

**INTERIM FINANCIAL STATEMENT**  
**For the nine months ended September 30, 2015**

## INCOME STATEMENT - GROUP

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	For the nine months ended			For the quarter ended		
	30.09.2015	30.09.2014	Change	30.09.2015	30.09.2014	Change
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
<b>Gross income</b>	<b>56,920,678</b>	<b>54,274,503</b>	<b>4.88</b>	<b>20,333,153</b>	<b>19,069,311</b>	<b>6.63</b>
Interest income	48,820,736	46,525,517	4.93	16,881,417	15,539,870	8.63
Less : Interest expenses	26,264,869	25,917,209	1.34	9,200,414	8,625,596	6.66
<b>Net interest income</b>	<b>22,555,867</b>	<b>20,608,308</b>	<b>9.45</b>	<b>7,681,003</b>	<b>6,914,274</b>	<b>11.09</b>
Fees and commission income	4,470,254	4,057,208	10.18	1,562,352	1,435,745	8.82
Less: Fees and commission expenses	657,263	563,059	16.73	226,927	187,832	20.81
<b>Net fees and commission income</b>	<b>3,812,991</b>	<b>3,494,149</b>	<b>9.13</b>	<b>1,335,425</b>	<b>1,247,913</b>	<b>7.01</b>
Net gains/(losses) from trading	526,694	(27,967)	1,983.27	926,316	(846,016)	209.49
Net gains/(losses) from financial instruments designated at fair value through profit or loss	-	-	-	-	-	-
Net gains/(losses) from financial investments	255,251	1,499,663	(82.98)	158,466	1,321,013	(88.00)
Other income (net)	2,847,743	2,220,082	28.27	804,602	1,618,699	(50.29)
<b>Total operating income</b>	<b>29,998,546</b>	<b>27,794,235</b>	<b>7.93</b>	<b>10,905,812</b>	<b>10,255,883</b>	<b>6.34</b>
Less :Impairment charges for loans and other losses	3,184,859	2,993,140	6.41	1,096,952	734,038	49.44
Individual impairment	398,774	74,070	438.37	(108,739)	(22,390)	(385.66)
Collective impairment	2,784,214	2,892,483	(3.74)	1,204,183	753,231	59.87
Others	1,871	26,587	(92.96)	1,508	3,197	(52.83)
<b>Net operating income</b>	<b>26,813,687</b>	<b>24,801,095</b>	<b>8.11</b>	<b>9,808,860</b>	<b>9,521,845</b>	<b>3.01</b>
<b>Less: Expenses</b>	<b>12,542,775</b>	<b>11,603,526</b>	<b>8.09</b>	<b>4,323,055</b>	<b>3,971,689</b>	<b>8.85</b>
Personnel expenses	7,354,368	6,655,392	10.50	2,498,924	2,333,816	7.07
Depreciation and amortisation	891,404	906,073	(1.62)	301,262	299,120	0.72
Other expenses	4,297,003	4,042,061	6.31	1,522,869	1,338,753	13.75
<b>Operating profit before Value Added Tax (VAT) &amp; Nation Building Tax (NBT) on Financial Services</b>	<b>14,270,912</b>	<b>13,197,569</b>	<b>8.13</b>	<b>5,485,805</b>	<b>5,550,156</b>	<b>(1.16)</b>
Less: Value Added Tax (VAT) & Nation Building Tax (NBT) on financial services	2,045,671	1,906,419	7.30	748,311	793,636	(5.71)
<b>Operating profit after Value Added Tax (VAT) &amp; Nation Building Tax (NBT) on Financial Services</b>	<b>12,225,241</b>	<b>11,291,150</b>	<b>8.27</b>	<b>4,737,494</b>	<b>4,756,520</b>	<b>(0.40)</b>
Add: Share of profits/(losses) of associates, net of tax	9,900	8,155	21.40	4,775	1,022	367.22
<b>Profit before income tax</b>	<b>12,235,141</b>	<b>11,299,305</b>	<b>8.28</b>	<b>4,742,269</b>	<b>4,757,542</b>	<b>(0.32)</b>
Less : Income tax expense	3,800,415	3,447,971	10.22	1,491,379	1,425,923	4.59
<b>Profit for the period</b>	<b>8,434,726</b>	<b>7,851,334</b>	<b>7.43</b>	<b>3,250,890</b>	<b>3,331,619</b>	<b>(2.42)</b>
<b>Profit attributable to:</b>						
Equity holders of the Bank	8,431,391	7,848,114	7.43	3,249,524	3,330,631	(2.44)
Non-controlling interest	3,335	3,220	3.57	1,366	988	38.26
<b>Profit for the period</b>	<b>8,434,726</b>	<b>7,851,334</b>	<b>7.43</b>	<b>3,250,890</b>	<b>3,331,619</b>	<b>(2.42)</b>
<b>Earnings per share (EPS)</b>						
Basic earnings per ordinary share (Rs.)	9.63	9.14	5.36	3.71	3.88	(4.38)
Diluted earnings per ordinary share (Rs.)	9.60	9.10	5.49	3.70	3.86	(4.15)

	For the nine months ended			For the quarter ended		
	30.09.2015	30.09.2014	Change	30.09.2015	30.09.2014	Change
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
<b>Profit for the period</b>	<b>8,434,726</b>	7,851,334	7.43	<b>3,250,890</b>	3,331,619	(2.42)
<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	<b>689,804</b>	17,583	3,823.13	<b>472,870</b>	44,028	974.02
Net fair value gains/(losses) on re-measuring Financial investments - Available-for-sale	<b>(6,471,616)</b>	3,336,261	(293.98)	<b>(3,452,393)</b>	2,914,699	(218.45)
Government Securities	<b>(6,489,598)</b>	3,339,748	(294.31)	<b>(3,469,882)</b>	2,914,411	(219.06)
Fair value gains/(losses) arose during the period, net of tax	<b>(6,420,675)</b>	4,792,669	(233.97)	<b>(3,442,623)</b>	3,876,345	(188.81)
Fair value gains/(losses) realised and recycled to the Income Statement on disposal, net of tax	<b>(68,923)</b>	(1,452,921)	95.26	<b>(27,259)</b>	(961,934)	97.17
Equity Securities	<b>17,982</b>	(3,487)	615.69	<b>17,489</b>	288	5,972.57
Fair value gains/(losses) arose during the period	<b>17,982</b>	(3,487)	615.69	<b>17,489</b>	288	5,972.57
Fair value gains/(losses) realised and recycled to the Income Statement on disposal	<b>-</b>	-	-	<b>-</b>	-	-
Share of other comprehensive income/(expense) of associates, net of tax	<b>(7,990)</b>	21,782	(136.68)	<b>(3,517)</b>	22,369	(115.72)
Other comprehensive income/(expense) for the period, net of taxes	<b>(5,789,802)</b>	3,375,626	(271.52)	<b>(2,983,040)</b>	2,981,096	(200.07)
<b>Total comprehensive income for the period</b>	<b>2,644,924</b>	11,226,960	(76.44)	<b>267,850</b>	6,312,715	(95.76)
<b>Attributable to:</b>						
Equity holders of the Bank	<b>2,641,589</b>	11,223,740	(76.46)	<b>266,484</b>	6,311,727	(95.78)
Non-controlling interest	<b>3,335</b>	3,220	3.57	<b>1,366</b>	988	38.26
<b>Total comprehensive income for the period</b>	<b>2,644,924</b>	11,226,960	(76.44)	<b>267,850</b>	6,312,715	(95.76)

# INCOME STATEMENT - BANK

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	For the nine months ended			For the quarter ended		
	30.09.2015	30.09.2014	Change	30.09.2015	30.09.2014	Change
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
<b>Gross income</b>	<b>56,694,133</b>	<b>54,213,670</b>	<b>4.58</b>	<b>20,265,539</b>	<b>19,039,168</b>	<b>6.44</b>
Interest income	48,604,627	46,497,749	4.53	16,816,154	15,511,177	8.41
Less : Interest expenses	26,206,880	25,926,258	1.08	9,185,985	8,625,021	6.50
<b>Net interest income</b>	<b>22,397,747</b>	<b>20,571,491</b>	<b>8.88</b>	<b>7,630,169</b>	<b>6,886,156</b>	<b>10.80</b>
Fees and commission income	4,464,503	4,053,865	10.13	1,560,181	1,434,644	8.75
Less: Fees and commission expenses	657,263	563,059	16.73	226,927	187,832	20.81
<b>Net fees and commission income</b>	<b>3,807,240</b>	<b>3,490,806</b>	<b>9.06</b>	<b>1,333,254</b>	<b>1,246,812</b>	<b>6.93</b>
Net gains/(losses) from trading	526,694	(27,967)	1,983.27	926,316	(846,016)	209.49
Net gains/(losses) from financial instruments designated at fair value through profit or loss	-	-	-	-	-	-
Net gains/(losses) from financial investments	255,197	1,499,663	(82.98)	158,466	1,321,013	(88.00)
Other income (net)	2,843,112	2,190,360	29.80	804,422	1,618,350	(50.29)
<b>Total operating income</b>	<b>29,829,990</b>	<b>27,724,353</b>	<b>7.59</b>	<b>10,852,627</b>	<b>10,226,315</b>	<b>6.12</b>
Less :Impairment charges for loans and other losses	3,115,232	3,011,696	3.44	1,055,604	726,124	45.38
Individual impairment	398,774	74,080	438.30	(108,739)	(22,380)	(385.88)
Collective impairment	2,695,579	2,882,914	(6.50)	1,154,842	743,662	55.29
Others	20,879	54,702	(61.83)	9,501	4,842	96.22
<b>Net operating income</b>	<b>26,714,758</b>	<b>24,712,657</b>	<b>8.10</b>	<b>9,797,023</b>	<b>9,500,191</b>	<b>3.12</b>
<b>Less: Expenses</b>	<b>12,479,569</b>	<b>11,593,914</b>	<b>7.64</b>	<b>4,300,936</b>	<b>3,968,381</b>	<b>8.38</b>
Personnel expenses	7,295,308	6,596,671	10.59	2,480,116	2,311,305	7.30
Depreciation and amortisation	843,826	859,413	(1.81)	285,886	287,740	(0.64)
Other expenses	4,340,435	4,137,830	4.90	1,534,934	1,369,336	12.09
<b>Operating profit before Value Added Tax (VAT) &amp; Nation Building Tax (NBT) on Financial Services</b>	<b>14,235,189</b>	<b>13,118,743</b>	<b>8.51</b>	<b>5,496,087</b>	<b>5,531,810</b>	<b>(0.65)</b>
Less: Value Added Tax (VAT) & Nation Building Tax (NBT) on financial services	2,044,802	1,905,890	7.29	748,799	793,107	(5.59)
<b>Profit before income tax</b>	<b>12,190,387</b>	<b>11,212,853</b>	<b>8.72</b>	<b>4,747,288</b>	<b>4,738,703</b>	<b>0.18</b>
Less : Income tax expense	3,764,533	3,408,000	10.46	1,489,411	1,413,004	5.41
<b>Profit for the period</b>	<b>8,425,854</b>	<b>7,804,853</b>	<b>7.96</b>	<b>3,257,877</b>	<b>3,325,699</b>	<b>(2.04)</b>
<b>Profit attributable to:</b>						
Equity holders of the Bank	8,425,854	7,804,853	7.96	3,257,877	3,325,699	(2.04)
Non-controlling interest	-	-	-	-	-	-
<b>Profit for the period</b>	<b>8,425,854</b>	<b>7,804,853</b>	<b>7.96</b>	<b>3,257,877</b>	<b>3,325,699</b>	<b>(2.04)</b>
<b>Earnings per share (EPS)</b>						
Basic earnings per ordinary share (Rs.)	9.62	9.08	5.95	3.72	3.87	(3.88)
Diluted earnings per ordinary share (Rs.)	9.59	9.05	5.97	3.71	3.86	(3.89)

	For the nine months ended			For the quarter ended		
	30.09.2015	30.09.2014	Change	30.09.2015	30.09.2014	Change
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
Profit for the period	8,425,854	7,804,853	7.96	3,257,877	3,325,699	(2.04)
Other comprehensive income, net of tax						
Items that are or may be reclassified to profit or loss						
Net gains/(losses) arising from translating the Financial Statements of Foreign Operations	690,498	20,028	3,347.66	471,808	44,694	955.64
Net fair value gains/(losses) on re-measuring Financial investments - Available-for-sale	(6,471,616)	3,336,261	(293.98)	(3,452,393)	2,914,699	(218.45)
Government Securities	(6,489,598)	3,339,748	(294.31)	(3,469,882)	2,914,411	(219.06)
Fair value gains/(losses) arose during the period, net of tax	(6,420,675)	4,792,668	(233.97)	(3,442,623)	3,876,345	(188.81)
Fair value gains/(losses) realised and recycled to the Income Statement on disposal, net of tax	(68,923)	(1,452,920)	95.26	(27,259)	(961,934)	97.17
Equity Securities	17,982	(3,487)	615.69	17,489	288	5,972.57
Fair value gains/(losses) arose during the period	17,982	(3,487)	615.69	17,489	288	5,972.57
Fair value gains/(losses) realised and recycled to the Income Statement on disposal	-	-	-	-	-	-
Other comprehensive income/(expense) for the period, net of taxes	(5,781,118)	3,356,289	(272.25)	(2,980,585)	2,959,393	(200.72)
<b>Total comprehensive income for the period</b>	<b>2,644,736</b>	<b>11,161,142</b>	<b>(76.30)</b>	<b>277,292</b>	<b>6,285,092</b>	<b>(95.59)</b>
Attributable to:						
Equity holders of the Bank	2,644,736	11,161,142	(76.30)	277,292	6,285,092	(95.59)
Non-controlling interest	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>2,644,736</b>	<b>11,161,142</b>	<b>(76.30)</b>	<b>277,292</b>	<b>6,285,092</b>	<b>(95.59)</b>

# STATEMENT OF FINANCIAL POSITION

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As at	Group			Bank		
	30.09.2015	31.12.2014	Change	30.09.2015	31.12.2014	Change
	( Audited )	( Audited )		( Audited )	( Audited )	
	Rs. '000	Rs. '000	%	Rs. '000	Rs. '000	%
<b>ASSETS</b>						
Cash and cash equivalents	19,311,904	20,621,778	(6.35)	19,286,718	20,591,867	(6.34)
Balances with Central Banks	22,828,734	19,633,746	16.27	22,828,734	19,633,746	16.27
Placements with banks	10,362,516	14,507,861	(28.57)	10,362,516	14,507,861	(28.57)
Securities purchased under re-sale agreements	1,944,424	41,198,266	(95.28)	1,944,424	41,198,266	(95.28)
Derivative financial assets	3,839,581	459,510	735.58	3,839,581	459,510	735.58
Other financial instruments - Held-for-trading	12,623,978	6,326,636	99.54	12,623,978	6,326,636	99.54
Loans and receivables to banks	589,013	551,066	6.89	589,013	551,066	6.89
Loans and receivables to other customers	483,827,086	406,531,089	19.01	481,922,513	405,431,457	18.87
Financial investments - Available-for-sale	236,351,022	214,225,017	10.33	236,333,554	214,208,370	10.33
Financial investments - Held-to-maturity	-	-	-	-	-	-
Financial investments - Loans and receivables	58,030,136	50,436,064	15.06	58,030,136	50,436,064	15.06
Investments in subsidiaries	-	-	-	1,200,512	1,211,000	(0.87)
Investments in associates	101,676	106,287	(4.34)	44,331	44,331	-
Property, plant & equipment	11,143,546	11,134,861	0.08	9,922,468	9,953,091	(0.31)
Intangible assets	887,379	856,230	3.64	469,415	439,128	6.90
Leasehold property	107,785	108,872	(1.00)	74,716	75,420	(0.93)
Other assets	13,482,329	10,560,430	27.67	13,450,428	10,541,817	27.59
<b>Total Assets</b>	<b>875,431,109</b>	<b>797,257,713</b>	<b>9.81</b>	<b>872,923,037</b>	<b>795,609,630</b>	<b>9.72</b>
<b>LIABILITIES</b>						
Due to banks	34,661,095	25,669,025	35.03	33,373,713	25,260,976	32.12
Derivative financial liabilities	2,386,421	1,193,139	100.01	2,386,421	1,193,139	100.01
Securities sold under repurchase agreements	137,403,114	124,391,042	10.46	137,535,454	124,564,499	10.41
Due to other customers/Deposits from customers	588,803,508	529,266,588	11.25	588,917,482	529,361,484	11.25
Other borrowings	10,045,868	11,636,583	(13.67)	10,045,868	11,636,583	(13.67)
Current tax liabilities	2,776,592	2,037,388	36.28	2,744,357	1,997,990	37.36
Deferred tax liabilities	274,752	2,876,199	(90.45)	24,652	2,573,760	(99.04)
Other provisions	1,874	1,874	-	1,874	1,874	-
Other liabilities	15,638,635	17,669,903	(11.50)	15,389,534	17,443,531	(11.78)
Due to subsidiaries	-	-	-	32,661	19,289	69.32
Subordinated liabilities	12,106,132	11,262,573	7.49	11,888,335	11,044,775	7.64
<b>Total Liabilities</b>	<b>804,097,991</b>	<b>726,004,314</b>	<b>10.76</b>	<b>802,340,351</b>	<b>725,097,900</b>	<b>10.65</b>

## STATEMENT OF FINANCIAL POSITION

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As at	Group			Bank		
	30.09.2015	31.12.2014	Change	30.09.2015	31.12.2014	Change
	Rs.'000	( Audited ) Rs.'000	%	Rs.'000	( Audited ) Rs.'000	%
<b>EQUITY</b>						
Stated capital	23,215,885	21,457,501	8.19	23,215,885	21,457,501	8.19
Statutory reserves	4,327,206	4,327,103	-	4,327,103	4,327,103	-
Retained earnings	8,509,547	4,418,412	92.59	8,351,978	4,258,287	96.13
Other reserves	35,230,969	41,002,819	(14.08)	34,687,720	40,468,839	(14.29)
<b>Total equity attributable to equity holders of the Bank</b>	<b>71,283,607</b>	<b>71,205,835</b>	<b>0.11</b>	<b>70,582,686</b>	<b>70,511,730</b>	<b>0.10</b>
<b>Non-controlling Interest</b>	<b>49,511</b>	<b>47,564</b>	<b>4.09</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>71,333,118</b>	<b>71,253,399</b>	<b>0.11</b>	<b>70,582,686</b>	<b>70,511,730</b>	<b>0.10</b>
<b>Total Liabilities and Equity</b>	<b>875,431,109</b>	<b>797,257,713</b>	<b>9.81</b>	<b>872,923,037</b>	<b>795,609,630</b>	<b>9.72</b>
<b>Contingent Liabilities and Commitments</b>	<b>475,252,741</b>	<b>352,453,452</b>	<b>34.84</b>	<b>475,252,741</b>	<b>352,453,452</b>	<b>34.84</b>
<b>Net Assets Value per Ordinary Share (Rs.)</b>	<b>81.32</b>	<b>82.24</b>	<b>(1.12)</b>	<b>80.52</b>	<b>81.44</b>	<b>(1.13)</b>

## Memorandum Information

Number of Employees

4,951

4,910

Number of Customer Service Centers

266

257

## CERTIFICATION :

These Financial Statements have been prepared in compliance with 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 & the Bank, unless indicated as audited.

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

Chairman

November 12, 2015

Colombo

(Sgd.) J.Durairatnam

Managing Director/Chief Executive Officer

	Stated Capital	Statutory Reserves		Retained Earnings	Other Reserves					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
Balance as at 01.01.2014 - 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 nine months ended 30.09.2014												
Profit for the nine months ended 30.09.2014	-	-	-	7,848,114	-	-	-	-	-	7,848,114	3,220	7,851,334
Other comprehensive income for the nine months ended 30.09.2014	-	-	-	-	-	3,358,043	17,583	-	-	3,375,626	-	3,375,626
Total comprehensive income for the nine months ended 30.09.2014	-	-	-	7,848,114	-	3,358,043	17,583	-	-	11,223,740	3,220	11,226,960
Transactions with owners, recorded directly in equity contributions by and distributions to owners												
Issue of Ordinary Shares under Employee Share Option Plans	233,625	-	-	-	-	-	-	-	-	233,625	-	233,625
Dividends to equity holders												
Second interim dividend for 2013	-	-	-	(849,149)	-	-	-	-	-	(849,149)	-	(849,149)
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	-	-	-	-	-	-	-	-	-	-	-	-
Transfers during the period	-	-	(266,520)	(287,415)	-	-	-	287,415	266,520	-	-	-
Total transactions with equity holders	1,763,550	-	(266,520)	(4,536,398)	-	-	-	287,415	266,520	(2,485,433)	(1,308)	(2,486,741)
Balance as at 30.09.2014	21,350,363	3,768,094	-	7,671,348	4,615,947	5,381,511	(376,175)	5,126,108	22,647,339	70,184,535	40,690	70,225,225
Total comprehensive income for the three months ended 31.12.2014												
Profit for the three months ended 31.12.2014	-	-	-	3,390,779	-	-	-	-	-	3,390,779	681	3,391,460
Other comprehensive income for the three months ended 31.12.2014	-	-	-	(54,422)	1,631,013	(2,677,041)	(78,013)	-	-	(1,178,463)	7,501	(1,170,962)
Total comprehensive income for the three months ended 31.12.2014	-	-	-	3,336,357	1,631,013	(2,677,041)	(78,013)	-	-	2,212,316	8,182	2,220,498
Transactions with owners, recorded directly in equity contributions by and distributions to owners												
Issue of Ordinary Shares under Employee Share Option Plans	107,138	-	-	-	-	-	-	-	-	107,138	-	107,138
Dividends to equity holders												
First interim dividend for 2014	-	-	-	(1,298,154)	-	-	-	-	-	(1,298,154)	(1,308)	(1,299,462)
Re-classification of Available -For-Sale reserve to retained earnings	-	-	-	(31,099)	-	31,099	-	-	-	-	-	-
Transfers during the period	-	559,009	-	(5,260,040)	-	-	-	101,031	4,600,000	-	-	-
Transfers to general reserve	-	-	-	-	-	-	-	(5,227,139)	5,227,139	-	-	-
Total transactions with equity holders	107,138	559,009	-	(6,589,293)	-	31,099	-	(5,126,108)	9,827,139	(1,191,016)	(1,308)	(1,192,324)
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
Total comprehensive income for the nine months ended 30.09.2015												
Profit for the nine months ended 30.09.2015	-	-	-	8,431,391	-	-	-	-	-	8,431,391	3,335	8,434,726
Other comprehensive income for the nine months ended 30.09.2015	-	-	-	(7,990)	-	(6,471,616)	689,804	-	-	(5,789,802)	-	(5,789,802)
Total comprehensive income for the nine months ended 30.09.2015	-	-	-	8,423,401	-	(6,471,616)	689,804	-	-	2,641,589	3,335	2,644,924
Transactions with owners, recorded directly in equity contributions by and distributions to owners												
Issue of Ordinary Shares under Employee Share Option Plans	198,584	-	-	-	-	-	-	-	-	198,584	-	198,584
Dividends to equity holders												
Second interim dividend for 2014	-	-	-	(865,943)	-	-	-	-	-	(865,943)	-	(865,943)
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)	(1,962)	(1,735,072)
Re-statement of deferred tax on revaluation gains	-	-	-	-	9,963	-	-	-	-	9,963	574	10,537
Transfers during the period	-	103	-	(103)	-	-	-	-	-	-	-	-
Total transactions with equity holders	1,758,383	103	-	(4,332,266)	9,963	-	-	-	-	(2,563,817)	(1,388)	(2,565,205)
Balance as at 30.09.2015	23,215,884	4,327,206	-	8,509,547	6,256,923	(3,736,047)	235,616	-	32,474,478	71,283,607	49,511	71,333,118



	Stated Capital	Statutory Reserves		Retained Earnings	Other Reserves					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
Balance as at 01.01.2014 - 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 nine months ended 30.09.2014												
Profit for the nine months ended 30.09.2014	-	-	-	7,804,853	-	-	-	-	-	7,804,853	-	7,804,853
Other comprehensive income for the nine months ended 30.09.2014	-	-	-	-	-	3,336,261	20,028	-	-	3,356,289	-	3,356,289
Total comprehensive income for the nine months ended 30.09.2014	-	-	-	7,804,853	-	3,336,261	20,028	-	-	11,161,142	-	11,161,142
Transactions with owners, recorded directly in equity contributions by and distributions to owners												
Issue of Ordinary Shares under Employee Share Option Plans	233,625	-	-	-	-	-	-	-	-	233,625	-	233,625
Dividends to equity holders												
Second interim dividend for 2013	-	-	-	(849,149)	-	-	-	-	-	(849,149)	-	(849,149)
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)	(287,415)	-	-	-	287,415	266,520	-	-	-
Total transactions with equity holders	1,763,550	-	(266,520)	(4,536,398)	-	-	-	287,415	266,520	(2,485,433)	-	(2,485,433)
Balance as at 30.09.2014	21,350,363	3,768,094	-	7,501,819	4,222,054	5,390,828	(386,897)	5,126,108	22,647,339	69,619,708	-	69,619,708
Total comprehensive income for the three months ended 31.12.2014												
Profit for the three months ended 31.12.2014	-	-	-	3,375,329	-	-	-	-	-	3,375,329	-	3,375,329
Other comprehensive income for the three months ended 31.12.2014	-	-	-	(60,667)	1,500,805	(2,655,250)	(77,179)	-	-	(1,292,291)	-	(1,292,291)
Total comprehensive income for the three months ended 31.12.2014	-	-	-	3,314,662	1,500,805	(2,655,250)	(77,179)	-	-	2,083,038	-	2,083,038
Transactions with owners, recorded directly in equity contributions by and distributions to owners												
Issue of Ordinary Shares under Employee Share Option Plans	107,138	-	-	-	-	-	-	-	-	107,138	-	107,138
Dividends to equity holders												
First interim dividend for 2014	-	-	-	(1,298,154)	-	-	-	-	-	(1,298,154)	-	(1,298,154)
Transfers during the period	-	559,009	-	(5,260,040)	-	-	-	101,031	4,600,000	-	-	-
Transfers to general reserve	-	-	-	-	-	-	-	(5,227,139)	5,227,139	-	-	-
Total transactions with equity holders	107,138	559,009	-	(6,558,194)	-	-	-	(5,126,108)	9,827,139	(1,191,016)	-	(1,191,016)
Balance as at 31.12.2014 - Audited	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
Total comprehensive income for the nine months ended 30.09.2015												
Profit for the nine months ended 30.09.2015	-	-	-	8,425,854	-	-	-	-	-	8,425,854	-	8,425,854
Other comprehensive income for the nine months ended 30.09.2015	-	-	-	-	-	(6,471,616)	690,498	-	-	(5,781,118)	-	(5,781,118)
Total comprehensive income for the nine months ended 30.09.2015	-	-	-	8,425,854	-	(6,471,616)	690,498	-	-	2,644,736	-	2,644,736
Transactions with owners, recorded directly in equity contributions by and distributions to owners												
Issue of Ordinary Shares under Employee Share Option Plans	198,584	-	-	-	-	-	-	-	-	198,584	-	198,584
Dividends to equity holders												
Second interim dividend for 2014	-	-	-	(865,943)	-	-	-	-	-	(865,943)	-	(865,943)
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	-	-	-	-	-	-	-	-	-	-	-	-
Total transactions with equity holders	1,758,383	-	-	(4,332,163)	-	-	-	-	-	(2,573,780)	-	(2,573,780)
Balance as at 30.09.2015	23,215,884	4,327,103	-	8,351,978	5,722,859	(3,736,038)	226,422	-	32,474,478	70,582,686	-	70,582,686

## STATEMENT OF CASH FLOWS

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For the nine months ended September 30,	Group		Bank	
	2015	2014	2015	2014
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>Cash Flows from Operating Activities</b>				
Profit before taxation	12,235,141	11,299,305	12,190,387	11,212,853
Adjustment for:				
Non-cash items included in profits before tax	4,224,607	3,951,604	4,107,785	3,923,498
Change in operating assets	(87,573,614)	(132,460,378)	(86,667,486)	(132,237,682)
Change in operating liabilities	78,966,926	128,979,396	78,056,197	129,677,565
Net (gains)/losses from disposal of assets	7,912	(1,273)	12,290	(230)
Share of profit from associates, net of tax	(9,900)	(8,155)	-	-
Dividend income from subsidiaries and associates	-	-	(65,204)	(47,691)
Interest expense on subordinated liabilities	620,388	554,491	590,821	551,027
Benefits paid on defined benefit plans	(26,172)	(21,373)	(26,172)	(21,373)
Net unrealized gain from translation of Financial Statements of foreign operations	689,804	17,583	690,498	20,028
Tax paid	(2,411,683)	(2,117,808)	(2,316,299)	(2,081,398)
<b>Net cash from/(used in) operating activities</b>	<b>6,723,409</b>	<b>10,193,392</b>	<b>6,572,817</b>	<b>10,996,597</b>
<b>Cash Flows from Investing Activities</b>				
Net additions to property, plant and equipment	(771,363)	(782,757)	(686,944)	(756,137)
Proceeds from the sale of property, plant and equipment	3,630	8,854	83	4,814
Purchase of financial investments	(5,044,858)	(4,872,757)	(5,044,858)	(5,788,803)
Proceeds from the sale and maturity of financial investments	968,212	912,739	968,212	912,739
Net additions to intangible assets	(169,947)	(103,538)	(168,215)	(104,331)
Net cash flow of investment in subsidiaries and associates	-	-	(7,907)	-
Acquisition of a subsidiary (net of cash)	-	(891,470)	-	(904,797)
Dividends received from investments in subsidiaries and associates	-	-	65,204	47,691
<b>Net cash from/(used in) investing activities</b>	<b>(5,014,326)</b>	<b>(5,728,929)</b>	<b>(4,874,425)</b>	<b>(6,588,824)</b>
<b>Cash Flows from Financing Activities</b>				
Net proceeds from the issue of ordinary shares	198,584	233,626	198,584	233,626
Interest paid on subordinated liabilities	(443,215)	(452,118)	(429,761)	(451,451)
Dividend paid to shareholders of the parent company	(2,772,364)	(2,719,058)	(2,772,364)	(2,719,058)
Dividend paid to non-controlling interest	(1,962)	(1,308)	-	-
<b>Net cash from /(used in) financing activities</b>	<b>(3,018,957)</b>	<b>(2,938,858)</b>	<b>(3,003,541)</b>	<b>(2,936,883)</b>
Net increase/(decrease) in cash & cash equivalents	(1,309,874)	1,525,605	(1,305,149)	1,470,890
Cash and cash equivalents at beginning of the period	20,621,778	14,263,533	20,591,867	14,261,549
<b>Cash and cash equivalents at end of the period</b>	<b>19,311,904</b>	<b>15,789,138</b>	<b>19,286,718</b>	<b>15,732,439</b>

	Held for Trading (HFT)	Loans & Receivables (L & 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		19,311,904			19,311,904
Balances with central banks		22,828,734			22,828,734
Placements with banks		10,362,516			10,362,516
Derivative financial instruments	3,839,581				3,839,581
Other financial assets held for trading	12,623,978				12,623,978
Loans and receivables to banks		589,013			589,013
Loans and receivables to other customers		483,827,086			483,827,086
Financial investments - Available for sale			236,351,022		236,351,022
<b>Total financial assets</b>	<b>16,463,559</b>	<b>536,919,253</b>	<b>236,351,022</b>	<b>-</b>	<b>789,733,834</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		34,661,095		34,661,095
Derivative financial instruments	2,386,421			2,386,421
Other financial liabilities held for trading				-
Due to other customers		588,803,508		588,803,508
Other borrowings		10,045,868		10,045,868
Debt securities issued				-
Other liabilities				-
Subordinated liabilities		12,106,132		12,106,132
<b>Total financial liabilities</b>	<b>2,386,421</b>	<b>645,616,603</b>	<b>-</b>	<b>648,003,024</b>

	Held for Trading (HFT)	Loans & Receivables (L & 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		406,531,089			406,531,089
Financial investments - Available for sale			214,225,017		214,225,017
<b>Total financial assets</b>	<b>6,786,146</b>	<b>461,845,540</b>	<b>214,225,017</b>	<b>-</b>	<b>682,856,703</b>

	Held for Trading (HFT)	Amortised Cost	Other Amortised Cost	Total
	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		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>577,834,769</b>	<b>-</b>	<b>579,027,908</b>

	Held for Trading (HFT) Rs. '000	Loans & Receivables (L & R) Rs. '000	Available for Sale (AFS) Rs. '000	Other Amortised Cost Rs. '000	Total Rs. '000
<b>ASSETS</b>					
Cash and cash equivalents		19,286,718			19,286,718
Balances with central banks		22,828,734			22,828,734
Placements with banks		10,362,516			10,362,516
Derivative financial instruments	3,839,581				3,839,581
Other financial assets held for trading	12,623,978				12,623,978
Loans and receivables to banks		589,013			589,013
Loans and receivables to other customers		481,922,513			481,922,513
Financial investments - Available for sale			236,333,554		236,333,554
<b>Total financial assets</b>	<b>16,463,559</b>	<b>534,989,494</b>	<b>236,333,554</b>	<b>-</b>	<b>787,786,607</b>

	Held for Trading (HFT) Rs. '000	Amortised Cost Rs. '000	Other Amortised Cost Rs. '000	Total Rs. '000
<b>LIABILITIES</b>				
Due to banks		33,373,713		33,373,713
Derivative financial instruments	2,386,421			2,386,421
Other financial liabilities held for trading				-
Due to other customers		588,917,482		588,917,482
Other borrowings		10,045,868		10,045,868
Debt securities issued				-
Other liabilities				-
Subordinated liabilities		11,888,335		11,888,335
<b>Total financial liabilities</b>	<b>2,386,421</b>	<b>644,225,398</b>	<b>-</b>	<b>646,611,819</b>

	Held for Trading (HFT)	Loans & Receivables (L & 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		405,431,457			405,431,457
Financial investments - Available for sale			214,208,370		214,208,370
<b>Total financial assets</b>	<b>6,786,146</b>	<b>460,715,997</b>	<b>214,208,370</b>	<b>-</b>	<b>681,710,513</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		11,636,583		11,636,583
Debt securities issued				-
Other liabilities				-
Subordinated liabilities		11,044,775		11,044,775
<b>Total financial liabilities</b>	<b>1,193,139</b>	<b>577,303,818</b>	<b>-</b>	<b>578,496,957</b>

	Bank		Group	
	As at 30.09.2015	As at 31.12.2014 (Audited)	As at 30.09.2015	As at 31.12.2014 (Audited)
<b>Regulatory Capital Adequacy</b>				
Core Capital ( Tier I Capital ) - Rs. '000	64,019,115	58,465,269	64,215,108	58,662,124
Total Capital Base - Rs. '000	78,602,692	72,177,447	79,256,708	72,832,325
Core Capital Adequacy Ratio - Core capital as a % of Risk Weighted Assets ( Minimum Requirement, 5% )	11.93%	12.93%	11.90%	13.07%
Total Capital Adequacy Ratio - Total capital as a % of Risk Weighted Assets ( Minimum Requirement, 10% )	14.65%	15.97%	14.69%	16.22%
<b>Asset Quality (Quality of Loan Portfolio)</b>				
Gross Non-Performing Advances Ratio ( Net of Interest in Suspense )	3.01%	3.47%		
Net Non-Performing Advances Ratio ( Net of Interest in Suspense and Provisions )	1.52%	1.86%		
<b>Profitability</b>				
Interest Margin	3.59%	3.88%		
Return on Assets ( before tax )	1.95%	2.25%		
Return on Equity	15.97%	17.01%		
<b>Debt Security Related Ratios</b>				
Debt Equity Ratio	23.41%	25.83%		
Interest Cover (Times)	21.69	21.40		
<b>Regulatory Liquidity</b>				
Statutory Liquid Assets - Rs. '000				
Domestic Banking Unit	155,045,181	167,846,959		
Off-Shore Banking Unit	13,108,424	10,344,834		
Statutory Liquid Assets Ratio % ( Minimum Requirement 20% )				
Domestic Banking Unit	27.27%	33.15%		
Off-Shore Banking Unit	32.05%	31.43%		

**SEGMENTAL ANALYSIS - GROUP**
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For the nine months ended September 30,	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	17,312,132	16,405,643	3,810,285	3,770,681	972,189	773,551	470,304	227,626	(9,043)	(569,193)	22,555,867	20,608,308
Foreign exchange profit	766,807	(36,925)	189,435	107,188	345,520	340,622	-	-	708,255	403,256	2,010,017	814,141
Net fees and commission income	2,329,313	2,042,377	1,077,506	1,051,145	384,888	384,025	18,117	11,058	3,167	5,544	3,812,991	3,494,149
Other income	802,414	529,274	73,712	178,723	49,955	68,018	40,539	115,512	393,951	1,758,054	1,360,571	2,649,581
<b>Eliminations/unallocated</b>											259,100	228,056
<b>Total Operating income</b>	<b>21,210,666</b>	<b>18,940,369</b>	<b>5,150,938</b>	<b>5,107,737</b>	<b>1,752,552</b>	<b>1,566,216</b>	<b>528,960</b>	<b>354,196</b>	<b>1,096,330</b>	<b>1,597,661</b>	<b>29,998,546</b>	<b>27,794,235</b>
Credit loss expenses	(2,933,033)	(2,663,088)	(45,820)	(76,609)	(206,006)	(253,443)	-	-	-	-	(3,184,859)	(2,993,140)
<b>Net Operating income</b>	<b>18,277,633</b>	<b>16,277,281</b>	<b>5,105,118</b>	<b>5,031,128</b>	<b>1,546,546</b>	<b>1,312,773</b>	<b>528,960</b>	<b>354,196</b>	<b>1,096,330</b>	<b>1,597,661</b>	<b>26,813,687</b>	<b>24,801,095</b>
<b>Segment result</b>	<b>8,815,861</b>	<b>8,810,247</b>	<b>4,402,850</b>	<b>4,349,380</b>	<b>2,045,528</b>	<b>1,340,405</b>	<b>477,468</b>	<b>310,698</b>	<b>201,597</b>	<b>158,192</b>	<b>15,943,304</b>	<b>14,968,922</b>
Unallocated operating expenses											(3,718,063)	(3,677,772)
Profit from operations											12,225,241	11,291,150
Share of profit of Associates, net of tax											9,900	8,155
Income tax expense											(3,800,415)	(3,447,971)
Non Controlling Interest											(3,335)	(3,220)
<b>Net profit for the period,attributable to Equity holders of the parent</b>											<b>8,431,391</b>	<b>7,848,114</b>

As at September 30,	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>Other information</b>												
Segment assets	249,819,433	203,735,867	218,645,926	175,141,897	52,829,463	46,906,565	15,165,668	8,315,268	302,557,880	281,074,550	839,018,370	715,174,147
Investment in associates	-	-	-	-	-	-	101,676	122,335	-	-	101,676	122,335
Unallocated Assets	-	-	-	-	-	-	-	-	-	-	36,311,063	33,350,770
<b>Total assets</b>	<b>249,819,433</b>	<b>203,735,867</b>	<b>218,645,926</b>	<b>175,141,897</b>	<b>52,829,463</b>	<b>46,906,565</b>	<b>15,267,344</b>	<b>8,437,603</b>	<b>302,557,880</b>	<b>281,074,550</b>	<b>875,431,109</b>	<b>748,647,252</b>
Segment liabilities	324,534,103	249,028,609	116,337,672	94,195,867	42,349,648	39,788,005	15,267,344	8,437,603	302,557,880	281,074,550	801,046,647	672,524,634
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	3,051,344	6,433,329
<b>Total liabilities</b>	<b>324,534,103</b>	<b>249,028,609</b>	<b>116,337,672</b>	<b>94,195,867</b>	<b>42,349,648</b>	<b>39,788,005</b>	<b>15,267,344</b>	<b>8,437,603</b>	<b>302,557,880</b>	<b>281,074,550</b>	<b>804,097,991</b>	<b>678,957,963</b>

For the nine months ended September 30,	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>Information on cash flows</b>												
Cash flows from operating activities	54,270,468	89,316,406	(19,031,223)	(26,713,114)	(2,613,315)	1,991,037	1,663,420	4,430,306	(27,565,941)	(58,831,243)	6,723,409	10,193,392
Cash flows from investing activities	-	-	-	-	-	-	(4,076,646)	(4,851,488)	-	-	(4,076,646)	(4,851,488)
Cash flows from financing activities	-	-	-	-	-	-	-	-	(443,215)	(452,118)	(443,215)	(452,118)
Capital expenditure -											-	-
Property, Plant & Equipment											(767,733)	(773,903)
Intangible Assets											(169,947)	(103,538)
<b>Eliminations/unallocated</b>											(2,575,742)	(2,486,740)
<b>Mr.H. J.Wilson</b>											<b>(1,309,874)</b>	<b>1,525,605</b>



## Twenty largest voting shareholders as at September 30, 2015

Name of the Shareholder	No. of Shares	%
DFCC Bank A/C 1	121,005,515	14.75
Employees Provident Fund	79,594,968	9.70
Mr.Y.S. H. I. Silva	75,821,961	9.24
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	4.33
HSBC Intl. Nominees Ltd. - JPMLU- Franklin Templeton Investment Funds	28,137,909	3.43
HSBC Intl. Nominees Ltd. - SSBT -Wasatch Frontier Emerging Small Countries Fund	20,087,183	2.45
Melstacorp Limited	19,179,375	2.34
Mrs. L. E. M. Yaseen	15,000,006	1.83
HSBC Intl. Nominees Ltd. - SSBT-Morgan Stanley Institutional Fund, Inc. - Frontier Emerging Markets Portfolio	12,909,784	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
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
The Bank of New York Mellon SA/NV-CF Ruffer Total Return Fund	8,280,574	1.01
HSBC Intl. Nominees Ltd. - SSBT-Morgan Stanley Asset Management SA Acting on behalf of Morgan Stanley Galaxy Fund	8,043,638	0.98
Northern Trust Company S/A Harding Loevner Frontier Emerging Markets Portfolio	7,750,000	0.94
HSBC Intl. Nominees Ltd. - BPSS - BMO Investments 11 (Ireland) Public Limited Company	7,208,955	0.88
Sub total	569,095,240	69.38
Other Shareholders	251,150,474	30.62
<b>Total</b>	<b>820,245,714</b>	<b>100.00</b>

Percentage of public holding as at September 30, 2015 - 99.56%

Number of shareholders representing public holding as at September 30, 2015 - 8,868

## Twenty largest non-voting shareholders as at September 30, 2015

Name of the Shareholder	No. of Shares	%
Employees Trust Fund Board	3,378,248	6.00
HSBC Intl. Nominees Ltd. - JPMLU- Franklin Templeton Investment Funds	3,256,814	5.78
CITY Bank NY S/A Forward International Dividend Fund	1,951,598	3.47
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	1,112,507	1.98
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
Saboora Chatoor (Pvt) Ltd	761,000	1.35
Mr. M. F. Hashim	756,402	1.34
Beta Holdings Limited	720,869	1.28
Mrs. L. V. C. Samarasingha	607,769	1.08
Union Assurance PLC - A/C 01AC	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)	452,309	0.80
Mr. W.R.H. Perera	444,838	0.79
Alpex Marine (Pvt) Ltd	423,734	0.75
Mr. S.K Wickremesinghe	380,284	0.68
Sub total	22,074,860	39.21
Other Shareholders	34,224,826	60.79
<b>Total</b>	<b>56,299,686</b>	<b>100.00</b>

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

Number of shareholders representing public holding as at September 30, 2015 - 4,201

## Directors' holding in shares as at September 30, 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. Renganathan	191,936	10,321
Mr.S. Swarnajothi	-	8,599
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 September 30,</b>		
Voting	159.00	155.90
Non-Voting	131.50	113.90
<b>Highest price during the quarter ended September 30,</b>		
Voting	175.50	164.80
Non-Voting	139.00	117.10
<b>Lowest price during the quarter ended September 30,</b>		
Voting	158.00	139.00
Non-Voting	130.00	100.00

  

	2015	2014
<b>Number of ordinary shares issued as at September 30, 2015</b>		
Voting	820,245,714	809,339,786
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 interim budget proposal presented by the Minister of Finance on January 29, 2015 proposed an additional tax of 25% on taxable profits for the year of assessment 2013/14 on any company or each company in a group of companies, if the Company's/Group's profit before income tax exceeds Rs.2,000 Mn. The Finance Bill incorporating this proposal was presented to parliament on September 22, 2015 and passed on October 20, 2015.  
The consolidated profit before tax of Commercial Bank of Ceylon PLC and its subsidiaries during the year 2013, namely, Commercial Development Company PLC, and ONEzero Company Ltd. exceeded the said threshold of Rs. 2,000 Mn. Accordingly, as per the provisions of the bill presented to the Parliament and enacted on October 20, 2015, the Bank's/Group's liability is estimated at approximately Rs. 2,576 Mn. and Rs. 2,610 Mn. respectively.  
  
This liability has not been adjusted in these interim financial statements as the bill was not enacted as at the Reporting Date.
- 5 There were no material events that took place since September 30, 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 September 30, 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	7.25	Not applicable	
Dec 2006/Dec 2016 14.00% p.a.	Listed	Annually	467,260	Not applicable			13.25	13.25	6.25	Not applicable	
				Not traded during the current period			14.00	14.00	7.25	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	9.00	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 30.09.2015 Rs.'000	As at 31.12.2014 Rs.'000	As at 30.09.2015 Rs.'000	As at 31.12.2014 Rs.'000
Gross loans and receivables	502,556,575	423,701,112	500,349,918	422,388,031
Less: Allowance for Individual impairment	4,631,193	4,334,587	4,631,193	4,334,587
Allowance for Collective impairment	14,098,296	12,835,436	13,796,212	12,621,987
<b>Net loans and receivables</b>	<b>483,827,086</b>	<b>406,531,089</b>	<b>481,922,513</b>	<b>405,431,457</b>

2 LOANS AND RECEIVABLES TO OTHER CUSTOMERS - BY PRODUCT

	Group		Bank	
	As at 30.09.2015 Rs.'000	As at 31.12.2014 Rs.'000	As at 30.09.2015 Rs.'000	As at 31.12.2014 Rs.'000
By product - Domestic Currency				
Loans and advances				
Overdrafts	69,227,657	60,945,777	69,282,640	60,945,777
Trade finance	36,036,272	29,720,488	36,036,272	29,720,488
Lease rental receivable	34,424,124	24,526,495	31,730,597	22,780,900
Credit cards	4,509,337	4,167,818	4,509,337	4,167,818
Pawning	1,953,526	2,315,884	1,953,526	2,315,884
Staff loans	5,819,956	4,928,668	5,818,355	4,928,211
Housing loans	36,932,036	30,424,369	36,932,036	30,424,369
Personal loans	25,958,310	21,670,018	25,958,310	21,669,446
Term loans				
Short-term	19,075,921	17,375,263	19,072,909	17,962,063
Long-term	177,742,739	145,434,137	178,179,239	145,280,880
Bills of Exchange	3,047,878	3,379,171	3,047,878	3,379,171
<b>Gross loans and receivables</b>	<b>414,727,756</b>	<b>344,888,088</b>	<b>412,521,099</b>	<b>343,575,007</b>

	Group		Bank	
	As at 30.09.2015 Rs.'000	As at 31.12.2014 Rs.'000	As at 30.09.2015 Rs.'000	As at 31.12.2014 Rs.'000
By product - Foreign Currency				
Loans and advances				
Overdrafts	8,841,959	9,204,100	8,841,959	9,204,100
Trade finance	12,412,342	12,244,510	12,412,342	12,244,510
Lease rental receivable	294,938	287,683	294,938	287,683
Credit cards	58,123	53,548	58,123	53,548
Pawning	-	-	-	-
Staff loans	96,038	94,711	96,038	94,711
Housing loans	1,293,894	978,489	1,293,894	978,489
Personal loans	287,942	273,570	287,942	273,570
Term loans				
Short-term	15,282,239	14,012,604	15,282,239	14,012,604
Long-term	44,002,079	37,658,818	44,002,079	37,658,818
Bills of Exchange	5,259,265	4,004,991	5,259,265	4,004,991
<b>Gross loans and receivables</b>	<b>87,828,819</b>	<b>78,813,024</b>	<b>87,828,819</b>	<b>78,813,024</b>
<b>Total of gross loans and receivables</b>	<b>502,556,575</b>	<b>423,701,112</b>	<b>500,349,918</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 30.09.2015	As at 31.12.2014	As at 30.09.2015	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	398,774	390,003	398,774	390,003
Net write-off/(recoveries) during the year	(281,380)	(403,411)	(281,380)	(403,411)
Exchange rate variance on foreign currency provisions	69,429	6,765	69,429	6,765
Interest accrued / (reversals) on impaired loans & advances	(168,465)	(278,878)	(168,465)	(278,878)
Other movements	278,248	415,454	278,248	415,454
<b>Closing balance</b>	<b>4,631,193</b>	<b>4,334,587</b>	<b>4,631,193</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	2,784,214	4,480,932	2,695,579	4,462,289
Net write-off/(recoveries) during the year	(1,527,952)	(3,422,651)	(1,527,952)	(3,422,651)
Exchange rate variance on foreign currency provisions	6,598	(165)	6,598	(165)
Other movements	-	-	-	-
<b>Closing balance</b>	<b>14,098,296</b>	<b>12,835,436</b>	<b>13,796,212</b>	<b>12,621,987</b>
<b>Total of Individual and Collective Impairment</b>	<b>18,729,489</b>	<b>17,170,023</b>	<b>18,427,405</b>	<b>16,956,574</b>

4 DUE TO OTHER CUSTOMERS - BY PRODUCT

	Group		Bank	
	As at 30.09.2015	As at 31.12.2014	As at 30.09.2015	As at 31.12.2014
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>By product - Domestic Currency</b>				
Current account deposits	38,028,745	34,311,477	38,028,745	34,317,565
Savings deposits	191,658,024	164,462,225	191,721,232	164,521,655
Time deposits	211,227,017	202,162,715	211,277,783	202,192,093
Certificate of deposits	772,312	935,784	772,312	935,784
<b>Sub Total</b>	<b>441,686,098</b>	<b>401,872,201</b>	<b>441,800,072</b>	<b>401,967,097</b>
<b>By product - Foreign Currency</b>				
Current account deposits	12,415,390	10,809,389	12,415,390	10,809,389
Savings deposits	52,203,892	46,467,745	52,203,892	46,467,745
Time deposits	82,498,128	70,117,253	82,498,128	70,117,253
Certificate of deposits	-	-	-	-
<b>Sub Total</b>	<b>147,117,410</b>	<b>127,394,387</b>	<b>147,117,410</b>	<b>127,394,387</b>
<b>Total</b>	<b>588,803,508</b>	<b>529,266,588</b>	<b>588,917,482</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. S.M.R.J.Rodrigo

Assistant General Manager - Plan Implementation

**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 : CCEYLKX

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