



**INTERIM FINANCIAL STATEMENTS**  
**for the three-month period ended 31 March 2022**  
**(Un-audited)**

**Bank of Ceylon**

Fitch Ratings: AA- (lka)

## **Financial commentary for 1Q-2022**

- Profit Before Tax: Rs.8.9 billion
- Net Interest income of Rs. 39.8 billion with 68% growth
- Total Assets base of Rs. 4.2 trillion
- Over Rs. 3.0 trillion Deposits base
- Total Loans and advances reached to Rs. 2.4 trillion

1Q-2022 was an exceptionally challenging period for the entire economy due to external sector pressure. Even though the disruptions to day to day operations caused by the COVID -19 were controlled at a satisfactory level, the adverse impact caused to the economy prevailed continuously. However, during the 1Q-2022 the Bank recorded Rs. 8.9 billion Profit Before Tax and Profit After Tax (PAT) of Rs. 5.5 billion.

### **Fund Based Income**

The net interest income of Rs.39.8 billion was reported with 68% growth contributing 52% to total operating income of the Bank. Interest income grew by 46% materializing the loans and investment growth reported in the previous year. Out of the total interest income of Rs. 85.3 billion, 67% was represented by the interest income from loans and advances and considerable contribution was delivered by income from Overdraft, Term loans and Retail loans.

The investment instruments which mainly comprises of Government Treasury Bills, Bonds and other Foreign Currency Sovereign Bonds brought the major portion of interest income earned from the investment portfolio which stood at Rs. 27.9 billion.

In the meantime, interest expenses increased by 30% to Rs. 45.5 billion in line with the increase in deposit base and repricing the deposits at higher rates immediately with the rate increase exercised in the beginning of the month of March 2022. However, the upward rate shift started from the latter part of the 1Q-2022 will be reflected in the balance periods of the year.

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

Total net non-fund-based income of the Bank amounted to Rs. 36.6 billion and this includes Rs. 34.4 billion of exchange gain resulted from revaluation of foreign currency denominated assets and liabilities and transactional foreign currency gains due to the 49% LKR depreciation took place during 1Q-2022.

Net fee and commission income of Rs. 3.9 billion was derived through the retail transaction level banking services and trade finance including card transactions and remittances. Mark to market loss of Rs. 1.9 billion was resulted from the investment in unit trusts and equity shares due to market price fluctuations.

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

In preparing these Financial Statements the Bank has adopted the requirements specified under the new CBSL Directions No.13 and 14 of 2021 on Classification, Recognition and Measurement of Credit Facilities and Financial Assets which have been effective from 01.01.2022 when classifying and calculating the impairment provision for loans and advances and investments. Further, the Bank increased the Expected Loss Rate to 12% applicable for investments in foreign currency denominated sovereign instruments and foreign currency denominated loans and advances to sovereign in order to capture the impact of country rating downgrade.

Due to increase in exchange rate the Bank had to made additional provision of Rs. 19.4 billion for the foreign currency denominated loans and advances and Rs. 8.1 billion for the increase in credit risk and changes in ECL factors. Accordingly, the Bank made impairment provision of Rs. 33.9 billion for 1Q-2022 bringing the gross loan to impairment provision reserve ratio to 8%. Impaired loan ratio (Stage 3) stood at 5.5% against the 5.1% reported by end 2021.

In terms of impairment for investments in foreign currency denominated sovereign instruments, the Bank made Rs. 12.6 billion due to downgrade of country rating adjusting ECL to 12% as mentioned afore and Rs. 8.6 billion due to increase in exchange rate aggregating the total impairment provision made for investment during the period to Rs. 21.2 billion.

Nevertheless, in calculating the impairment charge, the Bank always follows a prudential approach; given the high degree of uncertainty and extraordinary circumstances in the short-term economic conditions mainly caused by the continuous disruptions to businesses.

### **Operating Expenses**

The operating expenses of Rs. 10.2 billion consists of personnel costs, assets maintenance, deposit insurance and other overhead expenses. The increment of 5% by Rs. 0.4 billion reported in operating expenses in line with the increase in personnel expenses. Other expenses settled at Rs. 2.6 billion for the period with a 12% dip, backed by the Bank's effective cost management practices.

## **Tax Expenses**

VAT on financial services which is charged based on the value addition made by the financial services has a direct relationship to the PBT showed 14% decline to Rs. 2.3 billion in line with the decrease in PBT. Income tax expense for the period amounted to Rs. 3.4 billion.

## **Financial Position**

### **Loans and Advances**

During the period the Bank's total assets grew by 10% and reached Rs. 4.2 trillion, preserving its industry leadership. The key contributive factor is growth in loans and the investment book which denotes about 92% of the assets of the Bank. The gross loans and advances showed a marginal growth of 2% during 1Q-2022 and stood at Rs.2.6 trillion due to low credit appetite in line with the sluggish movement in the economy. The lending to private sector grew by 7% during the period and the Bank continued to extend its support towards business revival. Focusing more on maintaining the portfolio quality and with a view to addressing transforming of non-performing facilities in to hardcore level, the Bank setup a Business Revival unit during the last year and continued to support the revival of the customers. The Bank maintains adequate coverage for the expected losses and the provision reserve built so far covers the 8% of the total loan book for expected losses.

### **Deposit Base**

The Bank's deposit base during the year has increased to Rs. 3.1 trillion with a 9% growth and 72% of the Deposit base comprises of local currency deposits. The Balance 28% which denotes foreign currency deposits stood at Rs. 879.7 billion as of end March 2022. Current and Saving deposit (CASA) base which generates funds at low cost represents 34%.

### **Key Performance Indicators**

Return on Assets (ROA) ratio of the Bank stood at 0.9% while reporting a 10.6% Return on Equity ratio. Both these ratios showed a decline comparing to previous year due to deterioration in the bottom line. The key regulatory ratio of the Banking industry; Capital Adequacy Ratio (CAR) was maintained above the regulatory norms and the Bank always strives to maintain adequate buffers on all its regulatory norms to absorb unforeseen risk factors. The Tier I Capital and Total Capital ratio stood at 11.9% and 14.9% respectively as of end March 2022, both of which were above the regulatory norms. Despite cash flow deferments in loan installments, the Bank was able to maintain a better trade -off between the liquid assets and its liabilities. All liquidity ratios were maintained on safe zone.

During the year 2021 Fitch Ratings (SL) reaffirmed the credit rating of AA- (lka) assigned to Bank of Ceylon and the rating assigned by the ICRA Lanka states as SL (AAA) under watch with negative implications.

The Bank's approach on service delivery has now reached more towards digital and virtual delivery channels. A greater surge was experienced in the customer adoption to those channels during the pandemic and the Bank was ready with the required infrastructure to cater this growing demand, resulting an increase in the Bank's digital and virtual transactions. During the last year Bank added 104 new CRM machines to its service channels and the Bank has more than 1,400 digital customer touch points and more than 670 physical customer touch point island wide.

31 March	Bank			Group		
	For the period ended			For the period ended		
	2022	2021	Change %	2022	2021	Change %
<b>Total income</b>	<b>123,210,581</b>	<b>67,590,407</b>	<b>82.3</b>	<b>125,177,634</b>	<b>69,516,418</b>	<b>80.1</b>
Interest income	85,345,093	58,553,621	45.8	86,966,581	60,115,765	44.7
Interest expenses	(45,539,218)	(34,922,209)	30.4	(46,078,297)	(35,530,185)	29.7
<b>Net interest income</b>	<b>39,805,875</b>	<b>23,631,412</b>	<b>68.4</b>	<b>40,888,284</b>	<b>24,585,580</b>	<b>66.3</b>
Fee and commission income	5,182,351	3,961,128	30.8	5,247,501	4,034,873	30.1
Fee and commission expenses	(1,255,481)	(718,755)	74.7	(1,268,870)	(730,593)	73.7
<b>Net fee and commission income</b>	<b>3,926,870</b>	<b>3,242,373</b>	<b>21.1</b>	<b>3,978,631</b>	<b>3,304,280</b>	<b>20.4</b>
Net gains / (losses) from trading	6,575,129	1,035,603	534.9	6,571,992	1,057,266	521.6
Net fair value gains / (losses) from financial instruments at fair value through profit or loss	(1,904,115)	(257,083)	640.7	(2,024,883)	(286,634)	606.4
Net gains/(losses) on derecognition of financial assets	71,970	212,720	(66.2)	71,970	212,720	(66.2)
Other operating income	27,940,153	4,084,418	584.1	28,344,473	4,382,428	546.8
	<b>32,683,137</b>	<b>5,075,658</b>	<b>543.9</b>	<b>32,963,552</b>	<b>5,365,780</b>	<b>514.3</b>
<b>Total operating income</b>	<b>76,415,882</b>	<b>31,949,443</b>	<b>139.2</b>	<b>77,830,467</b>	<b>33,255,640</b>	<b>134.0</b>
Impairment (charge) / reversal						
Loans and advances	(33,906,111)	(4,382,525)	673.7	(33,864,770)	(4,210,925)	704.2
Other financial assets	(21,165,313)	(416,957)	4,976.1	(21,171,639)	(422,335)	4,913.0
<b>Net operating income</b>	<b>21,344,458</b>	<b>27,149,961</b>	<b>(21.4)</b>	<b>22,794,058</b>	<b>28,622,380</b>	<b>(20.4)</b>
<b>Operating expenses</b>						
Personnel expenses	(6,537,726)	(5,616,865)	16.4	(7,039,234)	(6,058,291)	16.2
Depreciation and amortisation	(971,165)	(1,029,987)	(5.7)	(979,977)	(1,056,315)	(7.2)
Other expenses	(2,659,133)	(3,025,095)	(12.1)	(3,399,469)	(3,406,460)	(0.2)
<b>Total operating expenses</b>	<b>(10,168,024)</b>	<b>(9,671,947)</b>	<b>5.1</b>	<b>(11,418,680)</b>	<b>(10,521,066)</b>	<b>8.5</b>
<b>Operating profit before taxes on financial services</b>	<b>11,176,434</b>	<b>17,478,014</b>	<b>(36.1)</b>	<b>11,375,378</b>	<b>18,101,314</b>	<b>(37.2)</b>
Value Added Tax (VAT) on financial services	(2,300,977)	(2,680,316)	(14.2)	(2,380,837)	(2,774,624)	(14.2)
<b>Operating profit after taxes on financial services</b>	<b>8,875,457</b>	<b>14,797,698</b>	<b>(40.0)</b>	<b>8,994,541</b>	<b>15,326,690</b>	<b>(41.3)</b>
Share of profits / (losses) of Associate companies, net of tax	-	-	-	37,387	51,663	(27.6)
<b>Profit before income tax</b>	<b>8,875,457</b>	<b>14,797,698</b>	<b>(40.0)</b>	<b>9,031,928</b>	<b>15,378,353</b>	<b>(41.3)</b>
Income tax expense	(3,411,305)	(1,896,809)	79.8	(3,476,731)	(1,987,138)	75.0
<b>Profit for the period</b>	<b>5,464,152</b>	<b>12,900,889</b>	<b>(57.6)</b>	<b>5,555,197</b>	<b>13,391,215</b>	<b>(58.5)</b>
<b>Profit attributable to:</b>						
Equity holder of the Bank	5,464,152	12,900,889	(57.6)	5,612,822	13,284,762	(57.7)
Non controlling interest	-	-	-	(57,625)	106,453	(154.1)
<b>Profit for the period</b>	<b>5,464,152</b>	<b>12,900,889</b>	<b>(57.6)</b>	<b>5,555,197</b>	<b>13,391,215</b>	<b>(58.5)</b>
<b>Earnings per share:</b>						
Basic earnings per share (Rs.)	218.57	516.04	(57.6)	224.51	531.39	(57.7)
Diluted earnings per share (Rs.)	218.57	516.04	(57.6)	224.51	531.39	(57.7)

31 March	Bank			Group		
	For the period ended			For the period ended		
	2022	2021	Change %	2022	2021	Change %
<b>Profit for the period</b>	<b>5,464,152</b>	<b>12,900,889</b>	<b>(57.6)</b>	<b>5,555,197</b>	<b>13,391,215</b>	<b>(58.5)</b>
<b>Other comprehensive income for the period , net of tax</b>						
<b>Items that will be reclassified to profit or loss</b>						
Exchange differences on translation of foreign operations	5,047,551	484,026	942.8	6,713,618	910,497	637.4
Net gains / (losses) on cashflow hedge instruments	1,175,098	-	-	1,175,098	-	-
Net gains / (losses) on investments in debt instruments measured at FVTOCI	(1,132,062)	(165,748)	583.0	(1,164,542)	(166,931)	597.6
Net (gains) / losses on FVTOCI financial investments reclassification to profit or loss	(2,753)	(5,388)	(48.9)	(2,753)	(5,388)	(48.9)
Deferred tax effect on net gains / (losses) on investments in debt instruments measured at FVTOCI	315,579	55,704	466.5	315,829	55,704	467.0
Share of other comprehensive income of Associate companies, net of tax	-	-	-	(28,907)	(6,403)	351.4
	<b>5,403,413</b>	<b>368,594</b>	<b>1,366.0</b>	<b>7,008,343</b>	<b>787,479</b>	<b>790.0</b>
<b>Items that will not be reclassified to profit or loss</b>						
Change in fair value on investments in equity instruments measured at FVTOCI	122,623	178,003	(31.1)	22,378	(33,152)	(167.5)
Deferred tax effect on change in fair value on investments in equity instruments measured at FVTOCI	(239,533)	44,047	(643.8)	(239,533)	44,047	(643.8)
Re-measurement of post-employment benefit obligations	-	-	-	2,687	1,312	104.8
Deferred tax effect on post-employment benefit obligations	-	(395,319)	(100.0)	(645)	(395,635)	(99.8)
Changes in revaluation surplus / (deficit)	-	-	-	-	-	-
Deferred tax effect on revaluation surplus / (deficit)	-	910,821	(100.0)	-	1,227,220	(100.0)
	<b>(116,910)</b>	<b>737,552</b>	<b>(115.9)</b>	<b>(215,113)</b>	<b>843,792</b>	<b>(125.5)</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>5,286,503</b>	<b>1,106,146</b>	<b>377.9</b>	<b>6,793,230</b>	<b>1,631,271</b>	<b>316.4</b>
<b>Total comprehensive income for the period</b>	<b>10,750,655</b>	<b>14,007,035</b>	<b>(23.2)</b>	<b>12,348,427</b>	<b>15,022,486</b>	<b>(17.8)</b>
<b>Attributable to:</b>						
Equity holder of the Bank	10,750,655	14,007,035	(23.2)	12,415,727	14,926,143	(16.8)
Non controlling interest	-	-	-	(67,300)	96,343	(169.9)
<b>Total comprehensive income for the period</b>	<b>10,750,655</b>	<b>14,007,035</b>	<b>(23.2)</b>	<b>12,348,427</b>	<b>15,022,486</b>	<b>(17.8)</b>

As at	Bank			Group		
	31-Mar-2022	31-Dec-2021 (Audited)	Change %	31-Mar-2022	31-Dec-2021 (Audited)	Change %
<b>Assets</b>						
Cash and cash equivalents	104,664,439	82,647,406	26.6	104,765,992	82,313,908	27.3
Balances with Central Banks	61,589,211	74,121,781	(16.9)	61,589,211	74,121,781	(16.9)
Placements with banks	8,921,939	4,957,417	80.0	9,878,248	5,342,369	84.9
Securities purchased under resale agreements	1,537,989	2,074,474	(25.9)	1,790,687	2,976,664	(39.8)
Derivative financial instruments	24,376,605	4,342,531	461.3	24,376,605	4,342,531	461.3
Financial assets recognized through profit or loss measured at fair value	6,754,934	9,230,022	(26.8)	7,055,532	9,640,813	(26.8)
Financial assets at amortized cost						
- loans and advances	2,430,684,185	2,413,762,291	0.7	2,466,219,396	2,446,330,329	0.8
- debt and other instruments	1,414,478,914	1,082,179,876	30.7	1,415,260,989	1,082,837,662	30.7
Financial assets - measured at fair value through other comprehensive income	18,078,903	18,302,556	(1.2)	23,620,260	22,879,810	3.2
Investment in Subsidiary companies	8,181,138	8,181,138	-	-	-	-
Investment in Associate companies	92,988	92,988	-	604,010	595,531	1.4
Investment properties	2,414,640	2,414,640	-	106,976	107,704	(0.7)
Property, plant and equipment	32,559,114	32,757,485	(0.6)	47,331,069	46,944,191	0.8
Right of Use Asset / Leasehold properties	3,139,947	3,137,955	0.1	2,686,169	2,825,719	(4.9)
Intangible assets	955,210	1,039,985	(8.2)	1,134,897	1,214,591	(6.6)
Deferred tax assets	1,752,101	2,152,712	(18.6)	1,772,049	2,213,847	(20.0)
Other assets	81,226,931	61,888,586	31.2	82,908,953	63,262,306	31.1
<b>Total assets</b>	<b>4,201,409,188</b>	<b>3,803,283,843</b>	<b>10.5</b>	<b>4,251,101,043</b>	<b>3,847,949,756</b>	<b>10.5</b>
<b>Liabilities</b>						
Due to banks	25,972,001	17,936,070	44.8	26,091,988	18,646,339	39.9
Securities sold under repurchase agreements	94,009,639	162,156,413	(42.0)	94,123,676	161,668,335	(41.8)
Derivative financial instruments	28,959,142	380,328	7,514.3	28,959,142	380,328	7,514.3
Financial liabilities at amortized cost						
- due to depositors	3,127,716,074	2,866,894,010	9.1	3,146,490,499	2,886,237,094	9.0
- due to other borrowers	599,317,292	444,107,977	34.9	606,163,391	447,875,002	35.3
Debt securities issued	-	-	-	2,363,041	2,107,182	12.1
Current tax liabilities	-	647,993	(100.0)	444,714	978,532	(54.6)
Deferred tax liabilities	-	-	-	2,149,434	2,153,309	(0.2)
Insurance provision - Life	-	-	-	394,068	413,743	(4.8)
Insurance provision - Non life	-	-	-	572,176	526,017	8.8
Other liabilities	48,061,423	46,042,365	4.4	49,999,955	47,461,127	5.3
Subordinated liabilities	66,036,335	64,358,855	2.6	65,776,959	64,105,970	2.6
<b>Total liabilities</b>	<b>3,990,071,906</b>	<b>3,602,524,011</b>	<b>10.8</b>	<b>4,023,529,043</b>	<b>3,632,552,978</b>	<b>10.8</b>
<b>Equity</b>						
Share capital	25,000,000	25,000,000	-	25,000,000	25,000,000	-
Permanent reserve fund	14,491,000	14,491,000	-	14,491,000	14,491,000	-
OCI reserve	(347,719)	588,427	(159.1)	424,509	1,483,412	(71.4)
Cashflow hedge reserve	4,414,364	3,239,266	36.3	4,414,364	3,239,266	36.3
Retained earnings	142,030,124	136,739,177	3.9	143,516,931	138,104,222	3.9
Other reserves	25,749,513	20,701,962	24.4	38,203,050	31,489,432	21.3
<b>Total equity attributable to equity holder of the Bank</b>	<b>211,337,282</b>	<b>200,759,832</b>	<b>5.3</b>	<b>226,049,854</b>	<b>213,807,332</b>	<b>5.7</b>
Non controlling interest	-	-	-	1,522,146	1,589,446	(4.2)
<b>Total equity</b>	<b>211,337,282</b>	<b>200,759,832</b>	<b>5.3</b>	<b>227,572,000</b>	<b>215,396,778</b>	<b>5.7</b>
<b>Total liabilities and equity</b>	<b>4,201,409,188</b>	<b>3,803,283,843</b>	<b>10.5</b>	<b>4,251,101,043</b>	<b>3,847,949,756</b>	<b>10.5</b>
Contingent liabilities and commitments	1,142,097,958	879,356,475	29.9	1,162,046,215	897,771,496	29.4



## STATEMENT OF CHANGES IN EQUITY- BANK

4

Rs. 000

	Share capital	Permanent reserve fund	OCI reserve	Cashflow hedge reserve	Other reserves		Retained earnings	Total Equity
					Other reserves	Revaluation reserve		
<b>Balance as at 01 January 2021</b>	<b>25,000,000</b>	<b>13,739,000</b>	<b>1,704,356</b>	<b>-</b>	<b>2,550,889</b>	<b>16,681,190</b>	<b>96,983,948</b>	<b>156,659,383</b>
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	12,900,889	12,900,889
Other comprehensive income, net of tax	-	-	106,618	-	484,026	910,821	(395,319)	1,106,146
Dividends for the period	-	-	-	-	-	-	(173,205)	(173,205)
<b>Balance as at 31 March 2021</b>	<b>25,000,000</b>	<b>13,739,000</b>	<b>1,810,974</b>	<b>-</b>	<b>3,034,915</b>	<b>17,592,011</b>	<b>109,316,313</b>	<b>170,493,213</b>
<b>Balance as at 01 January 2022</b>	<b>25,000,000</b>	<b>14,491,000</b>	<b>588,427</b>	<b>3,239,266</b>	<b>3,345,420</b>	<b>17,356,542</b>	<b>136,739,177</b>	<b>200,759,832</b>
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	5,464,152	5,464,152
Other comprehensive income, net of tax	-	-	(936,146)	1,175,098	5,047,551	-	-	5,286,503
Dividends for the period	-	-	-	-	-	-	(173,205)	(173,205)
<b>Balance as at 31 March 2022</b>	<b>25,000,000</b>	<b>14,491,000</b>	<b>(347,719)</b>	<b>4,414,364</b>	<b>8,392,971</b>	<b>17,356,542</b>	<b>142,030,124</b>	<b>211,337,282</b>

## STATEMENT OF CHANGES IN EQUITY -GROUP

Rs. 000

	Share capital	Permanent reserve fund	OCI reserve	Cashflow hedge reserve	Other reserves		Retained earnings	Non controlling interest	Total Equity
					Other reserves	Revaluation reserve			
<b>Balance as at 01 January 2021</b>	<b>25,000,000</b>	<b>13,739,000</b>	<b>2,573,148</b>	<b>-</b>	<b>4,060,608</b>	<b>24,853,005</b>	<b>97,463,266</b>	<b>1,267,787</b>	<b>168,956,814</b>
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	13,284,762	106,453	13,391,215
Other comprehensive income, net of tax	-	-	(95,615)	-	910,497	1,227,220	(400,721)	(10,110)	1,631,271
Transfers to share capital	-	-	-	-	-	-	-	-	-
Dividends for the period	-	-	-	-	-	-	(173,205)	-	(173,205)
Disposal of subsidiaries	-	-	-	-	-	-	(71,786)	(6,462)	(78,248)
<b>Balance as at 31 March 2021</b>	<b>25,000,000</b>	<b>13,739,000</b>	<b>2,477,533</b>	<b>-</b>	<b>4,971,105</b>	<b>26,080,225</b>	<b>110,102,316</b>	<b>1,357,668</b>	<b>183,727,847</b>
<b>Balance as at 01 January 2022</b>	<b>25,000,000</b>	<b>14,491,000</b>	<b>1,483,412</b>	<b>3,239,266</b>	<b>5,186,788</b>	<b>26,302,644</b>	<b>138,104,222</b>	<b>1,589,446</b>	<b>215,396,778</b>
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	5,612,822	(57,625)	5,555,197
Other comprehensive income, net of tax	-	-	(1,058,903)	1,175,098	6,713,618	-	(26,908)	(9,675)	6,793,230
Dividends for the period	-	-	-	-	-	-	(173,205)	-	(173,205)
<b>Balance as at 31 March 2022</b>	<b>25,000,000</b>	<b>14,491,000</b>	<b>424,509</b>	<b>4,414,364</b>	<b>11,900,406</b>	<b>26,302,644</b>	<b>143,516,931</b>	<b>1,522,146</b>	<b>227,572,000</b>

## STATEMENT OF CASH FLOWS

5

Rs.'000

For the three months ended 31 March	Bank		Group	
	2022	2021	2022	2021
<b>Cash flows from operating activities</b>				
Profit before income tax	8,875,457	14,797,698	9,031,928	15,378,353
<b>Adjustments for :</b>				
Net interest income	(39,805,875)	(23,631,412)	(40,888,284)	(24,585,580)
Dividend income	(16,395)	(10,904)	(37,724)	(10,904)
Dividends from Subsidiaries and Associates	-	(12,300)	-	-
Share of profits of Associate companies, net of tax	-	-	(37,387)	(51,663)
Change in operating assets	(82,131,654)	(153,934,622)	(83,771,723)	(155,691,947)
Change in operating liabilities	203,031,237	95,061,598	198,152,234	83,060,179
Other non cash items included in profit before tax	21,468,567	3,806,897	18,315,208	3,660,689
Other net gains from investing activities	1,832,145	44,363	1,952,913	73,914
	<b>113,253,482</b>	<b>(63,878,682)</b>	<b>102,717,166</b>	<b>(78,166,959)</b>
Contribution paid from defined benefit plans	(2,444,299)	(2,048,485)	(2,491,749)	(2,051,177)
Interest received	67,561,899	47,853,640	69,257,798	49,279,877
Interest paid	(17,043,073)	(47,811,145)	(17,734,477)	(48,397,909)
Dividends received	11,648	10,904	11,648	10,904
<b>Net cash from operating activities before income tax</b>	<b>161,339,657</b>	<b>(65,873,768)</b>	<b>151,760,385</b>	<b>(79,325,264)</b>
Income tax paid	(2,494,716)	(1,243,722)	(2,561,976)	(1,315,703)
<b>Net cash from/ (used in) operating activities</b>	<b>158,844,941</b>	<b>(67,117,490)</b>	<b>149,198,409</b>	<b>(80,640,967)</b>
<b>Cash flows from investing activities</b>				
Net (increase)/ decrease in financial investments at amortized cost	(333,519,987)	2,194,126	(333,644,276)	1,368,305
Net increase in financial investments recognized at fair value through OCI	(716,764)	(6,214,078)	(1,803,393)	(5,402,162)
Purchase of property plant and equipment	(354,043)	(319,012)	(356,178)	(335,120)
Purchase of intangible assets	(87,721)	(231,045)	(87,772)	(232,916)
Dividends received	4,747	64,215	21,329	53,210
Interest received	29,330,723	17,957,205	29,256,312	18,093,112
<b>Net cash from/ (used in) investing activities</b>	<b>(305,343,045)</b>	<b>13,451,411</b>	<b>(306,613,978)</b>	<b>13,544,429</b>
<b>Cash flows from financing activities</b>				
Net increase in other borrowings	168,890,275	59,727,544	180,659,146	75,366,027
Dividends paid to Equity holder of the Bank	(173,205)	(173,205)	(173,205)	(173,205)
Interest payments on borrowings and debt securities	(7,090,207)	(270,647)	(6,688,513)	(291,863)
<b>Net cash from financing activities</b>	<b>161,626,863</b>	<b>59,283,692</b>	<b>173,797,428</b>	<b>74,900,959</b>
Net increase in cash and cash equivalents during the period	15,128,759	5,617,613	16,381,859	7,804,421
Cash and cash equivalents at the beginning of the period	66,789,233	83,978,210	65,745,466	82,533,640
<b>Cash and cash equivalents at the end of the period</b>	<b>81,917,992</b>	<b>89,595,823</b>	<b>82,127,325</b>	<b>90,338,061</b>
<b>Analysis of cash and cash equivalents</b>				
Cash and cash equivalents	104,664,439	97,480,424	104,765,992	98,454,395
Bank overdrafts	(22,746,447)	(7,884,601)	(22,638,667)	(8,116,334)
<b>Cash and cash equivalents at the end of the period</b>	<b>81,917,992</b>	<b>89,595,823</b>	<b>82,127,325</b>	<b>90,338,061</b>

As at	Bank		Group	
	31-Mar-2022	31-Dec-2021	31-Mar-2022	31-Dec-2021
Net assets value per share (Rs)	8,453.49	8,030.39	9,041.99	8,552.29
<b>Profitability</b>				
Interest margin *	3.98%	3.28%	4.04%	3.35%
Return on assets (before tax) *	0.89%	1.27%	0.89%	1.30%
Return on equity (after tax) *	10.61%	21.03%	10.03%	20.13%
<b>Assets Quality</b>				
Impaired Loans (Stage 3) Ratio	5.45%	5.08%		
Impairment (Stage 3) to Stage 3 Loans Ratio	51.62%	49.07%		
<b>Investor Information</b>				
Debt equity (%)	49.25	51.01		
Interest cover (times)	1.38	2.85		
<b>Memorandum Information</b>				
Number of employees	8,288	8,337		
Number of branches	581	581		

\* These ratios have been calculated annualizing the 1Q - 2022 figures.

## KEY REGULATORY RATIOS - CAPITAL AND LIQUIDITY

As at	Bank		Group	
	31-Mar-2022	31-Dec-2021	31-Mar-2022	31-Dec-2021
<b>Regulatory Capital (Rs. ' 000)</b>				
Common equity Tier I	174,618,017	176,537,824	182,164,758	182,294,819
Total Tier I capital	192,968,017	194,887,824	200,514,758	200,644,819
Total capital	242,049,363	243,033,817	250,697,605	249,799,365
<b>Regulatory Capital Ratios (%)</b>				
Common equity Tier I capital ratio	10.77%	12.91%	10.84%	12.83%
(Minimum requirement, Basel III - 8.50% )				
Total Tier I capital ratio	11.90%	14.25%	11.93%	14.13%
(Minimum requirement, Basel III - 10.00%)				
Total capital ratio	14.93%	17.77%	14.91%	17.59%
(Minimum requirement, Basel III - 14.00%)				
Leverage ratio	4.26%	4.68%	4.40%	4.76%
( Minimum requirement - 3% )				
<b>Regulatory Liquidity</b>				
Statutory liquid assets,				
- Domestic banking unit (Rs. ' 000)	870,197,694	715,407,611		
- Off-shore banking unit (US\$ 000)	623,131	701,065		
Statutory liquid assets ratio, (minimum requirement, 20%)				
- Domestic banking unit	30.45%	24.97%		
- Off-shore banking unit	29.99%	25.34%		
Total Stock of High Quality Liquid Assets (Rs. ' 000)	681,494,469	531,095,153		
Liquidity coverage ratio - Rupee	209.00%	169.00%		
(Minimum requirement, 100%)				
Liquidity coverage ratio - All currency	122.97%	111.45%		
(Minimum requirement, 100%)				
Net stable funding ratio	129.00%	125.00%		
(Minimum requirement, 100%)				

## SHARE INFORMATION

Shareholder	31-Mar-2022		31-Dec-2021	
	No. of Ordinary Shares	Holding %	No. of Ordinary Shares	Holding %
Government of Sri Lanka	25,000,000	100	25,000,000	100

- I. The interim Financial Statements are presented in accordance with Sri Lanka Accounting Standard - LKAS 34 on “Interim Financial Reporting”. These condensed interim Financial Statements should be read in conjunction with the annual financial statements for the year ended 31 December 2021. In order to conform to better presentation, previous year figures and phrases have been adjusted where relevant.
- II. There are no changes in accounting policies and methods of computation since the publication of annual accounts for the year 2021.
- III. During the period, there were no material changes in the composition of assets, liabilities and contingent liabilities in the Bank.
- IV. All known expenses have been charged in these financial statements.
- V. The outbreak and spread of the coronavirus globally since January 2020 has caused disruption to business and economic activities, and uncertainty to the global economy. Consequent to the diagnosis of COVID-19 virus within Sri Lanka many measures were introduced by the Sri Lankan Government and the Central Bank of Sri Lanka with a view to easing the pressure due to safety measures taken to face the pandemic situation. COVID -19 pandemic has had a significant impact on business operations of the Bank due to changes that took place in normal business practices. However, the Bank proactively adjusted to the situation very quickly and took all necessary steps to provide the customer services in best possible manner in this pandemic situation.

The Bank continuously support the measures taken to revive the economy and the safety of the customers and the staff is considered as being of paramount importance in conducting all operational activities.
- VI. The Bank has entered in to ten USD/LKR funding SWAPs amounting to USD 90 million during the year 2021 as against the borrowings of USD 90 million. These SWAP transactions have been recorded in these financial statements under hedge accounting as per the SLFRS 09: Financial Instruments.
- VII. As per the CBSL Directions the impairment provision for investments in foreign currency denominated sovereign exposures to be made based on the Probability of Default (PD) linked to the country rating. Fitch Ratings has downgraded Sri Lanka’s sovereign rating to “C” from “CC” on 13<sup>th</sup> April 2022 and accordingly the applicable PD rate was increased from 30% to 50%. Further, the ECL applicable for these exposures was adjusted to 12%.
- VIII. No circumstances have arisen and no material events have occurred since the reporting date, which require disclosures or adjustments to the financial statements.
- IX. The Group financial statements comprise a consolidation of the Bank and its Subsidiaries, Property Development PLC, Merchant Bank of Sri Lanka & Finance PLC, Hotels Colombo (1963) Limited, BOC Property Development & Management (Private) Limited, BOC Travels (Private) Limited, Ceybank Holiday Homes (Private) Limited, BOC Management & Support Services (Private) Limited, MBSL Insurance Company Limited, and Bank of Ceylon (UK) Limited and the Group’s interest in its Associate companies, Lanka Securities (Private) Limited, Southern Development Financial Company Limited, Transnational Lanka Records Solutions (Private) Limited and Ceybank Asset Management Limited.

We certify that the above financial statements give a true and fair view of the state of affairs of Bank of Ceylon and the Group as at 31 March 2022 and its profit for the three-month period ended 31 March 2022.

Sgd.  
W P Russel Fonseka  
**Chief Financial Officer**

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

- a) the above statements have been prepared in compliance with the formats and definitions prescribed by the Central Bank of Sri Lanka and Rule 7.4 of Colombo Stock Exchange and Sri Lanka Accounting Standard – LKAS 34 on “Interim Financial Reporting”.
- b) the information contained in these statements have been extracted from the un-audited financial statements of the Bank and the Group.

Sgd.  
Kanchana Ratwatte  
**Chairman**  
**(Independent Non-Executive)**

Sgd.  
A C M Fernando  
**Director**  
**(Independent Non-Executive)**

Sgd.  
K E D Sumanasiri  
**General Manager**

*13 May 2022*  
*Colombo*

As at 31 March	2022				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
<b>Financial assets</b>					
Cash and cash equivalents	-	104,664,439	-	-	104,664,439
Balances with Central Banks	-	61,589,211	-	-	61,589,211
Placements with banks	-	8,921,939	-	-	8,921,939
Securities purchased under resale agreements	-	1,537,989	-	-	1,537,989
Derivative financial instruments	24,376,605	-	-	-	24,376,605
Loans and advances	-	2,430,684,185	-	-	2,430,684,185
Financial investments	6,754,934	1,414,478,914	18,078,903	-	1,439,312,751
<b>Total financial assets</b>	<b>31,131,539</b>	<b>4,021,876,677</b>	<b>18,078,903</b>	<b>-</b>	<b>4,071,087,119</b>
Other assets				130,322,069	130,322,069
<b>Total assets</b>	<b>31,131,539</b>	<b>4,021,876,677</b>	<b>18,078,903</b>	<b>130,322,069</b>	<b>4,201,409,188</b>

	Fair value through profit or loss	Amortised Cost	Others	Total
<b>Financial liabilities</b>				
Due to banks	-	25,972,001	-	25,972,001
Securities sold under repurchase agreements	-	94,009,639	-	94,009,639
Derivative financial instruments	28,959,142	-	-	28,959,142
Other financial liabilities held for trading	-	-	-	-
Due to depositors	-	3,127,716,074	-	3,127,716,074
Other borrowings	-	599,317,292	-	599,317,292
Debt securities issued	-	-	-	-
Subordinated liabilities	-	66,036,335	-	66,036,335
<b>Total financial liabilities</b>	<b>28,959,142</b>	<b>3,913,051,341</b>	<b>-</b>	<b>3,942,010,483</b>
Other liabilities	-	-	48,061,423	48,061,423
<b>Total liabilities</b>	<b>28,959,142</b>	<b>3,913,051,341</b>	<b>48,061,423</b>	<b>3,990,071,906</b>

As at 31 December	2021				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
<b>Financial assets</b>					
Cash and cash equivalents	-	82,647,406	-	-	82,647,406
Balances with Central Banks	-	74,121,781	-	-	74,121,781
Placements with banks	-	4,957,417	-	-	4,957,417
Securities purchased under resale agreements	-	2,074,474	-	-	2,074,474
Derivative financial instruments	4,342,531	-	-	-	4,342,531
Loans and advances	-	2,413,762,291	-	-	2,413,762,291
Financial investments	9,230,022	1,082,179,876	18,302,556	-	1,109,712,454
<b>Total financial assets</b>	<b>13,572,553</b>	<b>3,659,743,245</b>	<b>18,302,556</b>	<b>-</b>	<b>3,691,618,354</b>
Other assets	-	-	-	111,665,489	111,665,489
<b>Total assets</b>	<b>13,572,553</b>	<b>3,659,743,245</b>	<b>18,302,556</b>	<b>111,665,489</b>	<b>3,803,283,843</b>

	Fair value through profit or loss	Amortised Cost	Others	Total
<b>Financial liabilities</b>				
Due to banks	-	17,936,070	-	17,936,070
Securities sold under repurchase agreements	-	162,156,413	-	162,156,413
Derivative financial instruments	380,328	-	-	380,328
Due to depositors	-	2,866,894,010	-	2,866,894,010
Other borrowings	-	444,107,977	-	444,107,977
Debt securities issued	-	-	-	-
Subordinated liabilities	-	64,358,855	-	64,358,855
<b>Total financial liabilities</b>	<b>380,328</b>	<b>3,555,453,325</b>	<b>-</b>	<b>3,555,833,653</b>
Other liabilities	-	-	46,690,358	46,690,358
<b>Total liabilities</b>	<b>380,328</b>	<b>3,555,453,325</b>	<b>46,690,358</b>	<b>3,602,524,011</b>

As at 31 March		2022			
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
<b>Financial assets</b>					
Cash and cash equivalents	-	104,765,992	-	-	104,765,992
Balances with Central Banks	-	61,589,211	-	-	61,589,211
Placements with banks	-	9,878,248	-	-	9,878,248
Securities purchased under resale agreements	-	1,790,687	-	-	1,790,687
Derivative financial instruments	24,376,605	-	-	-	24,376,605
Loans and advances	-	2,466,219,396	-	-	2,466,219,396
Financial investments	7,055,532	1,415,260,989	23,620,260	-	1,445,936,781
<b>Total financial assets</b>	<b>31,432,137</b>	<b>4,059,504,523</b>	<b>23,620,260</b>	<b>-</b>	<b>4,114,556,920</b>
Other assets	-	-	-	136,544,123	136,544,123
<b>Total assets</b>	<b>31,432,137</b>	<b>4,059,504,523</b>	<b>23,620,260</b>	<b>136,544,123</b>	<b>4,251,101,043</b>

	Fair value through profit or loss	Amortised cost	Others	Total
<b>Financial liabilities</b>				
Due to banks	-	26,091,988	-	26,091,988
Securities sold under repurchase agreements	-	94,123,676	-	94,123,676
Derivative financial instruments	28,959,142	-	-	28,959,142
Other financial liabilities held for trading	-	-	-	-
Due to depositors	-	3,146,490,499	-	3,146,490,499
Other borrowings	-	606,163,391	-	606,163,391
Debt securities issued	-	2,363,041	-	2,363,041
Subordinated liabilities	-	65,776,959	-	65,776,959
<b>Total financial liabilities</b>	<b>28,959,142</b>	<b>3,941,009,554</b>	<b>-</b>	<b>3,969,968,696</b>
Other liabilities	-	-	53,560,347	53,560,347
<b>Total liabilities</b>	<b>28,959,142</b>	<b>3,941,009,554</b>	<b>53,560,347</b>	<b>4,023,529,043</b>

As at 31 December		2021			
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
<b>Financial assets</b>					
Cash and cash equivalents	-	82,313,908	-	-	82,313,908
Balances with Central Banks	-	74,121,781	-	-	74,121,781
Placements with banks	-	5,342,369	-	-	5,342,369
Securities purchased under resale agreements	-	2,976,664	-	-	2,976,664
Derivative financial instruments	4,342,531	-	-	-	4,342,531
Loans and advances to customers	-	2,446,330,329	-	-	2,446,330,329
Financial investments	9,640,813	1,082,837,662	22,879,810	-	1,115,358,285
<b>Total financial assets</b>	<b>13,983,344</b>	<b>3,693,922,713</b>	<b>22,879,810</b>	<b>-</b>	<b>3,730,785,867</b>
Other assets	-	-	-	117,163,889	117,163,889
<b>Total assets</b>	<b>13,983,344</b>	<b>3,693,922,713</b>	<b>22,879,810</b>	<b>117,163,889</b>	<b>3,847,949,756</b>

	Fair value through profit or loss	Amortised cost	Others	Total
<b>Financial liabilities</b>				
Due to banks	-	18,646,339	-	18,646,339
Securities sold under repurchase agreements	-	161,668,335	-	161,668,335
Derivative financial instruments	380,328	-	-	380,328
Due to depositors	-	2,886,237,094	-	2,886,237,094
Other borrowings	-	447,875,002	-	447,875,002
Debt securities issued	-	2,107,182	-	2,107,182
Subordinated liabilities	-	64,105,970	-	64,105,970
<b>Total financial liabilities</b>	<b>380,328</b>	<b>3,580,639,922</b>	<b>-</b>	<b>3,581,020,250</b>
Other liabilities	-	-	51,532,729	51,532,729
<b>Total liabilities</b>	<b>380,328</b>	<b>3,580,639,922</b>	<b>51,532,729</b>	<b>3,632,552,978</b>

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount	
					31.03.2022	31.12.2021		Bank	
								31.03.2022	31.12.2021
					%	%	%	Rs '000	Rs '000
Sri Lanka rupee debentures									
Fixed interest rate									
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2022	13.25	13.25	11.64	1,266,489	1,227,205
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	25.10.2013	24.10.2023	13.75	13.75	12.73	1,691,880	1,637,573
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	22.09.2014	21.09.2022	8.25	8.25	12.06	1,911,421	1,873,393
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	06.10.2015	05.10.2023	9.50	9.50	12.60	1,233,496	1,205,286
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2024	12.75	12.75	14.01	808	784
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	29.12.2017	28.12.2022	12.50	12.50	11.93	5,150,760	5,003,321
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	29.12.2017	28.12.2025	12.75	12.75	14.23	5,153,554	5,003,300
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	31.07.2018	30.07.2026	12.00	12.00	15.09	7,226,108	7,026,897
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	03.12.2018	02.12.2023	12.00	12.00	13.41	5,498,929	5,347,308
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	27.06.2019	26.06.2024	11.75	11.75	14.01	3,264,865	3,176,646
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	17.07.2019	16.07.2024	11.80	11.80	13.44	1,134,883	1,104,096
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	18.07.2019	17.07.2024	11.80	11.80	13.44	2,379,729	2,315,172
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	23.07.2019	22.07.2024	11.80	11.80	13.44	2,699,732	2,626,523
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	24.07.2019	23.07.2024	11.50	11.50	13.44	431,088	419,672
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	26.07.2019	25.07.2027	11.75	11.75	14.46	65,958	64,176
								39,109,700	38,031,352
Floating interest rate									
Listed, Unsecured, subordinated, redeemable debentures (6 months TB ( Gross ) rate plus 50 basis points)	a/b	Semi annually	22.09.2014	21.09.2022	6.45	6.45	12.06	30	31
Listed, Unsecured, subordinated, redeemable debentures (6 months TB ( Gross ) rate plus 125 basis points)	a/b	Semi annually	06.10.2015	05.10.2023	6.35	6.35	12.60	2,103,512	2,070,535
Listed, Unsecured, subordinated, redeemable debentures (6 months TB ( Gross ) rate plus 125 basis points)	a/b	Semi annually	29.12.2016	28.12.2024	9.35	9.35	14.01	20	20
Unlisted, Unsecured, subordinated, redeemable debentures (6 months TB ( Gross ) rate plus 250 basis points with a floor rate of 9.0%)	a/b	Semi annually	22.11.2021	22.11.2026	10.53	10.53	14.99	5,599,446	5,459,537.00
								7,703,008	7,530,123
Additional Tier I capital bond									
Unlisted, Unsecured, subordinated, perpetual capital bond (12 months TB (Net) rate plus 150 basis points with a Floor rate of 9.5%)		Annually	06.07.2020	N/A	9.50	9.50	-	5,345,512	5,226,898
Unlisted, Unsecured, subordinated, perpetual capital bond (Weighted average 12 months TB (Net) rate plus 150 basis points with a Floor rate of 9.0%)		Annually	01.12.2020	N/A	9.00	9.00	-	10,308,672	10,076,290
Unlisted, Unsecured, subordinated, perpetual capital bond (Weighted average 12 months TB (Net) rate plus 150 basis points with a Floor rate of 9%)		Annually	06.07.2021	N/A	9.00	9.00	-	3,569,444	3,494,192
								19,223,628	18,797,380
								66,036,335	64,358,855

**Notes**

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

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



	01-Jan-2022 to 31-Mar-2022 Rs.	01-Jan-2021 to 31-Dec-2021 Rs.
<b>Market Value</b>		
<b>BoC Debentures 2013/2023 ,</b>		
Unsecured, subordinated, redeemable, 8 years, fixed rate (13.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 100 basis points )	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 9 years, fixed rate (13.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 10 years, fixed rate (13.75%)	Not Traded	Not Traded
<b>BoC Debentures 2014/2022 ,</b>		
Unsecured, subordinated, redeemable, 8 years, fixed rate (8.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 50 basis points )	Not Traded	Not Traded
<b>BoC Debentures 2015/2023</b>		
Unsecured, subordinated, redeemable, 8 years, fixed rate (9.50%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 125 basis points )	Not Traded	Not Traded
<b>BoC Debentures 2016/2024</b>		
Unsecured, subordinated, redeemable, 5 years, fixed rate (13.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 5 years, floating rate (06 months TB rate (Gross) plus 125 basis points )	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, fixed rate (12.75%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 125 basis points )	Not Traded	Not Traded

	31-Mar-2022 %	31-Dec-2021 %
<b>Interest yield as at date of last trade done</b>		
<b>BoC Debentures 2013/2023 ,</b>		
8 years, fixed rate (13.25%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 100 basis points )	Not Traded	Not Traded
9 years, fixed rate (13.25%)	Not Traded	Not Traded
10 years, fixed rate (13.75%)	Not Traded	Not Traded
<b>BoC Debentures 2014/2022 ,</b>		
8 years, fixed rate (8.25%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 50 basis points )	Not Traded	Not Traded
<b>BoC Debentures 2015/2023 ,</b>		
8 years, fixed rate (9.50%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points )	Not Traded	Not Traded
<b>BoC Debentures 2016/2024 ,</b>		
5 years, fixed rate (13.25%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points )	Not Traded	Not Traded
8 years, fixed rate (12.75%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points )	Not Traded	Not Traded
<b>Yield to maturity of last trade done</b>		
<b>BoC Debentures 2013/2023 ,</b>		
8 years, fixed rate (13.25%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 100 basis points )	Not Traded	Not Traded
9 years, fixed rate (13.25%)	Not Traded	Not Traded
10 years, fixed rate (13.75%)	Not Traded	Not Traded
<b>BoC Debentures 2014/2022 ,</b>		
8 years, fixed rate (8.25%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 50 basis points )	Not Traded	Not Traded
<b>BoC Debentures 2015/2023 ,</b>		
8 years, fixed rate (9.50%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points )	Not Traded	Not Traded
<b>BoC Debentures 2016/2024 ,</b>		
5 years, fixed rate (13.25%)	Not Traded	Not Traded
5 years, floating rate (06 months TB rate (Gross) plus 125 basis points )	Not Traded	Not Traded
8 years, fixed rate (12.75%)	Not Traded	Not Traded
8 years, floating rate (06 months TB rate (Gross) plus 125 basis points )	Not Traded	Not Traded

1 Loans and advances to customers

As at	Bank		Group	
	31.03.2022 Rs '000	31.12.2021 Rs '000	31.03.2022 Rs '000	31.12.2021 Rs '000
Gross loans and receivables	2,634,274,721	2,576,668,173	2,673,252,254	2,612,567,332
Stage 1	2,002,929,506	2,170,496,529	2,021,004,430	2,186,408,859
Stage 2	344,825,901	155,013,917	349,856,435	159,836,766
Stage 3	286,519,314	251,157,727	302,391,389	266,321,707
Less : Accumulated impairment	203,590,536	162,905,882	207,032,858	166,237,003
Stage 1	31,246,012	24,417,936	31,373,417	24,541,662
Stage 2	23,835,853	15,122,165	23,964,467	15,247,177
Stage 3	148,508,671	123,365,781	151,694,974	126,448,164
<b>Net loans and advances</b>	<b>2,430,684,185</b>	<b>2,413,762,291</b>	<b>2,466,219,396</b>	<b>2,446,330,329</b>

2) Loans and advances to customers - By product

As at	Bank		Group	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
<b>Local currency</b>				
Overdrafts	346,634,603	552,351,927	346,449,831	552,155,012
Term loans	673,999,349	683,740,104	679,412,624	688,030,779
Lease rentals receivable	20,061,094	24,150,424	33,932,052	37,846,935
Credit cards	6,430,940	6,151,267	6,430,940	6,151,267
Pawning	87,269,346	82,975,731	92,668,862	88,230,314
Housing loans	80,537,183	79,420,418	80,627,159	79,459,457
Trade finance	43,415,269	41,550,553	48,065,239	45,133,465
Personal loans	453,389,857	446,225,539	455,348,218	448,254,975
Staff loans	25,979,929	23,528,091	26,186,113	23,737,202
Foreclosed properties	3,016,307	3,084,102	3,016,307	3,084,102
Other loans	40,184,705	40,217,888	40,184,705	40,217,888
<b>Total local currency loans and advances</b>	<b>1,780,918,582</b>	<b>1,983,396,044</b>	<b>1,812,322,050</b>	<b>2,012,301,396</b>
<b>Foreign currency</b>				
Overdrafts	49,423,273	35,597,630	49,895,942	35,912,095
Term loans	732,759,912	505,852,356	738,151,151	510,774,683
Trade finance	63,276,558	46,478,224	64,979,757	48,231,867
Housing loans	349,388	367,703	349,388	367,703
Staff loans	21,794	16,247	28,752	19,619
Foreclosed properties	7,020	5,135	7,020	5,135
Other loans	7,518,194	4,954,834	7,518,194	4,954,834
<b>Total foreign currency loans and advances</b>	<b>853,356,139</b>	<b>593,272,129</b>	<b>860,930,204</b>	<b>600,265,936</b>
<b>Total loans and advances to customers</b>	<b>2,634,274,721</b>	<b>2,576,668,173</b>	<b>2,673,252,254</b>	<b>2,612,567,332</b>

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

	Bank			
	Stage 1	Stage 2	Stage 3	Total
Opening balance (01 January)	24,417,936	15,122,165	123,365,781	162,905,882
Charge / ( reversal ) during the period	3,121,254	7,978,642	24,736,862	35,836,758
Amount recovered during the period	-	-	(1,930,647)	(1,930,647)
Exchange rate variance on foreign currency impairment	3,706,822	735,046	1,626,135	6,068,003
Amount written-off during the period	-	-	82,119	82,119
Other movements	-	-	628,421	628,421
<b>Closing balance as at 31 March 2022</b>	<b>31,246,012</b>	<b>23,835,853</b>	<b>148,508,671</b>	<b>203,590,536</b>

  

	Group			
	Stage 1	Stage 2	Stage 3	Total
Opening balance (01 January)	24,541,662	15,247,177	126,448,164	166,237,003
Charge / ( reversal ) during the period	3,124,933	7,982,244	24,688,240	35,795,417
Amount recovered during the period	-	-	(1,930,647)	(1,930,647)
Exchange rate variance on foreign currency impairment	3,706,822	735,046	1,626,135	6,068,003
Amount written-off during the period	-	-	82,119	82,119
Other movements	-	-	780,963	780,963
<b>Closing balance as at 31 March 2022</b>	<b>31,373,417</b>	<b>23,964,467</b>	<b>151,694,974</b>	<b>207,032,858</b>

Rs.'000

4) Contingent liabilities and commitments

As at	Bank		Group	
	31-Mar-2022	31-Dec-2021	31-Mar-2022	31-Dec-2021
<b>By product - Domestic currency</b>				
Acceptances and documentary credits	300,399,949	258,672,506	300,399,949	258,672,506
Bills for collection	33,647,413	24,201,496	33,647,413	24,201,496
Forward exchange contracts	177,995,095	123,308,995	177,995,095	123,308,995
Guarantees	155,420,125	151,518,597	155,612,955	151,677,096
Undrawn and undisbursed facilities	141,756,775	153,080,622	141,756,792	153,080,636
Other commitments	17,068,616	17,061,108	18,034,820	17,855,292
<b>Total domestic currency contingent liabilities and commitments</b>	<b>826,287,973</b>	<b>727,843,324</b>	<b>827,447,024</b>	<b>728,796,021</b>
<b>By product - Foreign currency</b>				
Acceptances and documentary credits	24,502,330	15,742,566	25,037,902	16,250,430
Bills for collection	6,142,416	4,939,970	6,142,416	4,939,970
Forward exchange contracts	136,392,284	3,288,463	136,392,284	3,288,463
Guarantees	7,822,034	5,830,333	7,822,034	5,830,333
Undrawn and undisbursed facilities	30,349,908	11,159,452	30,472,480	11,275,683
Other commitments	110,601,013	110,552,367	128,732,075	127,390,596
<b>Total foreign currency contingent liabilities and commitments</b>	<b>315,809,985</b>	<b>151,513,151</b>	<b>334,599,191</b>	<b>168,975,475</b>
<b>Total Contingent liabilities and commitments</b>	<b>1,142,097,958</b>	<b>879,356,475</b>	<b>1,162,046,215</b>	<b>897,771,496</b>

5) Financial liabilities at amortised cost

Due to depositors - By product

As at	Bank		Group	
	31-Mar-2022	31-Dec-2021	31-Mar-2022	31-Dec-2021
<b>Local currency</b>				
Demand deposits (current accounts)	147,220,113	177,165,938	146,916,752	176,742,512
Savings deposits	681,761,763	680,053,160	680,107,522	680,964,033
Time deposits	1,412,353,056	1,388,690,770	1,428,356,585	1,405,966,371
Other deposits	6,643,176	7,824,661	6,649,021	7,832,191
<b>Total local currency deposits</b>	<b>2,247,978,108</b>	<b>2,253,734,529</b>	<b>2,262,029,880</b>	<b>2,271,505,107</b>
<b>Foreign currency</b>				
Demand deposits (current accounts)	46,114,806	34,897,193	47,163,159	35,562,840
Savings deposits	185,410,725	130,077,505	186,551,665	130,843,659
Time deposits	646,082,486	446,734,788	648,615,846	446,875,493
Other deposits	2,129,949	1,449,995	2,129,949	1,449,995
<b>Total foreign currency deposits</b>	<b>879,737,966</b>	<b>613,159,481</b>	<b>884,460,619</b>	<b>614,731,987</b>
<b>Total due to depositors</b>	<b>3,127,716,074</b>	<b>2,866,894,010</b>	<b>3,146,490,499</b>	<b>2,886,237,094</b>

Rs. '000

For the three months ended 31st March	Retail banking		Corporate banking		International,treasury and investment		Group functions		Unallocated		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<b>Revenue from external customers:</b>												
Net interest income	11,738,724	11,293,201	11,400,179	5,083,114	13,492,309	7,840,545	1,082,409	954,168	3,174,663	(585,448)	40,888,284	24,585,580
Net fee and commission income	2,882,821	2,231,924	731,956	573,812	156,684	252,283	51,761	61,907	155,408	184,354	3,978,631	3,304,280
Other income	1,089,969	49,192	17,534,219	2,650,345	14,041,840	2,318,508	280,415	290,122	17,109	57,613	32,963,552	5,365,780
<b>Total operating income</b>	<b>15,711,514</b>	<b>13,574,317</b>	<b>29,666,354</b>	<b>8,307,271</b>	<b>27,690,833</b>	<b>10,411,336</b>	<b>1,414,585</b>	<b>1,306,197</b>	<b>3,347,181</b>	<b>(343,481)</b>	<b>77,830,467</b>	<b>33,255,640</b>
<b>Expenses :</b>												
Impairment (charge)/reversal for loans and other losses	(5,604,580)	(1,774,524)	(27,836,307)	(2,441,076)	(21,385,158)	(508,680)	35,015	166,222	(245,379)	(75,202)	(55,036,409)	(4,633,260)
Total operation expenses	(6,684,968)	(5,515,372)	(1,642,154)	(2,274,549)	(1,644,071)	(1,645,361)	(1,250,656)	(849,119)	(196,831)	(236,665)	(11,418,680)	(10,521,066)
<b>Total expenses</b>	<b>(12,289,548)</b>	<b>(7,289,896)</b>	<b>(29,478,461)</b>	<b>(4,715,626)</b>	<b>(23,029,229)</b>	<b>(2,154,041)</b>	<b>(1,215,641)</b>	<b>(682,897)</b>	<b>(442,210)</b>	<b>(311,867)</b>	<b>(66,455,089)</b>	<b>(15,154,326)</b>
<b>Operating profit before taxes on financial services</b>	<b>3,421,966</b>	<b>6,284,421</b>	<b>187,893</b>	<b>3,591,646</b>	<b>4,661,604</b>	<b>8,257,295</b>	<b>198,944</b>	<b>623,300</b>	<b>2,904,971</b>	<b>(655,348)</b>	<b>11,375,378</b>	<b>18,101,314</b>
Taxes on financial services											(2,380,837)	(2,774,624)
<b>Operating profit after taxes on financial services</b>											<b>8,994,541</b>	<b>15,326,690</b>
Share of profits/ (losses) of associate companies, net of tax							37,387	51,663			37,387	51,663
<b>Profit /(loss) before income tax</b>	<b>3,421,966</b>	<b>6,284,421</b>	<b>187,893</b>	<b>3,591,646</b>	<b>4,661,604</b>	<b>8,257,295</b>	<b>236,331</b>	<b>674,963</b>	<b>2,904,971</b>	<b>(655,348)</b>	<b>9,031,928</b>	<b>15,378,353</b>
Income tax expense											(3,476,731)	(1,987,138)
<b>Profit for the period</b>											<b>5,555,197</b>	<b>13,391,215</b>
<b>Total assets</b>	<b>1,023,418,938</b>	<b>950,377,372</b>	<b>1,415,696,354</b>	<b>1,247,948,249</b>	<b>1,552,894,312</b>	<b>817,601,847</b>	<b>49,691,855</b>	<b>46,169,103</b>	<b>209,399,584</b>	<b>129,498,414</b>	<b>4,251,101,043</b>	<b>3,191,594,985</b>
<b>Total liabilities</b>	<b>971,939,406</b>	<b>898,863,555</b>	<b>1,344,484,671</b>	<b>1,180,305,038</b>	<b>1,474,781,363</b>	<b>773,284,933</b>	<b>33,457,138</b>	<b>32,934,468</b>	<b>198,866,465</b>	<b>122,479,143</b>	<b>4,023,529,043</b>	<b>3,007,867,137</b>
Cash flows from operating activities	33,583,125	(28,910,114)	63,140,906	(17,212,932)	55,017,443	(21,684,109)	(9,646,532)	(13,523,478)	7,103,467	689,666	149,198,409	(80,640,967)
Cash flows used in investing activities	(74,378,343)	4,064,288	(102,887,630)	5,336,850	(112,858,676)	3,496,474	(1,270,933)	93,018	(15,218,395)	553,800	(306,613,978)	13,544,429
Cash flows from financing activities	84,045,969	17,912,321	46,871,790	23,520,815	25,860,298	15,409,823	12,170,565	15,617,267	4,848,806	2,440,733	173,797,428	74,900,959
Capital expenditure to non-current assets											443,949	568,036
Depreciation and amortization expenses	236,566	311,206	327,241	408,648	358,955	267,728	8,812	67,534	48,403	42,405	979,977	1,097,520

**During the period from 01.01.2015 to 31.03.2022**

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