

**INTERIM FINANCIAL STATEMENT**  
**For the year ended December 31, 2015**

## INCOME STATEMENT - GROUP

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	For the year ended			For the quarter ended		
	31.12.2015	31.12.2014	Change	31.12.2015	31.12.2014	Change
	( Audited)	( Audited)				
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
<b>Gross income</b>	<b>78,225,397</b>	<b>72,848,203</b>	<b>7.38</b>	<b>21,304,719</b>	<b>18,573,700</b>	<b>14.70</b>
Interest income	66,339,317	61,932,876	7.11	17,518,581	15,407,359	13.70
Less : Interest expenses	35,771,967	34,613,052	3.35	9,507,098	8,695,843	9.33
<b>Net interest income</b>	<b>30,567,350</b>	<b>27,319,824</b>	<b>11.89</b>	<b>8,011,483</b>	<b>6,711,516</b>	<b>19.37</b>
Fees and commission income	6,329,900	5,613,684	12.76	1,859,646	1,556,476	19.48
Less: Fees and commission expenses	919,590	764,322	20.31	262,327	201,263	30.34
<b>Net fees and commission income</b>	<b>5,410,310</b>	<b>4,849,362</b>	<b>11.57</b>	<b>1,597,319</b>	<b>1,355,213</b>	<b>17.86</b>
Net gains/(losses) from trading	813,376	(305,492)	366.25	286,682	(277,525)	203.30
Net gains/(losses) from financial instruments designated at fair value through profit or loss	-	-	-	-	-	-
Net gains/(losses) from financial investments	693,987	2,272,575	(69.46)	438,736	772,912	(43.24)
Other income (net)	4,048,817	3,334,560	21.42	1,201,074	1,114,478	7.77
<b>Total operating income</b>	<b>41,533,840</b>	<b>37,470,829</b>	<b>10.84</b>	<b>11,535,294</b>	<b>9,676,594</b>	<b>19.21</b>
Less :Impairment charges for loans and other losses	4,099,738	3,208,638	27.77	914,879	215,498	324.54
Individual impairment	1,386,477	269,703	414.08	987,703	195,633	404.88
Collective impairment	2,710,834	2,911,621	(6.90)	(73,380)	19,138	(483.43)
Others	2,427	27,314	(91.11)	556	727	(23.52)
<b>Net operating income</b>	<b>37,434,102</b>	<b>34,262,191</b>	<b>9.26</b>	<b>10,620,415</b>	<b>9,461,096</b>	<b>12.25</b>
<b>Less: Expenses</b>	<b>17,421,405</b>	<b>15,720,286</b>	<b>10.82</b>	<b>4,878,630</b>	<b>4,116,760</b>	<b>18.51</b>
Personnel expenses	10,260,750	8,956,323	14.56	2,906,382	2,300,931	26.31
Depreciation and amortisation	1,206,172	1,262,000	(4.42)	314,768	355,927	(11.56)
Other expenses	5,954,483	5,501,963	8.22	1,657,480	1,459,902	13.53
<b>Operating profit before Value Added Tax (VAT) &amp; Nation Building Tax (NBT) on Financial Services</b>	<b>20,012,697</b>	<b>18,541,905</b>	<b>7.93</b>	<b>5,741,785</b>	<b>5,344,336</b>	<b>7.44</b>
Less: VAT & NBT on financial services	2,890,224	2,688,551	7.50	844,553	782,132	7.98
<b>Operating profit after VAT &amp; NBT on Financial Services</b>	<b>17,122,473</b>	<b>15,853,354</b>	<b>8.01</b>	<b>4,897,232</b>	<b>4,562,204</b>	<b>7.34</b>
Add: Share of profits/(losses) of associates, net of tax	13,638	6,563	107.80	3,738	(1,592)	334.80
<b>Profit before income tax</b>	<b>17,136,111</b>	<b>15,859,917</b>	<b>8.05</b>	<b>4,900,970</b>	<b>4,560,612</b>	<b>7.46</b>
Less : Income tax expense	5,276,851	4,617,124	14.29	1,476,436	1,169,153	26.28
<b>Profit for the period</b>	<b>11,859,260</b>	<b>11,242,793</b>	<b>5.48</b>	<b>3,424,534</b>	<b>3,391,459</b>	<b>0.98</b>
<b>Profit attributable to:</b>						
Equity holders of the Bank	11,855,172	11,238,892	5.48	3,423,781	3,390,778	0.97
Non-controlling interest	4,088	3,901	4.79	753	681	10.57
<b>Profit for the period</b>	<b>11,859,260</b>	<b>11,242,793</b>	<b>5.48</b>	<b>3,424,534</b>	<b>3,391,459</b>	<b>0.98</b>
<b>Earnings per share (EPS)</b>						
Basic earnings per ordinary share (Rs.)	13.53	12.87	5.13	3.91	3.92	(0.26)
Diluted earnings per ordinary share (Rs.)	13.51	12.82	5.38	3.90	3.91	(0.26)

	For the year ended			For the quarter ended		
	31.12.2015	31.12.2014	Change	31.12.2015	31.12.2014	Change
	( Audited) Rs.'000	( Audited) Rs.'000	%	Rs.'000	Rs.'000	%
<b>Profit for the period</b>	<b>11,859,260</b>	<b>11,242,793</b>	<b>5.48</b>	<b>3,424,534</b>	<b>3,391,459</b>	<b>0.98</b>
<b>Other comprehensive income, net of tax</b>						
<b>Items that will never be reclassified to profit or loss</b>						
Net actuarial gains/(losses) on defined benefit plans	(62,272)	(60,828)	(2.37)	(62,272)	(60,828)	(2.37)
Remeasurement of defined benefit liability/(asset)	(65,150)	(84,484)	22.88	(65,150)	(84,484)	22.88
Deferred tax charge/(reversal) on actuarial gains/(losses)	(2,878)	(23,656)	87.83	(2,878)	(23,656)	87.83
Net change in revaluation surplus	-	1,638,518	-	-	1,638,518	-
Changes in revaluation surplus/(deficit)	-	1,812,757	-	-	1,812,757	-
Deferred tax charge/(reversal) on revaluation surplus	-	174,239	-	-	174,239	-
<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	886,677	(60,430)	1,567.28	196,873	44,028	347.15
Net fair value gains/(losses) on re-measuring Financial investments - Available-for-sale	(6,690,945)	681,002	(1,082.51)	(219,329)	(2,655,259)	91.74
Government Securities	(6,733,881)	640,437	(1,151.45)	(244,283)	(2,699,311)	90.95
Fair value gains/(losses) arose during the period, net of tax	(6,625,162)	2,247,787	(394.74)	(204,487)	(2,544,882)	91.96
Fair value gains/(losses) realised and recycled to the Income Statement on disposal, net of tax	(108,719)	(1,607,350)	93.24	(39,796)	(154,429)	74.23
Equity Securities	42,936	40,565	5.84	24,954	44,052	(43.35)
Fair value gains/(losses) arose during the period	42,936	40,565	5.84	24,954	44,052	(43.35)
Fair value gains/(losses) realised and recycled to the Income Statement on disposal	-	-	-	-	-	-
Share of other comprehensive income/(expense) of associates, net of tax	(8,689)	6,402	(235.72)	(699)	22,369	(103.12)
Other comprehensive income/(expense) for the period, net of taxes	(5,875,229)	2,204,664	(366.49)	(85,427)	(1,011,172)	91.55
<b>Total comprehensive income for the period</b>	<b>5,984,031</b>	<b>13,447,457</b>	<b>(55.50)</b>	<b>3,339,107</b>	<b>2,380,287</b>	<b>40.28</b>
<b>Attributable to:</b>						
Equity holders of the Bank	5,979,574	13,436,055	(55.50)	3,337,985	2,379,299	40.29
Non-controlling interest	4,457	11,402	(60.91)	1,122	988	13.56
<b>Total comprehensive income for the period</b>	<b>5,984,031</b>	<b>13,447,457</b>	<b>(55.50)</b>	<b>3,339,107</b>	<b>2,380,287</b>	<b>40.28</b>

# INCOME STATEMENT - BANK

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	For the year ended			For the quarter ended		
	31.12.2015	31.12.2014	Change	31.12.2015	31.12.2014	Change
	( Audited) Rs. '000	( Audited) Rs. '000	%	Rs. '000	Rs. '000	%
<b>Gross income</b>	<b>77,867,952</b>	<b>72,752,229</b>	<b>7.03</b>	<b>21,173,819</b>	<b>18,538,559</b>	<b>14.22</b>
Interest income	66,030,456	61,832,018	6.79	17,425,829	15,334,269	13.64
Less : Interest expenses	35,685,172	34,610,179	3.11	9,478,292	8,683,921	9.15
<b>Net interest income</b>	<b>30,345,284</b>	<b>27,221,839</b>	<b>11.47</b>	<b>7,947,537</b>	<b>6,650,348</b>	<b>19.51</b>
Fees and commission income	6,275,276	5,592,744	12.20	1,810,773	1,538,879	17.67
Less: Fees and commission expenses	901,190	761,527	18.34	243,927	198,468	22.90
<b>Net fees and commission income</b>	<b>5,374,086</b>	<b>4,831,217</b>	<b>11.24</b>	<b>1,566,846</b>	<b>1,340,411</b>	<b>16.89</b>
Net gains/(losses) from trading	813,376	(305,492)	366.25	286,682	(277,525)	203.30
Net gains/(losses) from financial instruments designated at fair value through profit or loss	-	-	-	-	-	-
Net gains/(losses) from financial investments	693,933	2,272,575	(69.46)	438,736	772,912	(43.24)
Other income (net)	4,054,911	3,360,384	20.67	1,211,799	1,170,024	3.57
<b>Total operating income</b>	<b>41,281,590</b>	<b>37,380,523</b>	<b>10.44</b>	<b>11,451,600</b>	<b>9,656,170</b>	<b>18.59</b>
Less :Impairment charges for loans and other losses	3,943,196	3,229,144	22.11	827,964	217,448	280.76
Individual impairment	1,386,477	269,703	414.08	987,703	195,623	404.90
Collective impairment	2,516,044	2,892,978	(13.03)	(179,535)	10,064	(1,883.93)
Others	40,675	66,463	(38.80)	19,796	11,761	68.32
<b>Net operating income</b>	<b>37,338,394</b>	<b>34,151,379</b>	<b>9.33</b>	<b>10,623,636</b>	<b>9,438,722</b>	<b>12.55</b>
<b>Less: Expenses</b>	<b>17,305,429</b>	<b>15,726,172</b>	<b>10.04</b>	<b>4,825,860</b>	<b>4,132,258</b>	<b>16.79</b>
Personnel expenses	10,180,537	8,903,048	14.35	2,885,229	2,306,377	25.10
Depreciation and amortisation	1,141,804	1,200,546	(4.89)	297,978	341,133	(12.65)
Other expenses	5,983,088	5,622,578	6.41	1,642,653	1,484,748	10.64
<b>Operating profit before Value Added Tax (VAT) &amp; Nation Building Tax (NBT) on Financial Services</b>	<b>20,032,965</b>	<b>18,425,207</b>	<b>8.73</b>	<b>5,797,776</b>	<b>5,306,464</b>	<b>9.26</b>
Less: VAT & NBT on financial services	2,889,355	2,688,991	7.45	844,553	783,101	7.85
<b>Profit before income tax</b>	<b>17,143,610</b>	<b>15,736,216</b>	<b>8.94</b>	<b>4,953,223</b>	<b>4,523,363</b>	<b>9.50</b>
Less : Income tax expense	5,240,386	4,556,035	15.02	1,475,853	1,148,035	28.55
<b>Profit for the period</b>	<b>11,903,224</b>	<b>11,180,181</b>	<b>6.47</b>	<b>3,477,370</b>	<b>3,375,328</b>	<b>3.02</b>
<b>Profit attributable to:</b>						
Equity holders of the Bank	11,903,224	11,180,181	6.47	3,477,370	3,375,328	3.02
Non-controlling interest	-	-	-	-	-	-
<b>Profit for the period</b>	<b>11,903,224</b>	<b>11,180,181</b>	<b>6.47</b>	<b>3,477,370</b>	<b>3,375,328</b>	<b>3.02</b>
<b>Earnings per share (EPS)</b>						
Basic earnings per ordinary share (Rs.)	13.59	12.81	6.09	3.97	3.91	1.53
Diluted earnings per ordinary share (Rs.)	13.57	12.75	6.43	3.96	3.89	1.80

	For the year ended			For the quarter ended		
	31.12.2015	31.12.2014	Change	31.12.2015	31.12.2014	Change
	( Audited)	( Audited)				
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
<b>Profit for the period</b>	<b>11,903,224</b>	<b>11,180,181</b>	<b>6.47</b>	<b>3,477,370</b>	<b>3,375,328</b>	<b>3.02</b>
<b>Other comprehensive income, net of tax</b>						
<b>Items that will never be reclassified to profit or loss</b>						
Net actuarial gains/(losses) on defined benefit plans	(68,714)	(60,667)	(13.26)	(68,714)	(60,667)	(13.26)
Remeasurement of defined benefit liability/(asset)	(74,097)	(84,259)	12.06	(74,097)	(84,259)	12.06
Deferred tax charge/(reversal) on actuarial gains/(losses)	(5,383)	(23,592)	77.18	(5,383)	(23,592)	77.18
Net change in revaluation surplus	-	1,500,805	-	-	1,500,805	-
Changes in revaluation surplus/(deficit)	-	1,621,489	-	-	1,621,489	-
Deferred tax charge/(reversal) on revaluation surplus	-	120,684	-	-	120,684	-
<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	888,844	(57,151)	1,655.26	198,346	44,694	343.79
Net fair value gains/(losses) on re-measuring Financial investments - Available-for-sale	(6,690,945)	681,011	(1,082.50)	(219,329)	(2,655,250)	91.74
Government Securities	(6,733,881)	640,446	(1,151.44)	(244,283)	(2,699,302)	90.95
Fair value gains/(losses) arose during the period, net of tax	(6,625,162)	2,247,796	(394.74)	(204,487)	(2,544,872)	91.96
Fair value gains/(losses) realised and recycled to the Income Statement on disposal, net of tax	(108,719)	(1,607,350)	93.24	(39,796)	(154,430)	74.23
Equity Securities	42,936	40,565	5.84	24,954	44,052	(43.35)
Fair value gains/(losses) arose during the period	42,936	40,565	5.84	24,954	44,052	(43.35)
Fair value gains/(losses) realised and recycled to the Income Statement on disposal	-	-	-	-	-	-
Other comprehensive income/(expense) for the period, net of taxes	(5,870,815)	2,063,998	(384.44)	(89,697)	(1,170,418)	92.34
<b>Total comprehensive income for the period</b>	<b>6,032,409</b>	<b>13,244,179</b>	<b>(54.45)</b>	<b>3,387,673</b>	<b>2,204,910</b>	<b>53.64</b>
<b>Attributable to:</b>						
Equity holders of the Bank	6,032,409	13,244,179	(54.45)	3,387,673	2,204,910	53.64
Non-controlling interest	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>6,032,409</b>	<b>13,244,179</b>	<b>(54.45)</b>	<b>3,387,673</b>	<b>2,204,910</b>	<b>53.64</b>

## STATEMENT OF FINANCIAL POSITION

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As at	Group			Bank		
	31.12.2015	31.12.2014	Change	31.12.2015	31.12.2014	Change
	( Audited)	( Audited)		( Audited)	( Audited)	
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
<b>ASSETS</b>						
Cash and cash equivalents	20,107,076	20,621,778	(2.50)	20,043,512	20,591,867	(2.66)
Balances with Central Banks	28,221,017	19,633,746	43.74	28,221,017	19,633,746	43.74
Placements with banks	17,193,539	14,507,861	18.51	17,193,539	14,507,861	18.51
Securities purchased under resale agreements	8,002,100	41,198,266	(80.58)	8,002,100	41,198,266	(80.58)
Derivative financial assets	4,118,169	459,510	796.21	4,118,169	459,510	796.21
Other financial instruments - Held-for-trading	7,656,349	6,326,636	21.02	7,656,349	6,326,636	21.02
Loans and receivables to banks	601,106	551,066	9.08	601,106	551,066	9.08
Loans and receivables to other customers	509,923,128	406,531,089	25.43	508,115,127	405,431,457	25.33
Financial investments - Available-for-sale	204,261,934	214,225,017	(4.65)	204,244,289	214,208,370	(4.65)
Financial investments - Held-to-maturity	-	-	-	-	-	-
Financial investments - Loans and receivables	57,724,369	50,436,064	14.45	57,724,369	50,436,064	14.45
Investments in subsidiaries	-	-	-	1,237,146	1,211,000	2.16
Investments in associates	104,503	106,287	(1.68)	44,331	44,331	-
Property, plant & equipment	11,181,433	11,134,861	0.42	9,968,985	9,953,091	0.16
Intangible assets	884,034	856,230	3.25	465,960	439,128	6.11
Leasehold property	107,420	108,872	(1.33)	74,478	75,420	(1.25)
Other assets	12,097,017	10,560,430	14.55	12,094,591	10,541,817	14.73
<b>Total Assets</b>	<b>882,183,194</b>	<b>797,257,713</b>	<b>10.65</b>	<b>879,805,068</b>	<b>795,609,630</b>	<b>10.58</b>
<b>LIABILITIES</b>						
Due to banks	31,789,396	25,669,025	23.84	30,319,119	25,260,976	20.02
Derivative financial liabilities	1,890,770	1,193,139	58.47	1,890,770	1,193,139	58.47
Securities sold under repurchase agreements	112,249,703	124,391,042	(9.76)	112,384,812	124,564,499	(9.78)
Other financial liabilities - Held-for-trading	-	-	-	-	-	-
Due to other customers/Deposits from customers	624,021,217	529,266,588	17.90	624,101,810	529,361,484	17.90
Other borrowings	9,985,637	11,636,583	(14.19)	9,985,637	11,636,583	(14.19)
Debt securities issued	-	-	-	-	-	-
Current tax liabilities	3,025,662	2,037,388	48.51	3,001,984	1,997,990	50.25
Deferred tax liabilities	467,632	2,876,199	(83.74)	230,615	2,573,760	(91.04)
Other provisions	1,874	1,874	-	1,874	1,874	-
Other liabilities	15,749,184	17,669,903	(10.87)	15,548,159	17,443,531	(10.87)
Due to subsidiaries	-	-	-	26,212	19,289	35.89
Subordinated liabilities	11,988,272	11,262,573	6.44	11,973,272	11,044,775	8.41
<b>Total Liabilities</b>	<b>811,169,347</b>	<b>726,004,314</b>	<b>11.73</b>	<b>809,464,264</b>	<b>725,097,900</b>	<b>11.64</b>

# STATEMENT OF FINANCIAL POSITION

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As at	Group			Bank		
	31.12.2015	31.12.2014	Change	31.12.2015	31.12.2014	Change
	( Audited) Rs.'000	( Audited) Rs.'000	%	( Audited) Rs.'000	( Audited) Rs.'000	%
<b>EQUITY</b>						
Stated capital	23,254,605	21,457,501	8.38	23,254,605	21,457,501	8.38
Statutory reserves	4,922,367	4,327,103	13.76	4,922,264	4,327,103	13.75
Retained earnings	4,467,807	4,418,412	1.12	4,388,867	4,258,287	3.07
Other reserves	38,318,860	41,002,819	(6.55)	37,775,068	40,468,839	(6.66)
<b>Total equity attributable to equity holders of the Bank</b>	<b>70,963,639</b>	<b>71,205,835</b>	<b>(0.34)</b>	<b>70,340,804</b>	<b>70,511,730</b>	<b>(0.24)</b>
<b>Non-controlling Interest</b>	<b>50,208</b>	<b>47,564</b>	<b>5.56</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>71,013,847</b>	<b>71,253,399</b>	<b>(0.34)</b>	<b>70,340,804</b>	<b>70,511,730</b>	<b>(0.24)</b>
<b>Total Liabilities and Equity</b>	<b>882,183,194</b>	<b>797,257,713</b>	<b>10.65</b>	<b>879,805,068</b>	<b>795,609,630</b>	<b>10.58</b>
<b>Contingent liabilities and commitments</b>	<b>521,232,320</b>	<b>352,453,452</b>	<b>47.89</b>	<b>521,232,320</b>	<b>352,453,452</b>	<b>47.89</b>
<b>Net assets value per ordinary share (Rs.)</b>	<b>80.93</b>	<b>82.24</b>	<b>(1.59)</b>	<b>80.22</b>	<b>81.44</b>	<b>(1.50)</b>

## Memorandum Information

Number of Employees

4,951

4,852

Number of Customer Service Centers

264

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## CERTIFICATION :

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

(Sgd.) L.W.P. Indrajith

Assistant General Manager - Finance

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 audited Financial Statements of the Group & the Bank.

(Sgd.) K.G.D.D Dheerasinghe

Chairman

February 23, 2016

Colombo

(Sgd.) J.Durairatnam

Managing Director/Chief Executive Officer

## STATEMENT OF CHANGES IN EQUITY - GROUP

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	Stated Capital	Statutory Reserves		Retained Earnings	Other Reserves					Employee Share Option Reserve	Shareholders' Funds	Non-Controlling Interest	Total Equity
	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	Rs.'000		Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000				
Balance as at January 01, 2014 - Audited	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
Total comprehensive income for the year 2014													
Profit for the year	-	-	-	11,238,892	-	-	-	-	-	-	11,238,892	3,901	11,242,793
Other comprehensive income, net of tax	-	-	-	(54,422)	1,631,013	681,002	(60,430)	-	-	-	2,197,163	7,501	2,204,664
Net actuarial gains/(losses) on defined benefit plans				(60,824)							(60,824)	(4)	(60,828)
Share of other comprehensive income of associates, net of tax				6,402							6,402		6,402
Net change in revaluation surplus					1,631,013						1,631,013	7,505	1,638,518
Net fair value gains/(losses) on re-measuring financial investments available-for-sale						681,002					681,002		681,002
Net gains/(losses) arising from translating the Financial Statements of foreign operations							(60,430)				(60,430)		(60,430)
Total comprehensive income for the year 2014	-	-	-	11,184,470	1,631,013	681,002	(60,430)	-	-	-	13,436,055	11,402	13,447,457
Transactions with owners, recognised directly in equity, contributions and distributions to owners													
Issue of Ordinary shares under Employee Share Option Plan	340,763	-	-	-	-	-	-	-	-	-	340,763	-	340,763
Dividends to equity holders	1,529,925			(5,547,136)							(4,017,211)	(2,616)	(4,019,827)
Second interim dividend for 2013	-	-	-	(849,148)	-	-	-	-	-	-	(849,148)	-	(849,148)
Final cash dividend for 2013	-	-	-	(1,699,917)	-	-	-	-	-	-	(1,699,917)	-	(1,699,917)
Final dividend for 2013 satisfied in the form of issue and allotment of new shares	1,529,925	-	-	(1,699,917)	-	-	-	-	-	-	(169,992)	(1,308)	(171,300)
First interim dividend for 2014	-	-	-	(1,298,154)	-	-	-	-	-	-	(1,298,154)	(1,308)	(1,299,462)
Deferred tax effect on pre-acquisition reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
Re-classification of retained earnings to available-for-sale reserve	-	-	-	(31,099)		31,099	-	-	-	-	-	-	-
Transfers during the year	-	559,009	-	(5,547,455)	-	-	-	388,446	4,600,000	-	-	-	-
Transfers to general reserve	-	-	(266,520)	-	-	-	-	(5,227,139)	5,493,659	-	-	-	-
Total transactions with equity holders	1,870,688	559,009	(266,520)	(11,125,690)	-	31,099	-	(4,838,693)	10,093,659	-	(3,676,448)	(2,616)	(3,679,064)
Balance as at January 01, 2015	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
Super Gain Tax for the year of assessment 2013/2014				(2,608,469)							(1,503)		(2,609,972)
Balance as at January 01, 2015 - Restated - Audited	21,457,501	4,327,103	-	1,809,943	6,246,960	2,735,569	(454,188)	-	32,474,478	-	68,597,366	46,061	68,643,427
Total comprehensive income for the year 2015													
Profit for the year	-	-	-	11,855,172	-	-	-	-	-	-	11,855,172	4,088	11,859,260
Other comprehensive income, net of tax	-	-	-	(71,330)	-	(6,690,945)	886,677	-	-	-	(5,875,598)	369	(5,875,229)
Net actuarial gains/(losses) on defined benefit plans				(62,641)							(62,641)		(62,272)
Share of other comprehensive income of associates, net of tax				(8,689)							(8,689)	-	(8,689)
Net fair value gains/(losses) on re-measuring financial investments available-for-sale						(6,690,945)					(6,690,945)		(6,690,945)
Net gains/(losses) arising from translating the Financial Statements of foreign operations							886,677				886,677		886,677
Total comprehensive income for the year 2015	-	-	-	11,783,842	-	(6,690,945)	886,677	-	-	-	5,979,574	4,457	5,984,031
Transactions with owners, recognised directly in equity, contributions and distributions to owners													
Issue of Ordinary shares under Employee Share Option Plan	237,304	-	-	-	-	-	-	-	-	-	237,304	-	237,304
Dividends to equity holders	1,559,800			(5,647,414)							(4,087,614)	(3,270)	(4,090,884)
Second interim dividend for 2014	-	-	-	(865,943)	-	-	-	-	-	-	(865,943)	-	(865,943)
Final cash dividend for 2014	-	-	-	(1,733,110)	-	-	-	-	-	-	(1,733,110)	(1,962)	(1,735,072)
Final dividend for 2014 satisfied in the form of issue and allotment of new shares	1,559,800	-	-	(1,733,110)	-	-	-	-	-	-	(173,310)	-	(173,310)
First interim dividend for 2015	-	-	-	(1,315,251)	-	-	-	-	-	-	(1,315,251)	(1,308)	(1,316,559)
Share-based Payment transactions	-	-	-	-	-	-	-	-	-	223,330	223,330	-	223,330
Re-statement of deferred tax on revaluation gains	-	-	-	-	13,710	-	-	-	-	-	-	585	14,295
Profit due to change in equity	-	-	-	2,344	-	-	-	-	-	-	2,344	-	2,344
Movement due to change in equity	-	-	-	(644)	(1,731)	-	-	-	-	-	(2,375)	2,375	-
Transfers during the year	-	595,264	-	(3,480,264)	-	-	-	-	2,885,000	-	-	-	-
Total transactions with equity holders	1,797,104	595,264	-	(9,125,978)	11,979	-	-	-	2,885,000	223,330	(3,613,301)	(310)	(3,613,611)
Balance as at December 31, 2015 - Audited	23,254,605	4,922,367	-	4,467,807	6,258,939	(3,955,376)	432,489	-	35,359,478	223,330	70,963,639	50,208	71,013,847



## STATEMENT OF CHANGES IN EQUITY - BANK

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	Stated Capital	Statutory Reserves		Retained Earnings	Other Reserves					Employee Share Option Reserve	Shareholders' Funds	Non-Controlling Interest	Total Equity
		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	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at January 01, 2014 - Audited	19,586,813	3,768,094	266,520	4,233,364	4,222,054	2,054,567	(406,925)	4,838,693	22,380,819	-	60,943,999	-	60,943,999
Total comprehensive income for the year 2014													
Profit for the year	-	-	-	11,180,181	-	-	-	-	-	-	11,180,181	-	11,180,181
Other comprehensive income, net of tax	-	-	-	(60,667)	1,500,805	681,011	(57,151)	-	-	-	2,063,998	-	2,063,998
Net actuarial gains/(losses) on defined benefit plans				(60,667)							(60,667)		(60,667)
Net change in revaluation surplus					1,500,805						1,500,805		1,500,805
Net fair value gains/(losses) on re-measuring financial investments available-for-sale						681,011					681,011		681,011
Net gains/(losses) arising from translating the Financial Statements of the foreign operation							(57,151)				(57,151)		(57,151)
Total comprehensive income for the year 2014	-	-	-	11,119,514	1,500,805	681,011	(57,151)	-	-	-	13,244,179	-	13,244,179
Transactions with owners, recognised directly in equity, contributions and distributions to owners													
Issue of Ordinary shares under Employee Share Option Plan	340,763	-	-	-	-	-	-	-	-	-	340,763	-	340,763
Dividends to equity holders	1,529,925			(5,547,136)							(4,017,211)	-	(4,017,211)
Second interim dividend for 2013	-	-	-	(849,148)	-	-	-	-	-	-	(849,148)	-	(849,148)
Final cash dividend for 2013	-	-	-	(1,699,917)	-	-	-	-	-	-	(1,699,917)	-	(1,699,917)
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)
First interim dividend for 2014	-	-	-	(1,298,154)	-	-	-	-	-	-	(1,298,154)	-	(1,298,154)
Transfers during the year	-	559,009	-	(5,547,455)	-	-	-	388,446	4,600,000	-	-	-	-
Transfers to general reserve	-	-	(266,520)	-	-	-	-	(5,227,139)	5,493,659	-	-	-	-
Total transactions with equity holders	1,870,688	559,009	(266,520)	(11,094,591)	-	-	-	(4,838,693)	10,093,659	-	(3,676,448)	-	(3,676,448)
Balance as at January 01, 2015	21,457,501	4,327,103	-	4,258,287	5,722,859	2,735,578	(464,076)	-	32,474,478	-	70,511,730	-	70,511,730
Super Gain Tax for the year of assessment 2013/2014				(2,576,355)							(2,576,355)	-	(2,576,355)
Balance as at January 01, 2015 - Restated - Audited	21,457,501	4,327,103	-	1,681,932	5,722,859	2,735,578	(464,076)	-	32,474,478	-	67,935,375	-	67,935,375
Total comprehensive income for the year 2015													
Profit for the year	-	-	-	11,903,224	-	-	-	-	-	-	11,903,224	-	11,903,224
Other comprehensive income, net of tax	-	-	-	(68,714)	-	(6,690,945)	888,844	-	-	-	(5,870,815)	-	(5,870,815)
Net actuarial gains/(losses) on defined benefit plans				(68,714)							(68,714)		(68,714)
Net fair value gains/(losses) on re-measuring financial investments available-for-sale						(6,690,945)					(6,690,945)		(6,690,945)
Net gains/(losses) arising from translating the Financial Statements of the foreign operation							888,844				888,844		888,844
Total comprehensive income for the year 2015	-	-	-	11,834,510	-	(6,690,945)	888,844	-	-	-	6,032,409	-	6,032,409
Transactions with owners, recognised directly in equity, contributions and distributions to owners													
Issue of Ordinary shares under Employee Share Option Plan	237,304	-	-	-	-	-	-	-	-	-	237,304	-	237,304
Dividends to equity holders	1,559,800			(5,647,414)							(4,087,614)	-	(4,087,614)
Second interim dividend for 2014	-	-	-	(865,943)	-	-	-	-	-	-	(865,943)	-	(865,943)
Final cash dividend for 2014	-	-	-	(1,733,110)	-	-	-	-	-	-	(1,733,110)	-	(1,733,110)
Final dividend for 2014 satisfied in the form of issue and allotment of new shares	1,559,800	-	-	(1,733,110)	-	-	-	-	-	-	(173,310)	-	(173,310)
First interim dividend for 2015	-	-	-	(1,315,251)	-	-	-	-	-	-	(1,315,251)	-	(1,315,251)
Share-based Payment transactions	-	-	-	-	-	-	-	-	-	223,330	223,330	-	223,330
Transfers during the year	-	595,161	-	(3,480,161)	-	-	-	-	2,885,000	-	-	-	-
Total transactions with equity holders	1,797,104	595,161	-	(9,127,575)	-	-	-	-	2,885,000	223,330	(3,626,980)	-	(3,626,980)
Balance as at December 31, 2015 - Audited	23,254,605	4,922,264	-	4,388,867	5,722,859	(3,955,367)	424,768	-	35,359,478	223,330	70,340,804	-	70,340,804

For the year ended December 31,	Group			Bank
	2015	2014	2015	2014
	( Audited)	( Audited)	( Audited)	( Audited)
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Cash flows from Operating activities</b>				
Profit before income tax	17,136,111	15,859,917	17,143,610	15,736,216
Adjustments for:				
Non-cash items included in profits before tax	5,876,455	3,570,044	5,649,818	3,521,810
Change in operating assets	(96,006,694)	(176,123,060)	(95,120,734)	(176,656,168)
Change in operating liabilities	85,616,406	177,867,627	84,528,958	178,481,088
Gains/(losses) on sale of property, plant and equipment	1,334	2,144	6,505	4,916
Share of profits in associates, net of tax	(13,638)	(6,563)	-	-
Dividend income from subsidiaries and associates	6,733	851	(87,830)	(70,383)
Interest expense on subordinated liabilities	823,267	766,101	786,953	752,781
Net unrealized gains/(losses) arising from translating the financial statements of foreign operation	886,677	(60,430)	888,844	(57,151)
Profit on sale of partial disposal of a subsidiary	-	-	(2,344)	-
Benefits paid on defined benefit plans	(95,682)	(74,497)	(92,505)	(73,675)
Income taxes paid	(3,376,261)	(3,036,746)	(3,271,753)	(2,988,916)
Super Gain taxes paid	(2,609,972)	-	(2,576,355)	-
<b>Net cash from/ (used in) operating activities</b>	<b>8,244,736</b>	<b>18,765,388</b>	<b>7,853,167</b>	<b>18,650,518</b>
<b>Cash flows from Investing activities</b>				
Net purchase of property, plant and equipment	(1,086,405)	(1,072,322)	(986,735)	(989,864)
Proceeds from sale of property, plant and equipment	20,377	33,391	9,206	13,649
Purchase of financial investments	(4,148,255)	(6,868,493)	(4,148,255)	(6,868,493)
Proceeds from sale and maturity of financial investments	1,523,244	964,499	1,523,244	964,499
Net purchase of intangible assets	(208,168)	(144,494)	(205,811)	(144,417)
Proceeds from the partial disposal of a subsidiary	3,127	-	3,127	-
Net cash flow from investment in subsidiaries and associates	-	-	(63,152)	(34,795)
Acquisition of a subsidiary, net of cash acquired	-	(891,470)	-	(916,046)
Dividends received from investments in subsidiaries and associates	-	-	87,830	70,383
<b>Net cash from /(used in) investing activities</b>	<b>(3,896,080)</b>	<b>(7,978,889)</b>	<b>(3,780,546)</b>	<b>(7,905,084)</b>
<b>Cash Flows from Financing activities</b>				
Net proceeds from issue of ordinary voting shares	237,304	340,763	237,304	340,763
Repayment of subordinated liabilities	(200,000)	-	-	-
Interest paid on subordinated liabilities	(809,778)	(749,190)	(770,666)	(738,668)
Dividend paid to non-controlling interest	(3,270)	(2,616)	-	-
Dividend paid to shareholders of the Bank	(4,087,614)	(4,017,211)	(4,087,614)	(4,017,211)
<b>Net cash from / (used in) financing activities</b>	<b>(4,863,358)</b>	<b>(4,428,254)</b>	<b>(4,620,976)</b>	<b>(4,415,116)</b>
Net increase/(decrease) in cash & cash equivalents	(514,702)	6,358,245	(548,355)	6,330,318
Cash and cash equivalents as at January 01,	20,621,778	14,263,533	20,591,867	14,261,549
<b>Cash and cash equivalents as at December 31,</b>	<b>20,107,076</b>	<b>20,621,778</b>	<b>20,043,512</b>	<b>20,591,867</b>

	Held for Trading (HFT)	Loans & Receivables (L & R)	Available for Sale (AFS)	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>ASSETS</b>				
Cash and cash equivalents		20,107,076		20,107,076
Balances with Central Banks		28,221,017		28,221,017
Placements with banks		17,193,539		17,193,539
Securities purchased under resale agreements		8,002,100		8,002,100
Derivative financial assets	4,118,169			4,118,169
Other financial instruments - Held-for-trading	7,656,349			7,656,349
Loans and receivables to banks		601,106		601,106
Loans and receivables to other customers		509,923,128		509,923,128
Financial investments - Available-for-sale			204,261,934	204,261,934
Financial investments - Loans and receivables		57,724,369		57,724,369
<b>Total financial assets</b>	<b>11,774,518</b>	<b>641,772,335</b>	<b>204,261,934</b>	<b>857,808,787</b>

	Held for Trading (HFT)	Other Amortised Cost	Total
	Rs.'000	Rs.'000	Rs.'000
<b>LIABILITIES</b>			
Due to banks		31,789,396	31,789,396
Derivative financial liabilities	1,890,770		1,890,770
Securities sold under repurchase agreements		112,249,703	112,249,703
Due to other customers/Deposits from customers		624,021,217	624,021,217
Other borrowings		9,985,637	9,985,637
Subordinated liabilities		11,988,272	11,988,272
<b>Total financial liabilities</b>	<b>1,890,770</b>	<b>790,034,225</b>	<b>791,924,995</b>

	Held for Trading (HFT)	Loans & Receivables (L & R)	Available for Sale (AFS)	Total
	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
Securities purchased under resale agreements		41,198,266		41,198,266
Derivative financial assets	459,510			459,510
Other financial instruments - Held-for-trading	6,326,636			6,326,636
Loans and receivables to banks		551,066		551,066
Loans and receivables to other customers		406,531,089		406,531,089
Financial investments - Available-for-sale			214,225,017	214,225,017
Financial investments - Loans and receivables		50,436,064		50,436,064
<b>Total financial assets</b>	<b>6,786,146</b>	<b>553,479,870</b>	<b>214,225,017</b>	<b>774,491,033</b>

	Held for Trading (HFT)	Other Amortised Cost	Total
	Rs.'000	Rs.'000	Rs.'000
<b>LIABILITIES</b>			
Due to banks		25,669,025	25,669,025
Derivative financial liabilities	1,193,139		1,193,139
Securities sold under repurchase agreements		124,391,042	124,391,042
Due to other customers/Deposits from customers		529,266,588	529,266,588
Other borrowings		11,636,583	11,636,583
Subordinated liabilities		11,262,573	11,262,573
<b>Total financial liabilities</b>	<b>1,193,139</b>	<b>702,225,811</b>	<b>703,418,950</b>

	Held for Trading (HFT)	Loans & Receivables (L & R)	Available for Sale (AFS)	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>ASSETS</b>				
Cash and cash equivalents		20,043,512		20,043,512
Balances with Central Banks		28,221,017		28,221,017
Placements with banks		17,193,539		17,193,539
Securities purchased under resale agreements		8,002,100		8,002,100
Derivative financial assets	4,118,169			4,118,169
Other financial instruments - Held-for-trading	7,656,349			7,656,349
Loans and receivables to banks		601,106		601,106
Loans and receivables to other customers		508,115,127		508,115,127
Financial investments - Available-for-sale			204,244,289	204,244,289
Financial investments - Loans and receivables		57,724,369		57,724,369
<b>Total financial assets</b>	<b>11,774,518</b>	<b>639,900,770</b>	<b>204,244,289</b>	<b>855,919,577</b>

	Held for Trading (HFT)	Other Amortised Cost	Total
	Rs.'000	Rs.'000	Rs.'000
<b>LIABILITIES</b>			
Due to banks		30,319,119	30,319,119
Derivative financial liabilities	1,890,770		1,890,770
Securities sold under repurchase agreements		112,384,812	112,384,812
Due to other customers/Deposits from customers		624,101,810	624,101,810
Other borrowings		9,985,637	9,985,637
Subordinated liabilities		11,973,272	11,973,272
<b>Total financial liabilities</b>	<b>1,890,770</b>	<b>788,764,650</b>	<b>790,655,420</b>

	Held for Trading (HFT)	Loans & Receivables (L & R)	Available for Sale (AFS)	Total
	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
Securities purchased under resale agreements		41,198,266		41,198,266
Derivative financial assets	459,510			459,510
Other financial instruments - Held-for-trading	6,326,636			6,326,636
Loans and receivables to banks		551,066		551,066
Loans and receivables to other customers		405,431,457		405,431,457
Financial investments - Available-for-sale			214,208,370	214,208,370
Financial investments - Loans and receivables		50,436,064		50,436,064
<b>Total financial assets</b>	<b>6,786,146</b>	<b>552,350,327</b>	<b>214,208,370</b>	<b>773,344,843</b>

	Held for Trading (HFT)	Other Amortised Cost	Total
	Rs.'000	Rs.'000	Rs.'000
<b>LIABILITIES</b>			
Due to banks		25,260,976	25,260,976
Derivative financial liabilities	1,193,139		1,193,139
Securities sold under repurchase agreements		124,564,499	124,564,499
Due to other customers/Deposits from customers		529,361,484	529,361,484
Other borrowings		11,636,583	11,636,583
Subordinated liabilities		11,044,775	11,044,775
<b>Total financial liabilities</b>	<b>1,193,139</b>	<b>701,868,317</b>	<b>703,061,456</b>

	Bank		Group	
	As at 31.12.2015 (Audited)	As at 31.12.2014 (Audited)	As at 31.12.2015 (Audited)	As at 31.12.2014 (Audited)
<b>Regulatory Capital Adequacy</b>				
Core Capital ( Tier I Capital ) - Rs. '000	64,842,450	58,465,269	64,914,870	58,662,124
Total Capital Base - Rs. '000	79,687,973	72,177,447	80,218,416	72,832,325
Core Capital Adequacy Ratio - Core capital as a % of Risk Weighted Assets ( Minimum Requirement, 5% )	11.60%	12.93%	11.55%	13.07%
Total Capital Adequacy Ratio - Total capital as a % of Risk Weighted Assets ( Minimum Requirement, 10% )	14.26%	15.97%	14.28%	16.22%
<b>Asset Quality (Quality of Loan Portfolio)</b>				
Gross Non-Performing Advances Ratio ( Net of Interest in Suspense )	2.74%	3.47%		
Net Non-Performing Advances Ratio ( Net of Interest in Suspense and Provisions )	1.41%	1.86%		
<b>Profitability</b>				
Interest Margin	3.62%	3.88%		
Return on Assets ( before tax )	2.05%	2.25%		
Return on Equity	16.90%	17.01%		
<b>Debt Security Related Ratios</b>				
Debt Equity Ratio	22.91%	25.83%		
Interest Cover (Times)	22.64	21.40		
<b>Regulatory Liquidity</b>				
Statutory Liquid Assets - Rs. '000				
Domestic Banking Unit	155,180,420	167,846,959		
Off-Shore Banking Unit	18,660,938	10,344,834		
Statutory Liquid Assets Ratio ( Minimum Requirement 20% )				
Domestic Banking Unit	26.24%	33.15%		
Off-Shore Banking Unit	49.13%	31.43%		

For the year ended December 31,	Retail Banking		Corporate Banking		International Operations		Investment Banking		Dealing/Treasury		Total/Consolidated	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>External Operating income :</b>												
Net interest income	23,719,693	21,902,559	5,513,913	4,853,574	1,586,338	1,216,009	655,696	301,842	(908,290)	(954,160)	30,567,350	27,319,824
Foreign exchange profit	1,070,167	186,537	284,582	169,464	518,116	452,274	-	-	1,004,405	672,898	2,877,270	1,481,173
Net fees and commission income	3,317,748	2,882,956	1,543,735	1,423,382	524,103	522,241	20,600	14,802	4,124	5,981	5,410,310	4,849,362
Other income	1,387,109	490,481	155,413	217,483	62,360	88,717	40,296	152,487	575,242	2,523,845	2,220,420	3,473,013
<b>Eliminations/unallocated</b>											<b>458,490</b>	<b>347,457</b>
<b>Total Operating Income</b>	<b>29,494,717</b>	<b>25,462,533</b>	<b>7,497,643</b>	<b>6,663,903</b>	<b>2,690,917</b>	<b>2,279,241</b>	<b>716,592</b>	<b>469,131</b>	<b>675,481</b>	<b>2,248,564</b>	<b>41,533,840</b>	<b>37,470,829</b>
Credit loss expenses	(3,266,263)	(3,376,846)	(478,732)	507,268	(354,743)	(339,060)	-	-	-	-	(4,099,738)	(3,208,638)
Net Operating income	26,228,454	22,085,687	7,018,911	7,171,171	2,336,174	1,940,181	716,592	469,131	675,481	2,248,564	37,434,102	34,262,191
<b>Segment result</b>	<b>12,427,015</b>	<b>11,372,329</b>	<b>6,121,012</b>	<b>5,829,292</b>	<b>2,815,015</b>	<b>2,457,544</b>	<b>628,589</b>	<b>398,534</b>	<b>790,596</b>	<b>920,663</b>	<b>22,782,227</b>	<b>20,978,362</b>
Unallocated operating expenses											(5,659,754)	(5,125,008)
Profit from operations											17,122,473	15,853,354
Share of profit of Associates, net of tax											13,638	6,563
Income tax expense											(5,276,851)	(4,617,124)
Non Controlling Interest											(4,088)	(3,901)
<b>Net profit for the year,attributable to Equity holders of the parent</b>											<b>11,855,172</b>	<b>11,238,892</b>
<b>As at December 31,</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>Other information</b>												
Segment assets	279,706,506	234,942,877	227,176,449	182,581,560	59,843,582	46,175,311	13,406,914	10,184,101	261,627,206	293,073,401	841,760,657	766,957,250
Investment in associates	-	-	-	-	-	-	104,503	106,287	-	-	104,503	106,287
Unallocated Assets	-	-	-	-	-	-	-	-	-	-	40,318,034	30,194,176
<b>Total assets</b>	<b>279,706,506</b>	<b>234,942,877</b>	<b>227,176,449</b>	<b>182,581,560</b>	<b>59,843,582</b>	<b>46,175,311</b>	<b>13,511,417</b>	<b>10,290,388</b>	<b>261,627,206</b>	<b>293,073,401</b>	<b>882,183,194</b>	<b>797,257,713</b>
Segment liabilities	496,764,815	429,433,726	131,484,574	102,815,075	48,979,303	42,361,090	13,511,417	10,290,388	116,935,944	136,190,448	807,676,053	721,090,727
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	3,493,294	4,913,587
<b>Total liabilities</b>	<b>496,764,815</b>	<b>429,433,726</b>	<b>131,484,574</b>	<b>102,815,075</b>	<b>48,979,303</b>	<b>42,361,090</b>	<b>13,511,417</b>	<b>10,290,388</b>	<b>116,935,944</b>	<b>136,190,448</b>	<b>811,169,347</b>	<b>726,004,314</b>
<b>For the year ended December 31,</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>Information on cash flows</b>												
Cash flows from operating activities	5,518,618	111,174,633	(4,636,226)	(6,853,886)	(2,818,494)	2,459,720	(216,091)	887,815	10,396,929	(88,902,894)	8,244,736	18,765,388
Cash flows from investing activities	-	-	-	-	-	-	(2,621,884)	(6,795,464)	-	-	(2,621,884)	(6,795,464)
Cash flows from financing activities	(641,079)	(618,493)	-	-	-	-	-	-	(368,699)	(130,697)	(1,009,778)	(749,190)
Capital expenditure -											-	-
Property, Plant & Equipment											(1,066,028)	(1,038,931)
Intangible assets											(208,168)	(144,494)
<b>Eliminations/unallocated</b>											<b>(3,853,580)</b>	<b>(3,679,064)</b>
<b>Net cash flow generated during the year</b>											<b>(514,702)</b>	<b>6,358,245</b>



## Twenty largest voting shareholders as at December 31, 2015

Name of the Shareholder	No. of Shares	%
DFCC Bank PLC A/C 1	121,005,515	14.75
Mr.Y.S. H. I. Silva	81,388,992	9.92
Employees Provident Fund	79,594,968	9.70
Sri Lanka Insurance Corporation Ltd. - Life Fund	41,260,840	5.03
CB NY S/A International Finance Corporation	36,677,879	4.47
Sri Lanka Insurance Corporation Ltd. - General Fund	35,478,645	4.32
HSBC Intl. Nominees Ltd. - JPMLU- Franklin Templeton Investment Funds	24,352,909	2.97
Melstacorp Limited	19,879,375	2.42
HSBC Intl. Nominees Ltd. - SSBT -Wasatch Frontier Emerging Small Countries Fund	16,087,568	1.96
Mrs. L. E. M. Yaseen	15,380,000	1.87
HSBC Intl. Nominees Ltd. - SSBT-Morgan Stanley Institutional Fund, Inc. - Frontier Emerging Markets Portfolio	13,434,182	1.64
HSBC Intl. Nominees Ltd. - SSBT-Morgan Stanley Asset Management SA Acting on behalf of Morgan Stanley Galaxy Fund	11,731,336	1.43
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
HSBC Intl. Nominees Ltd. - BPSS LUX -Aberdeen Global - Asian Smaller Companies Fund	10,319,466	1.26
HSBC Intl. Nominees Ltd. - SSBT - Aberdeen Institutional Commingled Funds,LLC	8,681,933	1.06
HSBC Intl. Nominees Ltd. - JPMLU - Schroder International Selection Fund	8,592,280	1.05
The Bank of New York Mellon SA/NV-CF Ruffer Total Return Fund	8,280,574	1.01
HSBC Intl. Nominees Ltd. -SSBT - BMO Investments II (Ireland) Public Limited Company	7,208,955	0.88
HSBC Intl. Nominees Ltd. -SSBT-National Westminster Bank PLC as Depositary of First State Indian Subcontinent	7,037,883	0.86
Sub total	567,917,286	69.21
Other Shareholders	252,649,829	30.79
<b>Total</b>	<b>820,567,115</b>	<b>100.00</b>

Percentage of public holding as at December 31, 2015 - 99.64%

Number of shareholders representing public holding as at December 31, 2015 - 9,383

## Twenty largest non-voting shareholders as at December 31, 2015

Name of the Shareholder	No. of Shares	%
Employees Trust Fund Board	4,101,132	7.28
HSBC Intl. Nominees Ltd. - JPMLU- Franklin Templeton Investment Funds	3,256,814	5.78
CITY Bank NY S/A Forward International Dividend Fund	1,781,807	3.16
GF Capital Global Limited	1,565,812	2.78
HINL - JPMCB - Butterfield Trust (Bermuda) Ltd.	1,396,941	2.48
CITY Bank Newyork S/A Norges Bank Account No.02	1,265,623	2.25
Mr. J. D. Bandaranayake	1,085,359	1.93
Waldock Mackenzie Ltd / Mr. S.N.P. Palihena and Mrs. A.S. Palihena	1,000,000	1.78
M.J.F.Exports Ltd.	963,107	1.71
Mr. M. F. Hashim	767,339	1.36
Saboor Chatoor (Pvt) Ltd	763,000	1.36
Beta Holdings Limited	727,971	1.29
Mrs. L. V. C. Samarasinha	607,769	1.08
Union Assurance PLC - No-01 A/C	572,424	1.02
Akbar Brothers (Pvt) Ltd. A/C No.01	567,605	1.01
Dr. A. K. A. Jayawardena	496,976	0.88
Mr. G. R. Mallawaarachthy & Mrs. B. G. P. Mallawaarachthy (Joint)	462,309	0.82
Mr. W.R.H. Perera	444,838	0.79
Alpex Marine (Pvt) Ltd	423,734	0.75
Mr. J.G. de Mel	420,000	0.75
Sub total	22,670,560	40.27
Other Shareholders	33,629,126	59.73
<b>Total</b>	<b>56,299,686</b>	<b>100.00</b>

Percentage of public holding as at December 31, 2015 - 99.79%

Number of shareholders representing public holding as at December 31, 2015 - 4,207

## Directors' holding in shares as at December 31, 2015

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

	2015 Rs.	2014 Rs.
<b>Market price of an ordinary share of the Bank as at December 31,</b>		
Voting	140.20	171.00
Non-Voting	123.00	125.10
<b>Highest price during the quarter ended December 31,</b>		
Voting	162.50	179.90
Non-Voting	135.00	125.50
<b>Lowest price during the quarter ended December 31,</b>		
Voting	139.90	155.00
Non-Voting	122.10	112.00
<b>Number of ordinary shares issued as at December 31,</b>	<b>2015</b>	<b>2014</b>
Voting	820,567,115	810,277,729
Non-Voting	56,299,686	55,579,946

## EXPLANATORY NOTES

- 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 re-arranged 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 The Bank and the Group paid Rs. 2,576 Mn. and Rs. 2,610 Mn. respectively as Super Gain Tax which was enacted through the Finance Bill as per the proposal made in the Government Budget for 2015.
- 5 There were no material events that took place since December 31, 2015, that require disclosure in these Interim Financial Statements other than those disclose above.

INFORMATION ON DEBENTURES - BANK

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Debenture categories	CSE Listing	Interest payable frequency	Balance as at December 31, 2015 Rs.'000	Market values			Interest Rates		Interest rate of comparable Govt. Security %	Other ratios as at date of last trade	
				Highest Rs.	Lowest Rs.	Year End Rs.	Coupon Rate %	Eff. Ann. Yield %		Int. Yield %	YTM %
Fixed rate											
May 2006/May 2016 13.25% p.a.	Not listed	Annually	505,000	Not applicable			13.25	13.25	6.65	Not applicable	
				Not applicable			13.25	13.25	6.25	Not applicable	
Dec 2006/Dec 2016 14.00% p.a.	Listed	Annually	467,260	Not traded during the current period			14.00	14.00	7.60	Not traded during the current period	
				Not traded during the current period			14.00	14.00	6.25	Not traded during the current period	
Floating rate											
Dec 2006/Dec 2016 12 Months TB rate (Gross) + 1% p.a.	Listed	Annually	400	Not traded during the current period			7.68	7.68	9.10	Not traded during the current period	
				Not traded during the current period			10.21	10.21	7.50	Not traded during the current period	
Total Debentures			972,660								

(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)

1 LOANS AND RECEIVABLES TO OTHER CUSTOMERS

	Group		Bank	
	As at 31.12.2015	As at 31.12.2014	As at 31.12.2015	As at 31.12.2014
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Gross loans and receivables	528,382,921	423,701,112	526,166,681	422,388,031
Less: Allowance for Individual impairment	5,369,960	4,334,587	5,369,960	4,334,587
Allowance for Collective impairment	13,089,833	12,835,436	12,681,594	12,621,987
<b>Net loans and receivables</b>	<b>509,923,128</b>	<b>406,531,089</b>	<b>508,115,127</b>	<b>405,431,457</b>

2 LOANS AND RECEIVABLES TO OTHER CUSTOMERS - BY PRODUCT

	Group		Bank	
	As at 31.12.2015	As at 31.12.2014	As at 31.12.2015	As at 31.12.2014
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>By product - Domestic Currency</b>				
Loans and advances				
Overdrafts	72,893,176	60,945,777	73,366,133	60,945,777
Trade finance	33,765,914	29,720,489	33,765,914	29,720,489
Lease rental receivable	36,972,019	24,526,495	34,152,036	22,780,898
Credit cards	4,772,821	4,167,819	4,772,821	4,167,819
Pawning	1,870,881	2,315,884	1,870,881	2,315,884
Staff loans	6,017,275	4,928,668	6,015,236	4,928,212
Housing loans	38,911,297	30,424,369	38,911,297	30,424,369
Personal loans	26,011,339	21,670,019	25,991,701	21,669,446
Term loans				
Short-term	20,741,978	17,375,263	20,741,978	17,962,063
Long-term	183,261,262	145,434,134	183,413,725	145,280,879
Bills of Exchange	2,440,538	3,379,171	2,440,538	3,379,171
<b>Gross loans and receivables</b>	<b>427,658,500</b>	<b>344,888,088</b>	<b>425,442,260</b>	<b>343,575,007</b>

	Group		Bank	
	As at 31.12.2015	As at 31.12.2014	As at 31.12.2015	As at 31.12.2014
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>By product - Foreign Currency</b>				
Loans and advances				
Overdrafts	8,599,895	9,204,100	8,599,895	9,204,100
Trade finance	12,040,069	12,244,510	12,040,069	12,244,510
Lease rental receivable	320,617	287,683	320,617	287,683
Credit cards	57,608	53,548	57,608	53,548
Pawning	-	-	-	-
Staff loans	100,426	94,711	100,426	94,711
Housing loans	1,416,590	978,489	1,416,590	978,489
Personal loans	279,043	273,570	279,043	273,570
Term loans				
Short-term	23,302,277	14,012,604	23,302,277	14,012,604
Long-term	45,694,151	37,658,818	45,694,151	37,658,818
Bills of Exchange	8,913,745	4,004,991	8,913,745	4,004,991
<b>Gross loans and receivables</b>	<b>100,724,421</b>	<b>78,813,024</b>	<b>100,724,421</b>	<b>78,813,024</b>
<b>Total of gross loans and receivables</b>	<b>528,382,921</b>	<b>423,701,112</b>	<b>526,166,681</b>	<b>422,388,031</b>

(AS PER THE CIRCULAR NO.02/17/900/0001/004 DATED ON OCTOBER 11, 2013 ISSUED BY THE CENTRAL BANK OF SRI LANKA)

3 MOVEMENT IN INDIVIDUAL AND COLLECTIVE IMPAIRMENT DURING THE PERIOD FOR LOANS AND RECEIVABLES TO OTHER CUSTOMERS

	Group		Bank	
	As at 31.12.2015	As at 31.12.2014	As at 31.12.2015	As at 31.12.2014
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<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	1,386,477	269,703	1,386,477	269,703
Net write-off/(recoveries) during the year	(490,046)	(283,111)	(490,046)	(283,111)
Exchange rate variance on foreign currency provisions	90,680	6,765	90,680	6,765
Interest accrued / (reversals) on impaired loans and advances	(265,344)	(278,878)	(265,344)	(278,878)
Other movements	313,606	415,454	313,606	415,454
<b>Closing balance</b>	<b>5,369,960</b>	<b>4,334,587</b>	<b>5,369,960</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	2,710,834	2,911,621	2,516,044	2,892,978
Net write-off/(recoveries) during the year	(2,465,797)	(1,853,340)	(2,465,797)	(1,853,340)
Exchange rate variance on foreign currency provisions	9,360	(165)	9,360	(165)
Other movements	-	-	-	-
<b>Closing balance</b>	<b>13,089,833</b>	<b>12,835,436</b>	<b>12,681,594</b>	<b>12,621,987</b>
<b>Total of Individual and Collective Impairment</b>	<b>18,459,793</b>	<b>17,170,023</b>	<b>18,051,554</b>	<b>16,956,574</b>

4 DUE TO OTHER CUSTOMERS - BY PRODUCT

	Group		Bank	
	As at 31.12.2015	As at 31.12.2014	As at 31.12.2015	As at 31.12.2014
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>By product - Domestic Currency</b>				
Current account deposits	38,689,812	34,311,477	38,692,706	34,317,565
Savings deposits	196,605,341	164,462,225	196,631,547	164,521,655
Time deposits	219,882,652	202,162,715	219,934,145	202,192,093
Certificate of deposits	552,171	935,784	552,171	935,784
<b>Sub Total</b>	<b>455,729,976</b>	<b>401,872,201</b>	<b>455,810,569</b>	<b>401,967,097</b>
<b>By product - Foreign Currency</b>				
Current account deposits	14,699,065	10,809,389	14,699,065	10,809,389
Savings deposits	60,128,349	46,467,745	60,128,349	46,467,745
Time deposits	93,463,827	70,117,253	93,463,827	70,117,253
Certificate of deposits	-	-	-	-
<b>Sub Total</b>	<b>168,291,241</b>	<b>127,394,387</b>	<b>168,291,241</b>	<b>127,394,387</b>
<b>Total</b>	<b>624,021,217</b>	<b>529,266,588</b>	<b>624,101,810</b>	<b>529,361,484</b>

**NAME OF COMPANY**

Commercial Bank of Ceylon PLC

**TAX PAYER IDENTIFICATION NUMBER (TIN)**

124006007

**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.7 of 2007. A licensed Commercial Bank under Banking Act No.30 of 1988.

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

AA (lka) was re-affirmed by Fitch Ratings Lanka Ltd. in July 2015.

**Bangladesh Operation**

AAA was re-affirmed by Credit Rating Information & Services Limited. in June 2015.

**COMPANY REGISTRATION NUMBER**

PQ116

**COMPLIANCE OFFICER**

Mr. C.J.Wijetillake

Assistant General Manager - Compliance

**STOCK EXCHANGE LISTING**

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

**LAWYERS**

Julius & Creasy,

No. 41, Janadhipathi Mawatha,  
Colombo 1.

**REGISTERED OFFICE**

"Commercial House",

No. 21, Sir Razik Fareed Mw.

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 : CCEYLKLX

SWIFT Code-Bangladesh : CCEYBDDH

E-mail : email@combank.net

Website : www.combank.net

**AUDITORS**

KPMG,

Chartered Accountants,

32A, Sir Mohamed Macan Markar Mawatha,

Colombo 3.

**REGISTRARS**

S S P Corporate Services (Private) Limited,

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

**HEAD OFFICE**

"Commercial House",

No. 21, Sir Razik Fareed Mw.

P.O. Box 856,

Colombo 1, Sri Lanka.

**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

**ACCOUNTING YEAR**

December 31