensive Income for the Period</b>	<b>2,377,074</b>	4,914,245	(51.63)	<b>4,348,656</b>	2,493,696	74.39

# INCOME STATEMENT – BANK

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	For the six months ended			For the quarter ended		
	30.06.2015 (Audited) Rs. '000	30.06.2014 (Audited) Rs. '000	Change (%)	30.06.2015 Rs. '000	30.06.2014 Rs. '000	Change (%)
<b>Gross Income</b>	<b>37,016,878</b>	35,926,738	3.03	<b>18,724,997</b>	18,166,577	3.07
Interest Income	31,788,473	30,986,572	2.59	16,154,035	15,739,187	2.64
Less: Interest Expenses	17,020,895	17,301,237	(1.62)	8,619,144	8,625,228	(0.07)
<b>Net Interest Income</b>	<b>14,767,578</b>	13,685,335	7.91	<b>7,534,891</b>	7,113,959	5.92
Fees and Commission Income	2,904,322	2,619,221	10.88	1,439,452	1,356,161	6.14
Less: Fees and Commission Expenses	430,336	375,227	14.69	221,904	186,302	19.11
<b>Net Fees and Commission Income</b>	<b>2,473,986</b>	2,243,994	10.25	<b>1,217,548</b>	1,169,859	4.08
Net Gains/(Losses) from Trading	(399,622)	818,049	(148.85)	248,063	342,943	(27.67)
Net Gains/(Losses) from Financial Instruments Designated at Fair Value Through Profit or Loss	–	–	–	–	–	–
Net Gains/(Losses) from Financial Investments	96,731	178,650	(45.85)	62,936	55,193	14.03
Other Income (Net)	2,626,974	1,324,246	98.38	820,511	673,093	21.90
<b>Total Operating Income</b>	<b>19,565,647</b>	18,250,274	7.21	<b>9,883,949</b>	9,355,047	5.65
<b>Less: Impairment Charges for Loans and Other Losses</b>	<b>2,647,912</b>	3,037,808	(12.83)	<b>1,318,220</b>	1,886,640	(30.13)
Individual Impairment	621,570	237,111	162.14	411,117	129,157	218.31
Collective Impairment	2,014,964	2,750,837	(26.75)	898,410	1,721,421	(47.81)
Others	11,378	49,860	(77.18)	8,693	36,062	(75.89)
<b>Net Operating Income</b>	<b>16,917,735</b>	15,212,466	11.21	<b>8,565,729</b>	7,468,407	14.69
<b>Less: Expenses</b>	<b>8,178,633</b>	7,625,533	7.25	<b>4,030,668</b>	3,778,342	6.68
Personnel Expenses	4,815,192	4,285,366	12.36	2,370,441	2,135,689	10.99
Depreciation and Amortisation	557,940	571,673	(2.40)	286,766	288,151	(0.48)
Other Expenses	2,805,501	2,768,494	1.34	1,373,461	1,354,502	1.40
<b>Operating Profit Before Value Added Tax (VAT) and Nation Building Tax (NBT) on Financial Services</b>	<b>8,739,102</b>	7,586,933	15.19	<b>4,535,061</b>	3,690,065	22.90
Less: Value Added Tax (VAT) and Nation Building Tax (NBT) on Financial Services	1,296,003	1,112,783	16.47	671,120	506,436	32.52
<b>Profit Before Income Tax</b>	<b>7,443,099</b>	6,474,150	14.97	<b>3,863,941</b>	3,183,629	21.37
Less: Income Tax Expense	2,275,122	1,994,996	14.04	1,204,646	983,064	22.54
<b>Profit for the Period</b>	<b>5,167,977</b>	4,479,154	15.38	<b>2,659,295</b>	2,200,565	20.85
<b>Profit Attributable to:</b>						
Equity Holders of the Bank	5,167,977	4,479,154	15.38	2,659,295	2,200,565	20.85
Non-Controlling Interest	–	–	–	–	–	–
<b>Profit for the Period</b>	<b>5,167,977</b>	4,479,154	15.38	<b>2,659,295</b>	2,200,565	20.85
<b>Earnings per Share (EPS)</b>						
Basic Earnings per Ordinary Share (Rs.)	5.90	5.23	12.81	3.04	2.57	18.29
Diluted Earnings per Ordinary Share (Rs.)	5.89	5.21	13.05	3.03	2.56	18.36

	For the six months ended			For the quarter ended		
	30.06.2015 (Audited) Rs. '000	30.06.2014 (Audited) Rs. '000	Change (%)	30.06.2015 Rs. '000	30.06.2014 Rs. '000	Change (%)
<b>Profit for the Period</b>	<b>5,167,977</b>	4,479,154	15.38	<b>2,659,295</b>	2,200,565	20.85
<b>Other Comprehensive Income, Net of Tax</b>						
<b>Items that are or may be Reclassified to Profit or Loss</b>						
Net Gains/(Losses) Arising from Translating the Financial Statements of the Foreign Operation	218,690	(24,666)	986.61	(12,750)	(23,904)	46.66
Net Fair Value Gains/(Losses) on Re-measuring Financial Investments - Available-for-Sale	(3,019,223)	421,562	(816.20)	1,714,461	301,905	467.88
Government Securities	(3,019,717)	425,337	(809.96)	1,709,947	301,396	467.34
Fair Value Gains/(Losses) Arose During the Period, Net of Tax	(2,978,053)	571,542	(621.06)	1,735,318	326,244	431.91
Fair Value Gains/(Losses) Realised and Recycled to the Income Statement on Disposal, Net of Tax	(41,664)	(146,205)	71.50	(25,371)	(24,848)	(2.10)
Equity Securities	494	(3,775)	113.09	4,514	509	786.84
Fair Value Gains/(Losses) Arose During the Period	494	(3,775)	113.09	4,514	509	786.84
Fair Value Gains/(Losses) Realised and Recycled to the Income Statement on Disposal	–	–	–	–	–	–
Other Comprehensive Income/(Expense) for the Period, Net of Taxes	(2,800,533)	396,896	(805.61)	1,701,711	278,001	512.12
<b>Total Comprehensive Income for the Period</b>	<b>2,367,444</b>	4,876,050	(51.45)	<b>4,361,006</b>	2,478,566	75.95
<b>Attributable to:</b>						
Equity Holders of the Bank	2,367,444	4,876,050	(51.45)	4,361,006	2,478,566	75.95
Non-Controlling Interest	–	–	–	–	–	–
<b>Total Comprehensive Income for the Period</b>	<b>2,367,444</b>	4,876,050	(51.45)	<b>4,361,006</b>	2,478,566	75.95

## STATEMENT OF FINANCIAL POSITION

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As at	GROUP			BANK		
	30.06.2015	31.12.2014	Change	30.06.2015	31.12.2014	Change
	Rs. '000	(Audited) Rs. '000	(%)	(Audited) Rs. '000	(Audited) Rs. '000	(%)
<b>Assets</b>						
Cash and Cash Equivalents	26,117,754	20,621,778	26.65	26,097,680	20,591,867	26.74
Balances with Central Banks	21,764,569	19,633,746	10.85	21,764,569	19,633,746	10.85
Placements with Banks	6,149,525	14,507,861	(57.61)	6,149,525	14,507,861	(57.61)
Derivative Financial Assets	654,267	459,510	42.38	654,267	459,510	42.38
Other Financial Instruments - Held-for-Trading	12,391,984	6,326,636	95.87	12,391,984	6,326,636	95.87
Loans and Receivables to Banks	557,946	551,066	1.25	557,946	551,066	1.25
Loans and Receivables to Other Customers	513,042,654	498,165,419	2.99	511,557,696	497,065,787	2.92
Financial Investments - Available-for-Sale	206,166,056	214,225,017	(3.76)	206,149,073	214,208,370	(3.76)
Financial Investments - Held-to-Maturity	-	-	-	-	-	-
Investments in Subsidiaries	-	-	-	1,200,965	1,211,000	(0.83)
Investments in Associates	102,475	106,287	(3.59)	44,331	44,331	-
Property, Plant & Equipment	11,100,186	11,134,861	(0.31)	9,883,834	9,953,091	(0.70)
Intangible Assets	898,788	856,230	4.97	481,234	439,128	9.59
Leasehold Property	108,150	108,872	(0.66)	74,953	75,420	(0.62)
Other Assets	16,852,729	10,560,430	59.58	16,832,925	10,541,817	59.68
<b>Total Assets</b>	<b>815,907,083</b>	<b>797,257,713</b>	<b>2.34</b>	<b>813,840,982</b>	<b>795,609,630</b>	<b>2.29</b>
<b>Liabilities</b>						
Due to Banks	16,008,339	25,669,025	(37.64)	15,174,068	25,260,976	(39.93)
Derivative Financial Liabilities	864,766	1,193,139	(27.52)	864,766	1,193,139	(27.52)
Due to Other Customers/Deposits from Customers	568,954,254	529,266,588	7.50	569,082,112	529,361,484	7.50
Other Borrowings	129,655,478	136,027,625	(4.68)	129,784,129	136,201,082	(4.71)
Current Tax Liabilities	2,526,445	2,037,388	24.00	2,449,816	1,997,990	22.61
Deferred Tax Liabilities	1,638,417	2,876,199	(43.04)	1,385,732	2,573,760	(46.16)
Other Provisions	1,874	1,874	-	1,874	1,874	-
Other Liabilities	13,911,893	17,669,903	(21.27)	13,694,972	17,443,531	(21.49)
Due to Subsidiaries	-	-	-	35,567	19,289	84.39
Subordinated Liabilities	11,324,063	11,262,573	0.55	11,106,266	11,044,775	0.56
<b>Total Liabilities</b>	<b>744,885,529</b>	<b>726,004,314</b>	<b>2.60</b>	<b>743,579,302</b>	<b>725,097,900</b>	<b>2.55</b>

# STATEMENT OF FINANCIAL POSITION

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<i>As at</i>	GROUP			BANK		
	30.06.2015	31.12.2014 (Audited)	Change	30.06.2015 (Audited)	31.12.2014 (Audited)	Change
	Rs. '000	Rs. '000	(%)	Rs. '000	Rs. '000	(%)
<b>Equity</b>						
Stated Capital	23,172,171	21,457,501	7.99	23,172,171	21,457,501	7.99
Statutory Reserves	4,327,206	4,327,103	0.00	4,327,103	4,327,103	-
Retained Earnings	5,263,540	4,418,412	19.13	5,094,101	4,258,287	19.63
Other Reserves	38,210,492	41,002,819	(6.81)	37,668,305	40,468,839	(6.92)
<b>Total Equity Attributable to Equity Holders of the Bank</b>	<b>70,973,409</b>	<b>71,205,835</b>	<b>(0.33)</b>	<b>70,261,680</b>	<b>70,511,730</b>	<b>(0.35)</b>
<b>Non-Controlling Interest</b>	<b>48,145</b>	<b>47,564</b>	<b>1.22</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>71,021,554</b>	<b>71,253,399</b>	<b>(0.33)</b>	<b>70,261,680</b>	<b>70,511,730</b>	<b>(0.35)</b>
<b>Total Liabilities and Equity</b>	<b>815,907,083</b>	<b>797,257,713</b>	<b>2.34</b>	<b>813,840,982</b>	<b>795,609,630</b>	<b>2.29</b>
<b>Contingent Liabilities and Commitments</b>	<b>434,747,745</b>	<b>352,453,452</b>	<b>23.35</b>	<b>434,747,745</b>	<b>352,453,452</b>	<b>23.35</b>
<b>Net Assets Value per Ordinary Share (Rs.)</b>	<b>81.00</b>	<b>82.24</b>	<b>(1.51)</b>	<b>80.19</b>	<b>81.44</b>	<b>(1.53)</b>
<b>Memorandum Information</b>						
Number of Employees				4,962	4,910	
Number of Customer Service Centres				261	257	

## CERTIFICATION:

These Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.

*(Sgd.)*

**K.D.N. Buddhipala**

*Chief Financial Officer*

We, the undersigned, being the Chairman and the Managing Director/Chief Executive Officer of the Commercial Bank of Ceylon PLC, 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,
- (b) the information contained in these Financial Statements have been extracted from the unaudited Financial Statements of the Group and the Bank, unless indicated as audited.

*(Sgd.)*

**K.G.D.D. Dheerasinghe**

*Chairman*

*(Sgd.)*

**J.Durairatnam**

*Managing Director/Chief Executive Officer*

August 12, 2015  
Colombo

	Stated Capital		Statutory Reserves		Retained Earnings		Other Reserves				Shareholders' Funds		Non-Controlling Interest		Total Equity			
	Rs. '000	Rs. '000	Statutory Reserve Fund	Primary Dealer Special Risk Reserve	Rs. '000	Rs. '000	Revaluation Reserve	Available-for-Sale Reserve	Foreign Currency Translation Reserve	Investment Fund Account	General Reserve	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	
<b>Balance as at 01.01.2014 – Audited</b>	19,586,813	3,768,094	266,520	4,359,632	4,615,947	2,023,468	(393,758)	4,838,693	22,380,819	61,446,228	38,778	61,485,006						
<b>Total Comprehensive Income for the Six Months Ended 30.06.2014</b>																		
Profit for the Six Months Ended 30.06.2014	-	-	-	4,517,483	-	-	-	-	-	4,517,483	2,232	4,519,715						
Other Comprehensive Income for the Six Months Ended 30.06.2014	-	-	-	-	-	420,975	(26,445)	-	-	394,530	-	394,530						
<b>Total Comprehensive Income for the Six Months Ended 30.06.2014</b>				<b>4,517,483</b>		<b>420,975</b>	<b>(26,445)</b>			<b>4,912,013</b>	<b>2,232</b>	<b>4,914,245</b>						
<b>Transactions with Owners, Recorded Directly in Equity Contributions by and Distributions to Owners</b>																		
Issue of Ordinary Shares Under Employee Share Option Plans	147,567	-	-	-	-	-	-	-	-	-	-	147,567						
Dividends to Equity Holders	-	-	-	(849,149)	-	-	-	-	-	-	-	(849,149)						
Second Interim Dividend for 2013	-	-	-	-	-	-	-	-	-	-	-	-						
Final Dividend for 2013 Satisfied in the Form of Issue and Allotment of New Shares	1,529,925	-	-	(1,699,917)	-	-	-	-	-	(169,992)	-	(169,992)						
Final Cash Dividend for 2013	-	-	-	(1,699,917)	-	-	-	-	-	(1,699,917)	(1,308)	(1,701,225)						
Re-Classification of Available-For-Sale Reserve to Retained Earnings	-	-	-	12	-	(12)	-	-	-	-	-	-						
Transfers During the Period	-	-	(266,520)	(388,446)	-	-	-	388,446	266,520	-	-	-						
<b>Total Transactions with Equity Holders</b>	<b>1,677,492</b>	<b>(266,520)</b>	<b>(4,637,417)</b>	<b>(4,239,698)</b>	<b>4,615,947</b>	<b>2,444,431</b>	<b>(420,203)</b>	<b>5,227,139</b>	<b>22,847,339</b>	<b>63,786,750</b>	<b>(1,308)</b>	<b>(2,572,799)</b>						
<b>Balance as at 30.06.2014</b>	<b>21,264,305</b>	<b>3,768,094</b>	<b>-</b>	<b>4,239,698</b>	<b>4,615,947</b>	<b>2,444,431</b>	<b>(420,203)</b>	<b>5,227,139</b>	<b>22,847,339</b>	<b>63,786,750</b>	<b>39,702</b>	<b>63,826,452</b>						
<b>Total Comprehensive Income for the Six Months Ended 31.12.2014</b>																		
Profit for the Six Months Ended 31.12.2014	-	-	-	6,721,410	-	-	-	-	-	6,721,410	1,669	6,723,079						
Other Comprehensive Income for the Six Months Ended 31.12.2014	-	-	-	(54,422)	1,631,013	260,027	(33,985)	-	-	1,802,633	7,501	1,810,134						
<b>Total Comprehensive Income for the Six Months Ended 31.12.2014</b>				<b>6,666,988</b>	<b>1,631,013</b>	<b>260,027</b>	<b>(33,985)</b>			<b>8,524,043</b>	<b>9,170</b>	<b>8,533,213</b>						

# STATEMENT OF CHANGES IN EQUITY – GROUP

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	Stated Capital		Statutory Reserves		Retained Earnings	Other Reserves			Shareholders' Funds		Non-Controlling Interest	Total Equity
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Revaluation Reserve	Available-for-Sale Reserve	Foreign Currency Translation Reserve	Investment Fund Account	General Reserve	Rs. '000	Rs. '000
<b>Transactions with Owners, Recorded Directly in Equity Contributions by and Distributions to Owners</b>												
Issue of Ordinary Shares Under Employee Share Option Plans	193,196	-	-	-	-	-	-	-	-	-	193,196	193,196
Dividends to Equity Holders	-	-	(1,298,154)	-	-	-	-	-	-	-	(1,298,154)	(1,298,154)
First Interim Dividend for 2014	-	-	-	-	-	-	-	-	-	-	-	-
Re-Classification of Available-For-Sale Reserve to Retained Earnings	-	-	(31,111)	-	(31,111)	-	31,111	-	-	-	-	-
Transfers During the Period	-	559,009	-	-	(5,159,009)	-	-	-	-	4,600,000	-	-
Transfers to General Reserve	-	-	-	-	-	-	-	(5,227,139)	5,227,139	-	-	-
<b>Total Transactions with Equity Holders</b>	<b>193,196</b>	<b>559,009</b>	<b>(6,488,274)</b>	<b>-</b>	<b>(6,488,274)</b>	<b>-</b>	<b>31,111</b>	<b>(5,227,139)</b>	<b>9,827,139</b>	<b>9,827,139</b>	<b>(1,104,958)</b>	<b>(1,106,266)</b>
Balance as at 31.12.2014 – Audited	21,457,501	4,327,103	4,418,412	6,246,960	2,735,569	(454,188)	-	-	32,474,478	71,205,835	47,564	71,253,399
<b>Total Comprehensive Income for the Six Months Ended 30.06.2015</b>												
Profit for the Six Months Ended 30.06.2015	-	-	5,181,867	-	-	-	-	-	-	-	5,181,867	5,183,836
Other Comprehensive Income for the Six Months Ended 30.06.2015	-	-	(4,473)	-	(4,473)	(3,019,223)	216,934	-	-	(2,806,762)	-	(2,806,762)
<b>Total Comprehensive Income for the Six Months Ended 30.06.2015</b>	<b>-</b>	<b>-</b>	<b>5,177,394</b>	<b>-</b>	<b>(4,473)</b>	<b>(3,019,223)</b>	<b>216,934</b>	<b>-</b>	<b>-</b>	<b>(2,806,762)</b>	<b>1,969</b>	<b>2,377,074</b>
<b>Transactions with Owners, Recorded Directly in Equity Contributions by and Distributions to Owners</b>												
Issue of Ordinary Shares Under Employee Share Option Plans	154,870	-	-	-	-	-	-	-	-	154,870	-	154,870
Dividends to Equity Holders	-	-	(865,943)	-	-	-	-	-	-	(865,943)	-	(865,943)
Second Interim Dividend for 2014	-	-	-	-	-	-	-	-	-	-	-	-
Final Dividend for 2014 Satisfied in the Form of Issue and Allotment of New Shares	1,559,799	-	(1,733,110)	-	(1,733,110)	-	-	-	-	(173,311)	-	(173,311)
Final Cash Dividend for 2014	-	-	(1,733,110)	-	(1,733,110)	-	-	-	-	(1,733,110)	(1,962)	(1,735,072)
Re-Resatement of Deferred Tax on Revaluation Gains	-	-	-	9,963	-	-	-	-	-	-	9,963	10,537
Transfers During the Period	-	103	(103)	-	-	-	-	-	-	-	-	-
<b>Total Transactions with Equity Holders</b>	<b>1,714,669</b>	<b>103</b>	<b>(4,332,266)</b>	<b>9,963</b>	<b>(4,332,266)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,807,531)</b>	<b>(1,388)</b>	<b>(2,608,919)</b>
Balance as at 30.06.2015	23,172,171	4,327,206	5,263,540	6,256,923	(283,654)	(237,254)	-	-	32,474,478	70,973,409	48,145	71,021,554

	Statutory Capital		Statutory Reserves		Retained Earnings	Other Reserves				Shareholders' Funds		Non-Controlling Interest	Total Equity
	Rs. '000	Rs. '000	Statutory Reserve Fund	Primary Dealer Special Risk Reserve		Revaluation Reserve	Available-for-Sale Reserve	Foreign Currency Translation Reserve	Investment Fund Account	General Reserve	Rs. '000		
<b>Balance as at 01.01.2014 - Audited</b>	<b>19,586,813</b>	<b>3,768,094</b>	<b>266,520</b>	<b>4,233,364</b>	<b>4,222,054</b>	<b>2,054,567</b>	<b>(406,925)</b>	<b>4,838,693</b>	<b>22,380,819</b>	<b>60,943,999</b>	<b>-</b>	<b>60,943,999</b>	
<b>Total Comprehensive Income for the Six Months Ended 30.06.2014</b>													
-Profit for the Six Months Ended 30.06.2014	-	-	-	4,479,154	-	-	-	-	-	4,479,154	-	4,479,154	
-Other Comprehensive Income for the Six Months Ended 30.06.2014	-	-	-	-	-	421,562	(24,666)	-	-	396,896	-	396,896	
<b>Total Comprehensive Income for the Six Months Ended 30.06.2014</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,479,154</b>	<b>-</b>	<b>421,562</b>	<b>(24,666)</b>	<b>-</b>	<b>-</b>	<b>4,876,050</b>	<b>-</b>	<b>4,876,050</b>	
<b>Transactions with Owners, Recorded Directly in Equity Contributions by and Distributions to Owners</b>													
Issue of Ordinary Shares Under Employee Share Option Plans	147,567	-	-	-	-	-	-	-	-	147,567	-	147,567	
Dividends to Equity Holders	-	-	-	(849,149)	-	-	-	-	-	(849,149)	-	(849,149)	
Second Interim Dividend for 2013	-	-	-	-	-	-	-	-	-	-	-	-	
Final Dividend for 2013 Satisfied in the form of Issue and Allotment of New Shares	1,529,925	-	-	(1,699,917)	-	-	-	-	-	(169,992)	-	(169,992)	
Final Cash Dividend for 2013	-	-	-	(1,699,917)	-	-	-	-	-	(1,699,917)	-	(1,699,917)	
Transfers During the Period	-	-	(266,520)	(388,446)	-	-	-	388,446	266,520	-	-	-	
<b>Total Transactions with Equity Holders</b>	<b>1,677,492</b>	<b>-</b>	<b>(266,520)</b>	<b>(4,637,429)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>388,446</b>	<b>266,520</b>	<b>(2,971,491)</b>	<b>-</b>	<b>(2,971,491)</b>	
<b>Balance as at 30.06.2014 - Audited</b>	<b>21,264,305</b>	<b>3,768,094</b>	<b>-</b>	<b>4,075,089</b>	<b>4,222,054</b>	<b>2,476,129</b>	<b>(431,591)</b>	<b>5,227,139</b>	<b>22,647,339</b>	<b>63,248,558</b>	<b>-</b>	<b>63,248,558</b>	
<b>Total Comprehensive Income for the Six Months Ended 31.12.2014</b>													
Profit for the Six Months Ended 31.12.2014	-	-	-	6,701,028	-	-	-	-	-	6,701,028	-	6,701,028	
Other Comprehensive Income for the Six Months Ended 31.12.2014	-	-	-	(60,667)	1,500,805	259,449	(32,485)	-	-	1,667,102	-	1,667,102	
<b>Total Comprehensive Income for the Six Months Ended 31.12.2014</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,640,361</b>	<b>1,500,805</b>	<b>259,449</b>	<b>(32,485)</b>	<b>-</b>	<b>-</b>	<b>8,368,130</b>	<b>-</b>	<b>8,368,130</b>	

	Stated Capital		Statutory Reserves		Retained Earnings	Other Reserves				Shareholders' Funds		Non-Controlling Interest	Total Equity
	Rs. '000	Rs. '000	Statutory Reserve Fund	Primary Dealer Special Risk Reserve		Revaluation Reserve	Available-for-Sale Reserve	Foreign Currency Translation Reserve	Investment Fund Account	General Reserve	Rs. '000		
<b>Transactions with Owners, Recorded Directly in Equity Contributions by and Distributions to Owners</b>													
Issue of Ordinary Shares Under Employee Share Option Plans	193,196	-	-	-	-	-	-	-	-	-	193,196	-	193,196
Dividends to Equity Holders	-	-	-	-	-	-	-	-	-	-	-	-	-
First Interim Dividend for 2014	-	-	-	-	(1,298,154)	-	-	-	-	-	(1,298,154)	-	(1,298,154)
Transfers During the Period	-	559,009	-	-	(5,159,009)	-	-	-	-	4,600,000	-	-	-
Transfers to General Reserve	-	-	-	-	-	-	-	(5,227,139)	5,227,139	-	-	-	-
<b>Total Transactions with Equity Holders</b>	<b>193,196</b>	<b>559,009</b>	<b>-</b>	<b>-</b>	<b>(6,457,163)</b>	<b>-</b>	<b>-</b>	<b>(5,227,139)</b>	<b>9,827,139</b>	<b>9,827,139</b>	<b>(1,104,958)</b>	<b>-</b>	<b>(1,104,958)</b>
<b>Balance as at 31.12.2014 - Audited</b>	<b>21,457,501</b>	<b>4,327,103</b>	<b>-</b>	<b>-</b>	<b>4,258,287</b>	<b>5,722,859</b>	<b>2,735,578</b>	<b>(464,076)</b>	<b>-</b>	<b>32,474,478</b>	<b>70,511,730</b>	<b>-</b>	<b>70,511,730</b>
<b>Total Comprehensive Income for the Six Months Ended 30.06.2015</b>													
Profit for the Six Months Ended 30.06.2015	-	-	-	-	5,167,977	-	-	-	-	-	5,167,977	-	5,167,977
Other Comprehensive Income for the Six Months Ended 30.06.2015	-	-	-	-	-	-	(3,019,223)	218,690	-	-	(2,800,533)	-	(2,800,533)
<b>Total Comprehensive Income for the Six Months Ended 30.06.2015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,167,977</b>	<b>-</b>	<b>(3,019,223)</b>	<b>218,690</b>	<b>-</b>	<b>-</b>	<b>2,367,444</b>	<b>-</b>	<b>2,367,444</b>
<b>Transactions with Owners, Recorded Directly in Equity Contributions by and Distributions to Owners</b>													
Issue of Ordinary Shares Under Employee Share Option Plans	154,870	-	-	-	-	-	-	-	-	-	154,870	-	154,870
Dividends to Equity Holders	-	-	-	-	(865,943)	-	-	-	-	-	(865,943)	-	(865,943)
Second Interim Dividend for 2014	-	-	-	-	-	-	-	-	-	-	-	-	-
Final dividend for 2014 satisfied in the form of issue and allotment of new shares	1,559,799	-	-	-	(1,733,110)	-	-	-	-	-	(173,311)	-	(173,311)
Final Cash Dividend for 2014	-	-	-	-	(1,733,110)	-	-	-	-	-	(1,733,110)	-	(1,733,110)
Transfers During the Period	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Transactions with Equity Holders</b>	<b>1,714,669</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,332,163)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,617,494)</b>	<b>-</b>	<b>(2,617,494)</b>
<b>Balance as at 30.06.2015 - Audited</b>	<b>23,172,171</b>	<b>4,327,103</b>	<b>-</b>	<b>-</b>	<b>5,094,101</b>	<b>5,722,859</b>	<b>(283,645)</b>	<b>(245,386)</b>	<b>-</b>	<b>32,474,478</b>	<b>70,261,680</b>	<b>-</b>	<b>70,261,680</b>

## STATEMENT OF CASH FLOWS

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For the six months ended June 30,

	Group		Bank	
	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000
<b>Cash Flows from Operating Activities</b>				
<b>Profit Before Taxation</b>	<b>7,492,872</b>	6,541,763	<b>7,443,099</b>	6,474,150
<b>Adjustment For:</b>				
Non-Cash Items Included in Profit Before Tax	<b>3,031,763</b>	2,581,984	<b>2,971,283</b>	2,571,595
Change in Operating Assets	<b>(18,314,712)</b>	(77,097,049)	<b>(17,889,544)</b>	(77,099,085)
Change in Operating Liabilities	<b>19,472,051</b>	74,884,578	<b>19,059,714</b>	74,924,342
Net (Gains)/Losses from Disposal of Assets	<b>(1,553)</b>	(8,267)	<b>(41)</b>	(824)
Share of Profit from Associates, Net of Tax	<b>(5,125)</b>	(7,133)	–	–
Dividend Income from Subsidiaries and Associates	–	–	<b>(38,148)</b>	(22,691)
Interest Expense on Subordinated Liabilities	<b>399,581</b>	366,133	<b>379,869</b>	366,133
Benefits Paid on Defined Benefit Plans	<b>(17,817)</b>	(14,186)	<b>(17,817)</b>	(14,186)
Net unrealised Gain from Translation of Financial Statements of Foreign Operations	<b>216,934</b>	(26,445)	<b>218,690</b>	(24,666)
Tax Paid	<b>(1,514,676)</b>	(1,626,978)	<b>(1,468,239)</b>	(1,613,294)
<b>Net Cash from/(Used in) Operating Activities</b>	<b>10,759,318</b>	5,594,400	<b>10,658,866</b>	5,561,474
<b>Cash Flows from Investing Activities</b>				
Net additions of Property, Plant & Equipment	<b>(465,838)</b>	(455,281)	<b>(397,856)</b>	(437,402)
Proceeds From the Sale of Property, Plant & Equipment	<b>3,608</b>	7,899	<b>61</b>	3,859
Purchase of Financial Investments	<b>(2,425,300)</b>	(1,553,707)	<b>(2,425,300)</b>	(1,553,707)
Proceeds from the Sale and Maturity of Financial Investments	<b>824,003</b>	608,685	<b>824,003</b>	608,685
Net additions of Intangible Assets	<b>(133,519)</b>	(75,371)	<b>(132,486)</b>	(75,531)
Net Cash Flow of Investment in Subsidiaries and Associates	–	–	–	(18,095)
Dividends Received from Investments in Subsidiaries and Associates	–	–	<b>38,148</b>	22,691
<b>Net Cash from/(Used in) Investing Activities</b>	<b>(2,197,046)</b>	(1,467,775)	<b>(2,093,430)</b>	(1,449,500)
<b>Cash Flows from Financing Activities</b>				
Net Proceeds from the Issue of Ordinary Share	<b>154,869</b>	147,567	<b>154,869</b>	147,567
Interest Paid on Subordinated liabilities	<b>(446,839)</b>	(485,201)	<b>(442,128)</b>	(485,201)
Dividend Paid to Shareholders of the Parent Company	<b>(2,772,364)</b>	(2,719,058)	<b>(2,772,364)</b>	(2,719,058)
Dividend Paid to Non-Controlling Interest	<b>(1,962)</b>	(1,308)	–	–
<b>Net Cash from/(Used in) Financing Activities</b>	<b>(3,066,296)</b>	(3,058,000)	<b>(3,059,623)</b>	(3,056,692)
Net Increase/(Decrease) in Cash and Cash Equivalents	<b>5,495,976</b>	1,068,625	<b>5,505,813</b>	1,055,282
Cash and Cash Equivalents at the Beginning of the Period	<b>20,621,778</b>	14,263,533	<b>20,591,867</b>	14,261,549
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>26,117,754</b>	15,332,158	<b>26,097,680</b>	15,316,831

**Group - As at 30.06.2015**

	Held for Trading (HFT)	Loans and Receivables (L and R)	Available-for- Sale (AFS)	Other Amortised Cost	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>ASSETS</b>					
Cash and Cash Equivalents	–	26,117,754	–	–	26,117,754
Balances with Central Banks	–	21,764,569	–	–	21,764,569
Placements with Banks	–	6,149,525	–	–	6,149,525
Derivative Financial Instruments	654,267	–	–	–	654,267
Other Financial Assets – Held-for-Trading	12,391,984	–	–	–	12,391,984
Loans and Receivables to Banks	–	557,946	–	–	557,946
Loans and Receivables to Other Customers	–	513,042,654	–	–	513,042,654
Financial Investments – Available-for-Sale	–	–	206,166,056	–	206,166,056
<b>Total Financial Assets</b>	<b>13,046,251</b>	<b>567,632,448</b>	<b>206,166,056</b>	<b>–</b>	<b>786,844,755</b>

	Held for Trading (HFT)	Amortised Cost	Other Amortised Cost	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>LIABILITIES</b>				
Due to Banks	–	16,008,339	–	16,008,339
Derivative Financial Instruments	864,766	–	–	864,766
Other Financial Liabilities – Held-for-Trading	–	–	–	–
Due to Other Customers	–	568,954,254	–	568,954,254
Other Borrowings	–	129,655,478	–	129,655,478
Debt Securities Issued	–	–	–	–
Other Liabilities	–	–	–	–
Subordinated Liabilities	–	11,324,063	–	11,324,063
<b>Total Financial Liabilities</b>	<b>864,766</b>	<b>725,942,134</b>	<b>–</b>	<b>726,806,900</b>

## Group - As at 31.12.2014 – Audited

	Held for Trading (HFT)	Loans and Receivables (L and R)	Available-for- Sale (AFS)	Other Amortised Cost	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>ASSETS</b>					
Cash and Cash Equivalents	–	20,621,778	–	–	20,621,778
Balances with Central Banks	–	19,633,746	–	–	19,633,746
Placements with Banks	–	14,507,861	–	–	14,507,861
Derivative Financial Instruments	459,510	–	–	–	459,510
Other Financial Assets – Held-for-Trading	6,326,636	–	–	–	6,326,636
Loans and Receivables to Banks	–	551,066	–	–	551,066
Loans and Receivables to Other Customers	–	498,165,419	–	–	498,165,419
Financial Investments – Available-for-Sale	–	–	214,225,017	–	214,225,017
<b>Total Financial Assets</b>	<b>6,786,146</b>	<b>553,479,870</b>	<b>214,225,017</b>	<b>–</b>	<b>774,491,033</b>

	Held for Trading (HFT)	Amortised Cost	Other Amortised Cost	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>LIABILITIES</b>				
Due to Banks	–	25,669,025	–	25,669,025
Derivative Financial Instruments	1,193,139	–	–	1,193,139
Other Financial Liabilities – Held-for-Trading	–	–	–	–
Due to Other Customers	–	529,266,588	–	529,266,588
Other Borrowings	–	136,027,625	–	136,027,625
Subordinated Liabilities	–	11,262,573	–	11,262,573
<b>Total Financial Liabilities</b>	<b>1,193,139</b>	<b>702,225,811</b>	<b>–</b>	<b>703,418,950</b>

## Bank - As at 30.06.2015 – Audited

	Held for Trading (HFT)	Loans and Receivables (L and R)	Available-for- Sale (AFS)	Other Amortised Cost	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>ASSETS</b>					
Cash and Cash Equivalents	–	26,097,680	–	–	26,097,680
Balances with Central Banks	–	21,764,569	–	–	21,764,569
Placements with Banks	–	6,149,525	–	–	6,149,525
Derivative Financial Instruments	654,267	–	–	–	654,267
Other Financial Assets – Held-for-Trading	12,391,984	–	–	–	12,391,984
Loans and Receivables to Banks	–	557,946	–	–	557,946
Loans and Receivables to Other Customers	–	511,557,696	–	–	511,557,696
Financial Investments – Available-for-Sale	–	–	206,149,073	–	206,149,073
<b>Total Financial Assets</b>	<b>13,046,251</b>	<b>566,127,416</b>	<b>206,149,073</b>	<b>–</b>	<b>785,322,740</b>

	Held for Trading (HFT)	Amortised Cost	Other Amortised Cost	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>LIABILITIES</b>				
Due to Banks	–	15,174,068	–	15,174,068
Derivative Financial Instruments	864,766	–	–	864,766
Other Financial Liabilities – Held-for-Trading	–	–	–	–
Due to Other Customers	–	569,082,112	–	569,082,112
Other Borrowings	–	129,784,129	–	129,784,129
Debt Securities Issued	–	–	–	–
Other Liabilities	–	–	–	–
Subordinated Liabilities	–	11,106,266	–	11,106,266
<b>Total Financial Liabilities</b>	<b>864,766</b>	<b>725,146,575</b>	<b>–</b>	<b>726,011,341</b>

**Bank - As at 31.12.2014 - Audited**

	Held-for-Trading (HFT)	Loans and Receivables (L and R)	Available-for- Sale (AFS)	Other Amortised Cost	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>ASSETS</b>					
Cash and Cash Equivalents	-	20,591,867	-	-	20,591,867
Balances with Central Banks	-	19,633,746	-	-	19,633,746
Placements with Banks	-	14,507,861	-	-	14,507,861
Derivative Financial Instruments	459,510	-	-	-	459,510
Other Financial Assets – Held-for-Trading	6,326,636	-	-	-	6,326,636
Loans and Receivables to Banks	-	551,066	-	-	551,066
Loans and Receivables to Other Customers	-	497,065,787	-	-	497,065,787
Financial Investments – Available-for-Sale	-	-	214,208,370	-	214,208,370
<b>Total Financial Assets</b>	<b>6,786,146</b>	<b>552,350,327</b>	<b>214,208,370</b>	<b>-</b>	<b>773,344,843</b>

	Held-for-Trading (HFT)	Amortised Cost	Other Amortised Cost	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>LIABILITIES</b>				
Due to Banks	-	25,260,976	-	25,260,976
Derivative Financial Instruments	1,193,139	-	-	1,193,139
Other Financial Liabilities – Held-for-Trading	-	-	-	-
Due to Other Customers	-	529,361,484	-	529,361,484
Other Borrowings	-	136,201,082	-	136,201,082
Debt Securities Issued	-	-	-	-
Other Liabilities	-	-	-	-
Subordinated Liabilities	-	11,044,775	-	11,044,775
<b>Total Financial Liabilities</b>	<b>1,193,139</b>	<b>701,868,317</b>	<b>-</b>	<b>703,061,456</b>

## SELECTED PERFORMANCE INDICATORS (As per the Regulatory Reporting) 17

	Bank		Group	
	As at 30.06.2015 (Audited)	As at 31.12.2014 (Audited)	As at 30.06.2015	As at 31.12.2014 (Audited)
<b>Regulatory Capital Adequacy</b>				
Core Capital (Tier I Capital) - Rs. '000	<b>63,963,522</b>	58,465,269	<b>64,159,924</b>	58,662,124
Total Capital Base - Rs. '000	<b>77,846,103</b>	72,177,447	<b>78,500,528</b>	72,832,325
Core Capital Adequacy Ratio - Core Capital as a % of Risk-Weighted Assets (Minimum Requirement, 5%)	<b>12.70%</b>	12.93%	<b>12.67%</b>	13.07%
Total Capital Adequacy Ratio - Total Capital as a % of Risk-Weighted Assets (Minimum Requirement, 10%)	<b>15.45%</b>	15.97%	<b>15.50%</b>	16.22%
<b>Asset Quality (Quality of Loan Portfolio)</b>				
Gross Non-Performing Advances Ratio (Net of Interest in Suspense)	<b>3.15%</b>	3.47%		
Net Non-Performing Advances Ratio (Net of Interest in Suspense and Provisions)	<b>1.70%</b>	1.86%		
<b>Profitability</b>				
Interest Margin	<b>3.70%</b>	3.88%		
Return on Assets (before Tax)	<b>1.87%</b>	2.25%		
Return on Equity	<b>14.81%</b>	17.01%		
<b>Debt Security-Related Ratios</b>				
Debt Equity Ratio	<b>23.99%</b>	25.83%		
Interest Cover (Times)	<b>20.77</b>	21.40		
<b>Regulatory Liquidity</b>				
Statutory Liquid Assets - Rs. '000				
Domestic Banking Unit	<b>153,547,836</b>	167,846,959		
Off-Shore Banking Unit	<b>19,185,582</b>	10,344,834		
Statutory Liquid Assets Ratio (Minimum Requirement 20%)				
Domestic Banking Unit	<b>27.75%</b>	33.15%		
Off-Shore Banking Unit	<b>50.37%</b>	31.43%		



**Twenty Largest Voting Shareholders as at June 30, 2015**

Name of the Shareholder	No. of Shares	%
DFCC Bank A/C 1	121,005,515	14.76
Employees' Provident Fund	79,594,968	9.71
Mr. Y.S.H.I. Silva	63,807,960	7.78
Sri Lanka Insurance Corporation Ltd. - Life Fund	41,260,840	5.03
HSBC Intl. Nominees Ltd. - JPMLU - Franklin Templeton Investment Funds	36,843,309	4.49
CB NY S/A International Finance Corporation	36,677,879	4.47
Sri Lanka Insurance Corporation Ltd. - General Fund	35,478,645	4.33
HSBC Intl. Nominees Ltd. - SSBT - Wasatch Frontier Emerging Small Countries Fund	20,087,183	2.45
Melstacorp Ltd.	19,179,375	2.34
HSBC Intl. Nominees Ltd. - BPSS LUX -Aberdeen Global - Asian Smaller Companies Fund	14,319,466	1.75
Mrs. L.E.M. Yaseen	14,200,001	1.73
HSBC Intl. Nominees Ltd. - SSBT - Morgan Stanley Institutional Fund, Inc. - Frontier Emerging Markets Portfolio	12,909,787	1.57
HSBC Intl. Nominees Ltd. - JPMLU - Schroder International Selection Fund	12,132,623	1.48
HSBC Intl. Nominees Ltd. - BPSS LUX - Aberdeen Global Asia Pacific Equity Fund	11,014,249	1.34
Mercantile Investments and Finance PLC	10,509,737	1.28
The Bank of New York Mellon SA/NV - CF Ruffer Total Return Fund	8,280,574	1.01
HSBC Intl. Nominees Ltd. - SSBT - Aberdeen Institutional Commingled Funds, LLC	8,116,933	0.99
Northern Trust Company S/A Harding Loevner Frontier Emerging Markets Portfolio	8,100,000	0.99
HSBC Intl. Nominees Ltd. - SSBT - Morgan Stanley Asset Management SA Acting on behalf of Morgan Stanley Galaxy Fund	8,043,638	0.98
HSBC Intl. Nominees Ltd. - BPSS London - Aberdeen Asia Smaller Companies Investment Trust	6,845,432	0.83
Sub total	568,408,114	69.33
Other Shareholders	251,468,809	30.67
<b>Total</b>	<b>819,876,923</b>	<b>100.00</b>

Percentage of public holdings as at June 30, 2015 - 99.55%.

Number of shareholders representing public holding as at June 30, 2015 - 8,766

**Twenty Largest Non-Voting Shareholders as at June 30, 2015**

Name of the Shareholder	No. of Shares	%
HSBC Intl. Nominees Ltd. - JPMLU - Franklin Templeton Investment Funds	3,256,814	5.78
Mr. Y.S.H.I. Silva	2,615,752	4.65
CITY Bank NY S/A Forward International Dividend Fund	1,951,598	3.47
GF Capital Global Ltd.	1,565,812	2.78
HINL - JPMCB - Butterfield Trust (Bermuda) Ltd.	1,396,941	2.48
Mr. J.D. Bandaranayake	1,112,507	1.98
CITY Bank NY S/A Forward Select EM Dividend Fund	1,029,608	1.83
Waldock Mackenzie Ltd./Mr. S.N.P. Paliheana and Mrs. A.S. Paliheana	1,000,000	1.78
M.J.F. Exports Ltd.	963,107	1.71
Employees Trust Fund Board	893,604	1.59
Saboor Chatoor (Pvt) Ltd.	761,000	1.35
Mr. M.F. Hashim	756,402	1.34
Beta Holdings Ltd.	720,869	1.28
Mrs. L.V.C. Samarasinha	607,769	1.08
Union Assurance PLC - A/C 01A/C	572,424	1.02
Akbar Brothers (Pvt) Ltd. A/C No. 01	567,605	1.01
Northern Trust Company S/A Polar Capital Funds PLC	557,478	0.99
Asian Alliance Insurance PLC - A/C 02 (Life Fund)	511,014	0.91
Dr. A.K.A. Jayawardene	496,976	0.88
Mr. G.R. Mallawaarachy & Mrs. B.G. Mallawaarachy (Joint)	452,309	0.80
Sub-Total	21,789,589	38.70
Other Shareholders	34,510,097	61.30
<b>Total</b>	<b>56,299,686</b>	<b>100.00</b>

Percentage of public holding as at June 30, 2015 - 99.79%

Number of shareholders representing public holding as at June 30, 2015 - 4,168

**Directors' Holding in Shares as at June 30, 2015**

Name of Director	No. of Shares	
	Voting	Non-Voting
Mr. K.G.D.D. Dheerasinghe - <i>Chairman</i>	20,859	-
Mr. M.P. Jayawardena - <i>Deputy Chairman</i>	-	-
Mr. J. Durairatnam - <i>Managing Director/Chief Executive Officer</i>	412,056	-
Mr. S. Renganathan	191,936	10,321
Mr. S. Swarnajothi	-	8,599
Mr. H.J. Wilson	-	-
Prof. A.K.W. Jayawardane	-	-

	2015 Rs.	2014 Rs.
<b>Market Price of an Ordinary Share of the Bank as at June 30,</b>		
Voting	<b>160.50</b>	140.60
Non-Voting	<b>132.00</b>	105.40
<b>Highest Price during the Quarter ended June 30,</b>		
Voting	<b>175.00</b>	141.00
Non-Voting	<b>141.00</b>	107.00
<b>Lowest Price during the Quarter ended June 30,</b>		
Voting	<b>160.00</b>	118.00
Non-Voting	<b>126.60</b>	91.30
	<b>2015</b>	<b>2014</b>
<b>Number of Ordinary Shares issued as at June 30,</b>		
Voting	<b>819,876,923</b>	808,601,709
Non-Voting	<b>56,299,686</b>	55,579,946

1. There were no changes to the Accounting Policies and methods of computation since the publication of the Annual Report 2014. These Interim Financial Statements have been prepared in compliance with the requirements of the Sri Lanka Accounting Standard - LKAS 34 on 'Interim Financial Reporting'. Previous year figures and phrases have been rearranged wherever necessary to conform to the current presentation.
2. During the quarter there were no material changes in the composition of assets, liabilities, contingent liabilities and use of funds raised through Debentures.
3. All known expenses including management fees and similar expenses have been provided for in these Interim Financial Statements.
4. There were no material events that took place since June 30, 2015, that require disclosure in these Interim Financial Statements.

**Auditors Opinion on the Financial Statements of the Bank as at June 30, 2015**

The figures relating to the Bank have been extracted from the Financial Statements that had been audited by the External Auditors.

The Auditors expressed an unqualified opinion on the said Financial Statements prepared as at June 30, 2015 and for the period then ended.

Debenture Categories	CSE Listing	Interest Payable Frequency	Balance as at June 30, 2015 Rs. '000	Market Values			Interest Rates		Interest Rate of Comparable Government Security %	Other Ratios as at Date of Last Trade	
				Highest Rs.	Lowest Rs.	Year End Rs.	Coupon Rate %	Effective Annual Yield %		Interest Yield %	Yield to Maturity %
<b>Fixed Rate</b> May 2006/May 2016 – 13.25% p.a.	Not Listed	Annually	505,000	-	-	-	13.25	13.25	6.40		Not applicable
Dec. 2006/Dec. 2016 – 14.00% p.a.	Listed	Annually	467,260	-	-	-	13.25	13.25	7.25		Not applicable
<b>Floating Rate</b> Dec. 2006/Dec. 2016 – 12 Months TB Rate (Gross) + 1% p.a.	Listed	Annually	400	Not traded during the current period	Not traded during the current period	Not traded during the current period	14.00	14.00	6.80		Not traded during the current period
<b>Total Debentures</b>			972,660	Not traded during the current period	Not traded during the current period	Not traded during the current period	7.68	7.68	8.00		Not traded during the current period
				Not traded during the current period	Not traded during the current period	Not traded during the current period	10.21	10.21	8.75		Not traded during the current period

(Comparative information for 2014 have been highlighted.)

12 Months TB Rate (Gross) – Twelve Months Treasury Bill Rate before deducting 10% Withholding Tax as published by the Central Bank of Sri Lanka immediately prior to the commencement of each interest period.

(As per the Circular No. 02/17/900/0001/004 dated on October 11, 2013 issued by the Central Bank of Sri Lanka)

	Group		Bank	
	As at 30.06.2015	As at 31.12.2014	As at 30.06.2015	As at 31.12.2014
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>1. Loans and Receivables to Other Customers</b>				
Gross Loans and Receivables	530,967,453	515,335,442	529,217,185	514,022,361
Less: Allowance for Individual Impairment	4,578,648	4,334,587	4,578,648	4,334,587
Allowance for Collective Impairment	13,346,151	12,835,436	13,080,841	12,621,987
<b>Net Loans and Receivables</b>	<b>513,042,654</b>	<b>498,165,419</b>	<b>511,557,696</b>	<b>497,065,787</b>

	Group		Bank	
	As at 30.06.2015	As at 31.12.2014	As at 30.06.2015	As at 31.12.2014
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>2. Loans and Receivables to Other Customers – By Product</b>				
<b>By Product – Domestic Currency</b>				
<b>Loans and Advances</b>				
Overdrafts	66,113,022	60,945,777	66,135,354	60,945,777
Trade Finance	34,291,188	29,720,488	34,291,188	29,720,488
Lease Rental Receivable	29,987,678	24,526,495	27,730,023	22,780,900
Credit Cards	4,333,698	4,167,818	4,333,698	4,167,818
Pawning	2,000,806	2,315,884	2,000,806	2,315,884
Staff Loans	5,481,980	4,928,668	5,480,927	4,928,211
Housing Loans	34,451,361	30,424,369	34,451,361	30,424,369
Personal Loans	24,063,549	21,670,018	24,063,549	21,669,446
Term Loans				
Short Term	19,909,167	17,375,263	19,908,436	17,962,063
Long Term	167,946,137	145,434,135	168,432,976	145,280,878
Bills of Exchange	3,276,473	3,379,171	3,276,473	3,379,171
Securities Purchased Under Resale Agreements	6,000,989	36,471,301	6,000,989	36,471,301
<b>Sub Total</b>	<b>397,856,048</b>	<b>381,359,387</b>	<b>396,105,780</b>	<b>380,046,306</b>
<b>Others</b>				
Government Securities	605,674	605,859	605,674	605,859
Investments	11,720,808	9,585,015	11,720,808	9,585,015
<b>Sub Total</b>	<b>12,326,482</b>	<b>10,190,874</b>	<b>12,326,482</b>	<b>10,190,874</b>
<b>Gross Loans and Receivables</b>	<b>410,182,530</b>	<b>391,550,261</b>	<b>408,432,262</b>	<b>390,237,180</b>

(As per the Circular No. 02/17/900/0001/004 dated on October 11, 2013 issued by the Central Bank of Sri Lanka)

	Group		Bank	
	As at 30.06.2015 Rs. '000	As at 31.12.2014 Rs. '000	As at 30.06.2015 Rs. '000	As at 31.12.2014 Rs. '000
<b>By Product – Foreign Currency</b>				
<b>Loans And Advances</b>				
Overdrafts	7,791,950	9,204,100	7,791,950	9,204,100
Trade Finance	11,222,752	12,244,510	11,222,752	12,244,510
Lease Rental Receivable	285,543	287,683	285,543	287,683
Credit Cards	53,657	53,548	53,657	53,548
Pawning	–	–	–	–
Staff Loans	89,588	94,711	89,588	94,711
Housing Loans	1,137,084	978,489	1,137,084	978,489
Personal Loans	262,004	273,570	262,004	273,570
Term Loans				
Short Term	13,222,808	14,012,604	13,222,808	14,012,604
Long Term	42,204,543	37,658,818	42,204,543	37,658,818
Bills of Exchange	6,157,319	4,004,991	6,157,319	4,004,991
Securities Purchased Under Resale Agreements	–	4,726,965	–	4,726,965
<b>Sub Total</b>	<b>82,427,248</b>	<b>83,539,989</b>	<b>82,427,248</b>	<b>83,539,989</b>
<b>Others</b>				
Government Securities	37,095,972	40,244,152	37,095,972	40,244,152
Investments	1,261,703	1,040	1,261,703	1,040
<b>Sub Total</b>	<b>38,357,675</b>	<b>40,245,192</b>	<b>38,357,675</b>	<b>40,245,192</b>
<b>Gross Loans and Receivables</b>	<b>120,784,923</b>	<b>123,785,181</b>	<b>120,784,923</b>	<b>123,785,181</b>
<b>Total of Gross Loans and Receivables</b>	<b>530,967,453</b>	<b>515,335,442</b>	<b>529,217,185</b>	<b>514,022,361</b>

(As per the Circular No. 02/17/900/0001/004 dated on October 11, 2013 issued by The Central Bank of Sri Lanka)

	Group		Bank	
	As at	As at	As at	As at
	30.06.2015	31.12.2014	30.06.2015	31.12.2014
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>3. Movement in Individual and Collective Impairment During the Period for Loans and Receivables to Other Customers</b>				
<b>Movement in Allowance for Individual Impairment</b>				
Opening Balance	4,334,587	4,204,654	4,334,587	4,204,654
Charge/(Write-Back) to the Income Statement	621,569	390,003	621,569	390,003
Net Write-Off/(Recoveries) During the Year	(453,296)	(403,411)	(453,296)	(403,411)
Exchange Rate Variance on Foreign Currency Provisions	11,672	6,765	11,672	6,765
Interest Accrued/(Reversals) on Impaired Loans & Advances	(139,410)	(278,878)	(139,410)	(278,878)
Other Movements	203,526	415,454	203,526	415,454
<b>Closing Balance</b>	<b>4,578,648</b>	<b>4,334,587</b>	<b>4,578,648</b>	<b>4,334,587</b>
<b>Movement in Allowance for Collective Impairment</b>				
Opening Balance	12,835,436	11,582,515	12,621,987	11,582,514
Balance Assumed on Business Combination	-	194,805	-	-
Charge/(Write-Back) to the Income Statement	2,066,825	4,480,932	2,014,964	4,462,289
Net Write-Off/(Recoveries) During the Year	(1,558,150)	(3,422,651)	(1,558,150)	(3,422,651)
Exchange Rate Variance on Foreign Currency Provisions	2,040	(165)	2,040	(165)
Other Movements	-	-	-	-
<b>Closing Balance</b>	<b>13,346,151</b>	<b>12,835,436</b>	<b>13,080,841</b>	<b>12,621,987</b>
<b>Total of Individual and Collective Impairment</b>	<b>17,924,799</b>	<b>17,170,023</b>	<b>17,659,489</b>	<b>16,956,574</b>

	Group		Bank	
	As at	As at	As at	As at
	30.06.2015	31.12.2014	30.06.2015	31.12.2014
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>4. Due to Other Customers – By Product</b>				
<b>By Product – Domestic Currency</b>				
Current Account Deposits	35,058,992	34,311,477	35,058,992	34,317,565
Savings Deposits	182,520,288	164,462,225	182,618,054	164,521,655
Time Deposits	210,449,668	202,162,715	210,479,760	202,192,093
Certificates of Deposits	810,724	935,784	810,724	935,784
<b>Sub Total</b>	<b>428,839,672</b>	<b>401,872,201</b>	<b>428,967,530</b>	<b>401,967,097</b>
<b>By Product – Foreign Currency</b>				
Current Account Deposits	11,585,268	10,809,389	11,585,268	10,809,389
Savings Deposits	49,879,815	46,467,745	49,879,815	46,467,745
Time Deposits	78,649,499	70,117,253	78,649,499	70,117,253
Certificates of Deposits	-	-	-	-
<b>Sub Total</b>	<b>140,114,582</b>	<b>127,394,387</b>	<b>140,114,582</b>	<b>127,394,387</b>
<b>Total</b>	<b>568,954,254</b>	<b>529,266,588</b>	<b>569,082,112</b>	<b>529,361,484</b>

**NAME OF COMPANY**

Commercial Bank of Ceylon PLC

**LEGAL FORM**

A public limited liability company incorporated in Sri Lanka on June 25, 1969, under the Companies Ordinance No. 51 of 1938 and quoted in the Colombo Stock Exchange in March 1970. The Company was re-registered under the Companies Act No. 07 of 2007. A licensed Commercial Bank under the Banking Act No. 30 of 1988.

**COMPANY REGISTRATION NUMBER**

PQ 116

**STOCK EXCHANGE LISTING**

The Ordinary Shares and the Unsecured Subordinated Redeemable Debentures of December 2006/December 2016 series, both fixed and floating interest rates of the Company are listed on the Colombo Stock Exchange.

**REGISTERED OFFICE**

'Commercial House',  
No. 21, Sir Razik Fareed Mawatha,  
P.O. Box 856,  
Colombo 1, Sri Lanka.  
Telephone: 2430420, 2336700,  
2445010-15, 2486000, 4792000  
Tele-Banking: 2336633-5  
Telex: 21520 COMEX CE  
Facsimile: 941-112449889  
SWIFT Code: Sri Lanka: CCEYLKXLX  
SWIFT Code: Bangladesh: CCEYBDDH  
E-mail: email@combank.net  
Website: www.combank.net

**HEAD OFFICE**

'Commercial House',  
No. 21, Sir Razik Fareed Mawatha,  
P.O. Box 856,  
Colombo 1, Sri Lanka.

**ACCOUNTING YEAR**

December 31

**TAX PAYER IDENTIFICATION NUMBER (TIN)**

124006007

**CREDIT RATING****Sri Lanka Operation**

- AA (Ika) was reaffirmed by  
Fitch Ratings Lanka Ltd. in July 2015.

**Bangladesh Operation**

- AAA was reaffirmed by  
Credit Rating Information Services Ltd. in 2015.

**COMPLIANCE OFFICER**

Mr. S.M.R.J. Rodrigo  
Assistant General Manager – Plan Implementation

**LAWYERS**

Julius & Creasy,  
No. 41, Janadhipathi Mawatha,  
Colombo 1.

**AUDITORS**

KPMG  
Chartered Accountants,  
32A, Sir Mohamed Macan Markar Mawatha,  
Colombo 3.

**REGISTRARS**

SSP Corporate Services (Private) Ltd.,  
No. 101, Inner Flower Road,  
Colombo 3, Sri Lanka.  
Telephone: 2573894, 2576871  
Facsimile: 9411-2573609  
E-mail: sspsec@sltnet.lk

**COMPANY SECRETARY**

Mrs. J.R. Gamage

**BOARD OF DIRECTORS**

Mr. K.G.D.D. Dheerasinghe - Chairman  
Mr. M.P. Jayawardena - Deputy Chairman  
Mr. J. Durairatnam - Managing Director/Chief Executive Officer  
Mr. S. Swarnajothi  
Mr. S. Renganathan  
Mr. H. J. Wilson  
Prof. A.K.W. Jayawardane  
Mr. K. Dharmasiri (Appointed with effect from July 21, 2015)

## **Vision**

To be the most technologically advanced, innovative and customer friendly financial services organisation in Sri Lanka, poised for further expansion in South Asia.

## **Mission**

Providing reliable, innovative, customer friendly financial services, utilising cutting edge technology and focusing continuously on productivity improvement whilst developing our staff and acquiring necessary expertise to expand locally and regionally.

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The only Sri Lankan Bank amongst the 'Top 1000 Banks in the World' for the 5th Successive Year  
The Banker, UK

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The Best Bank for 5th Time in 7 Years  
Finance Asia Magazine

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The Most Respected Bank in Sri Lanka  
LMD

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