SEYLAN BANK PLC FINANCIAL STATEMENTS Three months ended 31st March, 2017



INCOME STATEMENT		BANK				Rs. '000	
(In terms of Rule 7.4 of the Colombo Stock Exchange)		BANK			GROUP		
		months ended 3		For the three months ende			
	2017	2016	Growth %	2017	2016	Growth %	
interest Income	10,120,010	6,954,329	45.52	10,123,349	6,958,076	45.49	
Less: Interest Expenses	6,564,655	4,015,359	63.49	6,558,871	4,010,932	63.52	
Net Interest Income	3,555,355	2,938,970	20.97	3,564,478	2,947,144	20.95	
Fee and Commission Income	905,095	725,560	24.74	905,081	725,555	24.74	
Less: Fee and Commission Expenses	36,525	30,352	20.34	38,056	31,964	19.06	
Net Fee and Commission Income	868,570	695,208	24.94	867,025	693,591	25.01	
Net Trading Income	(89,141)	(516,324)	82.74	(90,706)	(516,924)	82.45	
Net Gain from Financial Investments	(4,096)	36,664	(111.17)	(4,096)	36,664	(111.17	
Net Exchange Income	244,103	285,123	(14.39)	244,103	285,123	(14.39	
Other Operating Income (Net)	148,012	126,558	16.95	95,697	89,075	7.43	
	298,878	(67,979)	539.66	244,998	(106,062)	331.00	
Total Operating Income	4,722,803	3,566,199	32.43	4,676,501	3,534,673	32.30	
Less: Impairment for Loans and Other Losses - Charges/(Reversal)							
Individual Impairment	050 005	70,604	258.90	050 005	70.004	258.90	
•	253,395			253,395	70,604		
Collective Impairment Others	83,889	13,324 413	529.61	83,889 8,465	13,324 413	529.61	
Others	8,465 345,749	84,341	1,949.64 309.94	345,749	84,341	1,949.64 309.94	
Not Onevoting Income	4,377,054	, ,	25.71	4,330,752	, ,	25.52	
Net Operating Income	4,377,004	3,481,858	20.71	4,330,732	3,450,332	20.02	
Personnel Expenses	1,326,536	1,134,408	16.94	1,335,460	1,142,785	16.86	
Depreciation and Amortisation	164,745	140,529	17.23	176,114	152,053	15.82	
Other Expenses	1,214,240	997,974	21.67	1,190,855	982,327	21.23	
	2,705,521	2,272,911	19.03	2,702,429	2,277,165	18.68	
Operating Profit before Taxes	1,671,533	1,208,947	38.26	1,628,323	1,173,167	38.80	
Value Added Tax (VAT) and Nation Building Tax (NBT) on Financial Services	415,740	237,376	75.14	405,507	237,376	70.83	
Profit before Income Tax	1,255,793	971,571	29.25	1,222,816	935,791	30.67	
Income Tax Expense	389,613	251,315	55.03	399,119	258,210	54.57	
Profit for the Period	866,180	720,256	20.26	823,697	677,581	21.56	
Attributable to:	000,100	120,200	20.20	023,097	011,001	21.00	
Owners of the Parent	866,180	720,256	20.26	818,475	673,539	21.52	
Non-Controlling Interest	-		-	5,222	4,042	29.19	
Profit for the Period	866,180	720,256	20.26	823,697	677,581	21.56	
Basic/Diluted Earnings per Ordinary Share (in Rupees)	2.51	2.09	20.22	2.37	1.95	21.48	

CASH FLOW STATEMENT				Rs. '000
	BAN	1K	GRO	UP
For the 03 Months ended 31st March	2017	2016	2017	2016
Cash Flows from Operating Activities				
Interest Receipts Fees and Commission Receipts Interest Payments Trading Income Receipts/Payments from Other Operating Activities Cash Payments to Employees and Suppliers Cash Payments to Other Operating Activities	10,314,083 905,095 (6,257,872) (145,346) (445,069) (2,860,707) (36,525)	6,995,318 725,560 (3,898,147) (529,034) 322,602 (2,554,504) (30,352)	10,321,210 905,081 (6,252,088) (146,911) (427,168) (2,828,175) (38,056)	6,999,065 725,555 (3,893,720) (529,634) 342,058 (2,490,438) (31,964)
Operating Profit before Changes in Operating Assets and Liabilities	1,473,659	1,031,443	1,533,893	1,120,922
(Increase)/Decrease in Operating Assets: Loans and Receivables to Customers Deposits Held for Regulatory or Monetary Control Purposes Increase/(Decrease) in Operating Liabilities:	(6,027,371) (459,742)	(8,474,196) (3,862,386)	(6,027,371) (459,742)	(8,474,196) (3,862,386)
Deposits from Customers Certificates of Deposit from Customers Cash used in Operations	845,923 (581,439) (4,748,970)	1,274,521 (298,996) (10,329,614)	845,923 (581,439) (4,688,736)	1,274,521 (298,996) (10,240,135)
Income Tax Paid Contribution Paid into Employees Retirement Benefit Plan/to Employees	(304,606) (21,064)	(176,664) (24,989)	(304,606) (21,064)	(176,664) (24,989)
Net Cash used in Operating Activities	(5,074,640)	(10,531,267)	(5,014,406)	(10,441,788)
Cash Flows from Investing Activities				
Investment in Subsidiary Company Dividend Income Received Net Proceeds From Sale, Maturity and Purchase of Financial Investments of Government of Sri Lanka Treasury Bills/Bonds and Development Bonds Maturing after 03 months Reverse Repurchase Agreements Maturing after 03 Months Net Proceeds From Sale, Maturity and Purchase of Financial Investments of Shares and Debentures Purchase of Property, Plant & Equipment and Intangible Assets Proceeds From Sale Of Property, Plant & Equipment Improvements to Investment Properties	4,801 (7,746,854) (1,100) 52,379 (126,853) 505	(1,673) 2,141 (5,422,817) - 282,784 (171,995) 12,586	4,801 (7,746,854) (1,100) 104,189 (126,853) 505 (4,147)	2,141 (5,422,817) 289,852 (173,592) 12,586
Net Cash Used in Investing Activities	(7,817,122)	(5,298,974)	(7,769,459)	(5,291,830)
Cash Flows from Financing Activities				
Securities Sold under Repurchase Agreements Increase/(Decrease) in Other Borrowings Dividends Paid - Ordinary Shares	8,268,138 3,924,816 (3,395)	17,984,342 (219,687) (205)	8,268,138 3,857,464 (43,950)	17,984,342 (307,435) (9,080)
Net Cash Generated from Financing Activities	12,189,559	17,764,450	12,081,652	17,667,827
Net Increase/(Decrease) in Cash and Cash Equivalents Cash and Cash Equivalents at beginning of the Year	(702,203) 23,277,093	1,934,209 14,682,092	(702,213) 23,277,143	1,934,209 14,682,142
Cash and Cash Equivalents at end of the Period	22,574,890	16,616,301	22,574,930	16,616,351
Reconciliation of Cash and Cash Equivalents Cash and Cash Equivalents Government of Sri Lanka Treasury Bills/Bonds and Development Bonds Maturing within 03 Months Securities Purchased under Resale Agreements Maturing within 03 Months	8,845,830 6,420,689 7,308,371	7,497,370 3,821,997 5,296,934	8,845,870 6,420,689 7,308,371	7,497,420 3,821,997 5,296,934
	22,574,890	16,616,301	22,574,930	16,616,351

(In terms of Rule 7.4 of the Colombo Stock Exchange)		Bank			Group		
(For the Thre	e Months Ende	d 31st March	For the Three Months Ended 31st M			
	2017	2016	Growth%	2017	2016	Growth%	
Profit for the Period	866,180	720,256	20.26	823,697	677,581	21.56	
Other Community Income (II can) Net of Tour							
Other Comprehensive Income/(Loss), Net of Tax							
let Gain/(Loss) on Re-measuring Available-for-Sale Financial Assets	47,943	(2,391,504)	102.00	47,525	(2,393,549)	101.99	
other Comprehensive Income/(Loss) for the Period, Net of Taxes	47,943	(2,391,504)	102.00	47,525	(2,393,549)	101.99	
otal Comprehensive Income/(Loss) for the Period	914,123	(1,671,248)	154.70	871,222	(1,715,968)	150.77	
ttributable to:							
wners of the Parent	914,123	(1,671,248)	154.70	866,123	(1,719,405)	150.37	
Ion-Controlling Interest	-	-		5,099	3,437	48.36	
Total Comprehensive Income/(Loss) for the Period	914,123	(1,671,248)	154.70	871,222	(1,715,968)	150.77	

STATEMENT OF FINANCIAL POSITION						Rs. '000
In terms of Rule 7.4 of the Colombo Stock Exchange)		Bank			Group	
	As at 31.03.2017	As at 31.12.2016	Growth %	As at 31.03.2017	As at 31.12.2016	Growth %
Assets						
Cash and Cash Equivalents	8,845,830	8,336,143	6.11	8,845,870	8,336,193	6.11
Balances with Central Bank of Sri Lanka	16,671,360	16,211,618	2.84	16,671,360	16,211,618	2.84
Placements with Banks and Finance Companies	-	334,230	(100.00)	-	334,230	(100.00)
Perivative Financial Instruments	92,462	115,707	(20.09)	92,462	115,707	(20.09)
ther Financial Assets Held-for-Trading	7,768,373	9,060,416	(14.26)	7,773,545	9,066,980	(14.27)
ecurities Purchased under Resale Agreements	7,309,471	7,317,022	(0.10)	7,309,471	7,317,022	(0.10)
ustomer Loans and Receivables	242,531,491	236,020,197	2.76	242,531,491	236,020,197	2.76
inancial Investments - Available-for-Sale	53,100,223	45,863,945	15.78	53,135,858	45,900,746	15.76
inancial Investments - Held-to-Maturity	18,968,311	18,412,060	3.02	18,982,367	18,479,155	2.72
vestment in Subsidiary	1,153,602	1,153,602	-	-	-	-
roup Balances Receivable	100,424	30,102	233.61	-	-	-
roperty, Plant & Equipment	4,295,263	4,329,522	(0.79)	5,930,319	5,971,693	(0.69)
easehold Rights	41,885	42,370	(1.14)	588,364	590,701	(0.40)
vestment Properties	-	-	-	855,822	854,078	0.20
tangible Assets	258,964	262,112	(1.20)	258,964	262,112	(1.20)
ssets Held-for-Sale	-	-	-	204,535	226,827	(9.83)
eferred Tax Assets	81,370	-		19,599	-	
ther Assets	8,058,454	8,523,510	(5.46)	8,000,155	8,562,182	(6.56)
otal Assets	369,277,483	356,012,556	3.73	371,200,182	358,249,441	3.62
abilities						
ue to Banks	22,352,961	17,728,293	26.09	22,352,961	17,728,293	26.09
erivative Financial Instruments	11,169	86,654	(87.11)	11,169	86,654	(87.11)
ustomer Deposits	274,120,849	273,456,344	0.24	274,120,849	273,456,344	0.24
ecurities Sold under Repurchase Agreements	24,289,428	15,976,518	52.03	24,289,428	15,976,518	52.03
ther Borrowings	23,702	21,249	11.54	23,702	21,249	11.54
roup Balances Payable	307,638	226,351	35.91	20,702	21,243	11.04
ebentures	12,272,510	12,493,645	(1.77)	12,272,510	12,493,645	(1.77)
urrent Tax Liabilities	753,859	750,385	0.46	761,957	757,467	0.59
eferred Tax Liabilities	733,039	11,874	(100.00)	701,937	70,959	(100.00)
ther Liabilities	6,881,538	7,488,961	(8.11)	6,866,221	7,572,848	(9.33)
and the billion	044 040 654	000 040 074	2.00	040 000 707	000 100 077	2.00
tal Liabilities	341,013,654	328,240,274	3.89	340,698,797	328,163,977	3.82
uity	11 000 000	10 500 704	6.69	11 200 000	10 500 704	6 60
ated Capital	11,228,269	10,529,724	6.63	11,228,269	10,529,724	6.63
atutory Reserve Fund	1,387,964	1,387,964	- (1.70)	1,387,964	1,387,964	(0.00
etained Earnings	13,798,516	14,050,233	(1.79)	14,005,503	14,304,925	(2.09)
ther Reserves otal Shareholders' Equity	1,849,080 28,263,829	1,804,361 27,772,282	1.77	2,842,085 29,463,821	2,797,661 29,020,274	1.59 1.53
on-Controlling Interest		_		1,037,564	1,065,190	(2.59)
•						
tal Equity	28,263,829	27,772,282	1.77	30,501,385	30,085,464	1.38
tal Equity & Liabilities	369,277,483	356,012,556	3.73	371,200,182	358,249,441	3.62
ontingent Liabilities and Commitments	89,816,595	64,110,695	40.10	89,883,595	64,184,994	40.04
emorandum Information						
umber of Employees	3,154	3,165	(0.35)	3,184	3,194	(0.31
umber of Banking Centres	166	166	-	166	166	

	Current	Comparativ
	Period	Period
	01-January-17 to 31-March-17	01-January-10 31-March-1
Debt/Equity Ratio (Times)	0.43	0.32
Interest Cover (Times)	4.59	6.26
Quick Asset Ratio (Times)	0.72	0.73
2013/2018 Issue		
Market Prices during January to March (EX Interest)		
Annual Interest - 15.50% p.a.	*	*
Semi Annual Interest - 15.00% p.a.	*	*
Monthly Interest - 14.50% p.a.	*	*
Interest Yield As At Date of Last Trade	*	*
Yield to Maturity of Trade Done on	*	*
Interest Rate of Comparable Government Security	11.14%	11.80%
2014 Issue		
Market Prices during January to March (EX Interest)		
4 Years Fixed Semi Annual - 8.00% p.a.	*	*
5 Years Fixed Semi Annual - 8.35% p.a.	*	*
5 Years Fixed Annual - 8.60% p.a.	*	*
6 Years Fixed Semi Annual - 8.60% p.a.	*	*
6 Years Fixed Annual - 8.75% p.a.	*	*
Interest Yield As At Date of Last Trade	*	*
Yield to Maturity of Trade Done on	*	*
Interest Rate of Comparable Government Security		
- 4 Years	11.44%	11.78%
- 5 Years	12.06%	12.41%
- 6 Years	12.24%	12.52%
2016 Issue		
Market Prices during January to March (EX Interest)	*	
5 Years Fixed Semi Annual - 13.00% p.a 5 Years Floating Semi Annual - 11.93% p.a.	*	
7 Years Fixed Semi Annual - 11.95% p.a.		
- Highest Price	101.00	
- Lowest Price	100.00	
- Last Traded Price (09/03/2017)	100.00	
Interest Yield As At Date of Last Trade		
Five Year Fixed Semi Annual - 13.00% p.a	*	
Five Year Floating Semi Annual - 11.93% p.a.	*	
Seven Year Fixed Semi Annual - 13.75% p.a (09/03/2017)	14.22%	
Yield to Maturity of Trade Done on		
Five Year Fixed Semi Annual - 13.00% p.a	*	
Five Year Floating Semi Annual - 11.93% p.a. Seven Year Fixed Semi Annual - 13.75% p.a (09/03/2017)	13.74%	
Interest Rate of Comparable Government Security		
- 5 Years	12.54%	
- 7 Years	12.77%	

SELECTED PERFORMANCE INDICATORS										
	В	ANK	G	ROUP						
	31.03.2017	31.12.2016	31.03.2017	31.12.2016						
Regulatory Capital Adequacy										
Core Capital (Tier 1 Capital) Rs. '000	25,304,915	25,805,714	26,102,822	26,541,752						
Total Capital Base Rs. '000	30,760,686	31,661,485	31,506,148	32,344,980						
Core Capital Adequacy Ratio as a % of Risk Weighted Assets (Minimum Requirement 5%)	10.39	10.74	10.63	10.94						
Total Capital Adequacy Ratio as a % of Risk Weighted Assets (Minimum Requirement 10%)	12.63	13.18	12.83	13.33						
Assets Quality (Quality of Loan Portfolio)										
Gross Non-Performing Advances Ratio % (Net of Interest in Suspense)	4.91	4.47								
Net Non-Performing Advances Ratio % (Net of Interest in Suspense and Provision)	3.54	3.07								
Profitability Interest Margin % Return (Net Profit Before Tax) on Average Assets % Return on Equity %	3.92 1.39 12.37	4.19 1.76 15.18								
Regulatory Liquidity Statutory Liquid Assets Domestic Banking Unit Rs. '000 Offshore Banking Unit USD '000 Statutory Liquid Assets Ratio % (Minimum Requirement 20 %) Domestic Banking Unit Offshore Banking Unit	65,098,549 30,569 21.78 28.20	64,070,857 34,342 22.68 26.24								

- a) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka and where ever required provides additional disclosures to comply with Sri Lanka Accounting Standard - LKAS 34 - Interim Financial Reporting.
- b) The information contained in these statements have been extracted from the un-audited financial statements of the Bank & Group, which have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.

(Sgd.) Champika Dodanwela (Ms.) Chief Financial Officer April 25, 2017 Colombo (Sgd.) Kapila Ariyaratne Director/Chief Executive Officer

(Sgd.) W. M. R. S. Dias **Chairman**

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SEYLAN BANK PLC FINANCIAL STATEMENTS

Three months ended 31st March, 2017



11,228,269

10. ANALYSIS OF FINAN	ICIAL INS	<u>TKUWEN</u>	12 RA V	<u>MEASUKI</u>	WENT E	ASIS				Rs. '000
		В	ank - 31.03.201	7			E	Bank - 31.12.2010	i	
	Held-for- Trading (HFT)	Held-to- Maturity (HTM)	Loans & Receivables (L&R)	Available- for-sale (AFS)	Total	Held-for- Trading (HFT)	Held-to- Maturity (HTM)	Loans & Receivables (L&R)	Available- for-sale (AFS)	Total
Assets Cash and Cash Equivalents Balances with Central Bank of Sri Lanka Placements with Banks and Finance Companies	-		8,845,830 16,671,360	-	8,845,830 16,671,360	- - -	-	8,336,143 16,211,618 334,230	-	8,336,14 16,211,61 334,23
Derivative Financial Instruments Other Financial Assets Held-for-Trading Securities Purchased under Resale Agreements Customer Loans and Receivables	92,462 7,768,373 - -	- - -	7,309,471 242,531,491	-	92,462 7,768,373 7,309,471 242,531,491	115,707 9,060,416 - -	-	7,317,022 236,020,197	- - -	115,70 9,060,41 7,317,02 236,020,19
rinancial Investments - Available-for-Sale rinancial Investments - Held-to-Maturity Group Balances Receivable Other Assets	-	18,968,311 - -	100,424 5,164,600	53,100,223 - - -	53,100,223 18,968,311 100,424 5,164,600	- - -	18,412,060 - -	30,102 5,712,285	45,863,945 - - - -	45,863,94 18,412,06 30,10 5,712,28
Total Financial Assets		18,968,311 I-for- g (HFT)	280,623,176 Amortis	53,100,223 ed Cost	360,552,545 Total		18,412,060 I-for- g (HFT)	273,961,597 Amortis	45,863,945 ed Cost	347,413,72 Total
Liabilities Due to Banks Derivative Financial Instruments Customer Deposits Securities Sold under Repurchase Agreements Other Borrowings Debentures Group Balances Payable Current Tax Liabilities Other Liabilities	ks - Financial Instruments 11,169 Peposits - Sold under Repurchase Agreements - Sowings - Sowings - Somes Payable - Liabilities -		22,352,961 22,352,961 274,120,849 274,120,849 24,289,428 24,289,428 23,702 23,702 12,272,510 12,272,510 307,638 307,638 753,859 753,859 5,567,779 5,567,779		86,654 - - - - - - -		17,728,293 - 273,456,344 15,976,518 21,249 12,493,645 226,351 750,385 5,959,234		17,728,25 86,65 273,456,34 15,976,51 21,24 12,493,64 226,35 750,38 5,959,23	
Total Financial Liabilities	11	,169	339,68	38,726	339,699,895	86	654	326,61	2,019	326,698,67
		G	roup - 31.03.201	7			G	roup - 31.12.201	6	
	Held-for- Trading (HFT)	Held-to- Maturity (HTM)	Loans & Receivables (L&R)	Available- for-sale (AFS)	Total	Held-for- Trading (HFT)	Held-to- Maturity (HTM)	Loans & Receivables (L&R)	Available- for-sale (AFS)	Total
Assets Cash and Cash Equivalents Balances with Central Bank of Sri Lanka Placements with Banks and Finance Companies Derivative Financial Instruments Other Financial Assets Held-for-Trading Securities Purchased under Resale Agreements Customer Loans and Receivables Financial Investments - Available-for-Sale Financial Investments - Held-to-Maturity Other Assets	92,462 7,773,545 - - - -	- - - - - - - 18,982,367	8,845,870 16,671,360 - - 7,309,471 242,531,491 - - 5,101,466	- - - - - - 53,135,858 - -	8,845,870 16,671,360 - 92,462 7,773,545 7,309,471 242,531,491 53,135,858 18,982,367 5,101,466	115,707 9,066,980 - - - - -	- - - - - - - 18,479,155	8,336,193 16,211,618 334,230 - 7,317,022 236,020,197 - 5,747,360	- - - - - - 45,900,746 -	8,336,15 16,211,61 334,22 115,70 9,066,95 7,317,02 236,020,15 45,900,74 18,479,15 5,747,36
Total Financial Assets	7,866,007	18,982,367	280,459,658	53,135,858	360,443,890	9,182,687	18,479,155	273,966,620	45,900,746	347,529,20
		l-for- g (HFT)	Amortis	ed Cost	Total		l-for- g (HFT)	Amortis	ed Cost	Total
Labilities Due to Banks Derivative Financial Instruments Dustomer Deposits Securities Sold under Repurchase Agreements Other Borrowings Debentures Ourrent Tax Liabilities Other Liabilities	11,	- 169 - - - - -	274,12 24,21 12,23 70	52,961 	22,352,961 11,169 274,120,849 24,289,428 23,702 12,272,510 761,957 5,567,436		- 86,654 - - - - -	273,4 15,9 12,4	28,293 - 56,344 76,518 21,249 93,645 57,467 75,172	17,728,29 86,63 273,456,34 15,976,51 21,24 12,493,64 757,46 5,975,17

a acquert peparting a	A AFAMENT PERAPTINA ARAUR											
9. SEGMENT REPORTING - G	KUUP										Rs. '000	
	BANKII	VG	TREASU	RY	PR	OPERTY/INV	ESTMENTS UI	NALLOCATED/EL	IMINATIONS	TOTA	\L	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016		31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	
Interest Income	8,726,102	5,815,556	832,889	705,322		9,131	8.174	555,227	429.024	10,123,349	6,958,076	
Interest Expense	5,796,849	3,647,998	767,421	366.724		8,131	0,174	(5,407)	(3,790)	6,558,871	4,010,932	
Net Interest Income	2,929,253	2,167,558	65,468	338,598		9,123	8.174	560,634	432,814	3,564,478	2,947,144	
Fee and Commission Income	904,682	725,150	401	400		5,125	0,174	(2)	5	905,081	725,555	
Fee & Commission Expenses	28,157	22,030	8,351	8,322		1,531	1,612	17	-	38.056	31,964	
Net Fee and Commission Income	876,525	703,120	(7,950)	(7,922)		(1,531)	(1,612)	(19)	5	867,025	693,591	
Net Trading Income	-	-	(89,141)	(516,324)		(1,565)	(600)	-	-	(90,706)	(516,924)	
Net Gain from Financial Investments			(4,096)	36,664		(1,555)	-			(4,096)	36,664	
Net Exchange Income	41,389	76,924	181,924	191,544				20,790	16.655	244,103	285,123	
Other Operating Income (Net)	10,901	(114,196)	64,263	51,768		52,872	51,318	(32,339)	100,185	95,697	89,075	
Inter Segments Revenue	(54,805)	(62,729)	36,013	44,210			-	18,792	18,519		-	
Total Operating Income	3,803,263	2,770,677	246,481	138,538		58,899	57,280	567,858	568,178	4,676,501	3,534,673	
Depreciation and Amortisation	108,721	95,978	288	319		199	412	66,906	55,344	176,114	152,053	
Impairment for Loans and Other Losses - Charges/(Reversal)	345,749	84,341						-	-	345,749	84,341	
Operating Expenses, NBT & VAT	2,333,733	1,756,765	56,993	39,444		20,524	25,197	520,572	541,082	2,931,822	2,362,488	
Reportable Segment Profit Before Income Tax	1,015,060	833,593	189,200	98,775		38,176	31,671	(19,620)	(28,248)	1,222,816	935,791	
OTHER INFORMATION												
Total Assets	240,968,197	196,815,372	103,817,689	94,251,878		5,346,198	5.032.729	21,068,098	20,114,112	371,200,182	316,214,091	
Total Liabilities & Equity	285,564,006	232,935,471	41,052,923	43,381,722		5,346,198	5,032,729	39,237,055	34,864,169		316,214,091	
Cash Flows from Operating Activities	(5,371,397)	(10,656,352)	189,488	99,094		9,186	17,957	158,317	97,513	(5,014,406)	(10,441,788)	
Cash Flows from Investing Activities	(67,576)	(47,386)	(7,764,112)	(5,139,565)		83,764	13,449	(21,536)	(118,328)	(7,769,459)	(5,291,830)	
Cash Flows from Financing Activities	-	-	12,192,953	17,707,213		(110,974)		(327)	(39,386)	12,081,652	17,667,827	
Capital Expenditure	(67,576)	(46,136)				(4,147)	(1,597)	(55,130)	(125,859)	(126,853)	(173,592)	
							. ,					

	State	l Capital	Statutory	Retained				
For the Three Months ended 31st March	Ordinary	Ordinary	Reserve Fund	Earnings	Revaluation	Reserves Available for	Other	Tota
	Shares	Shares	*		Reserve	Sale Reserve	Reserves	
	-Voting	-Non-Voting						
1 Balance as at 01st January 2016	6,962,722	3,567,002	1,187,441	11,125,666	651,483	(468,826)	2,030,189	25,055,677
Total Comprehensive Income for the Period								
Profit for the Period	-	-	-	720,256	-	-	-	720,256
Other Comprehensive Income (net of tax)								
- Net Loss on Re-measuring Available-for-Sale Financial Assets						(2,391,504)	-	(2,391,50
2 Total Comprehensive Income for the Period				720,256		(2,391,504)	-	(1,671,24
Transactions with Equity Holders, Recognised Directly In Equity								
Dividends to Equity Holders				(948,641)	-			(948,64
Transferred from Investment Fund Reserve				2,182			(2,182)	(,-
Total Transactions with Equity Holders	-			(946,459)			(2,182)	(948,64
Balance as at 31st March 2016 (1 + 2 + 3)	6,962,722	3,567,002	1,187,441	10,899,463	651,483	(2,860,330)	2,028,007	22,435,78
Balance as at 01st January 2017	6,962,722	3,567,002	1,387,964	14,050,233	1,474,482	(1,691,584)	2,021,463	27,772,28
Total Comprehensive Income for the Period								
Profit for the Period	-	-	-	866,180	-	-	-	866,18
Other Comprehensive Income (net of tax)								
- Net Loss on Re-measuring Available-for-Sale Financial Assets	-	-	-	-	-	47,943	-	47,94
? Total Comprehensive Income for the Period	-	•	•	866,180	•	47,943	•	914,12
Transactions with Equity Holders, Recognised Directly In Equity								
Cash/Scrip Dividends to Equity Holders	356,354	342,191	-	(1,121,121)	-	-	-	(422,57
Transferred from Investment Fund Reserve	-	-	-	3,224	-	-	(3,224)	
3 Total Transactions with Equity Holders	356,354	342,191		(1,117,897)			(3,224)	(422,57
Balance as at 31st March 2017 (1 + 2 + 3)	7,319,076	3,909,193	1,387,964	13,798,516	1,474,482	(1,643,641)	2,018,239	28,263,82

Balance as at 31st March 2017 (1 + 2 + 3)	7,319,0	76 3,909, ⁻	193 1,	387,964	13,798,516	1,474,482	(1,643,	641) 2,0	018,239	28,263,829
* Statutory Reserve Fund represents the statutory requirement in terms of	the Section 20(1) an	d (2) of the Banki	ng Act No. 30	of 1988 (5%	of net profit afte	er tax).				
STATEMENT OF CHANGES IN EQUITY	/ - GROUP									Rs. '000
	Stated (Capital	Obstations			Reserves				
For the Three Months ended 31st March	Ordinary	Ordinary P	Statutory eserve Fund	Retained	Revaluation	Available for	Other	Total	Non-	Total
For the Three Months ended 31st March	Shares	Shares	*	Earnings	Reserve	Sale Reserve	Reserves	IUlai	Controlling	Equity
	-Voting	-Non-Voting			11636146	Jaie Heserve	110301703		Interest	Equity
	-voting	-Non-voling							IIILETESI	
1 Balance as at 01st January 2016	6,962,722	3,567,002	1,187,441	11,376,269	1,378,783	(469,879)	2,285,402	26,287,740	1,067,194	27,354,934
Total Comprehensive Income for the Period										
Profit for the Period	-	-	-	673,539	-	-	-	673,539	4,042	677,581
Other Comprehensive Income (net of tax)						(0.000.044)		(0.000.044)	(005)	(0.000.540)
- Net Loss on Re-measuring Available-for-Sale Financial Assets	-	-		673.539		(2,392,944)		(2,392,944) (1,719,405)		(2,393,549)
2 Total Comprehensive Income for the Period				073,339		(2,392,944)		(1,719,405)	3,437	(1,715,968)
Transactions with Equity Holders, Recognised Directly In Equity										
Dividends	_	_		(948,641)		_		(948,641)	(26,180)	(974,821)
Transferred from Investment Fund Reserve	_	_		2,182		_	(2,182)	(0.10,011)	(20,100)	(07.1,02.1)
Changes in Ownership Interest in Subsidiary				-,			(-, /			
Acquisition of Non-Controlling Interest without Change in Control	-	-		1,021		-	-	1,021	(2,694)	(1,673)
3 Total Transactions with Equity Holders	-	-		(945,438)		-	(2,182)	(947,620)	(28,874)	
Balance as at 31st March 2016 (1 + 2 + 3)	6,962,722	3,567,002	1,187,441	11,104,370	1,378,783	(2,862,823)	2,283,220	23,620,715	1,041,757	24,662,472
1 Balance as at 01st January 2017	6,962,722	3,567,002	1,387,964	14,304,925	2,214,050	(1,693,065)	2,276,676	29,020,274	1,065,190	30,085,464
Total Comprehensive Income for the Period										
Profit for the Year				818,475				818,475	5,222	823,697
Other Comprehensive Income (net of tax)				010,473				010,473	3,222	020,037
Net Loss on Re-measuring Available-for-Sale Financial Assets	_	_	_	_		47,648	_	47,648	(123)	47,525
2 Total Comprehensive Income for the Period	-	_		818,475		47.648	-	866.123	5.099	871,222
								,	,	
Transactions with Equity Holders, Recognised Directly In Equity										
Cash/Scrip Dividends	356,354	342,191	-	(1,121,121)	-	-	-	(422,576)	(32,725)	(455,301)
Transferred from Investment Fund Reserve	-	-	-	3,224	-	-	(3,224)	-	-	-
Changes in Ownership Interest in Subsidiary										
Acquisition of Non-Controlling Interest without Change in Control	-	-	-	-	-	-	-	-	-	
3 Total Transactions with Equity Holders	356,354	342,191	-	(1,117,897)	-	•	(3,224)	(422,576)	(32,725)	(455,301)
Balance as at 31st March 2017 (1 + 2 + 3)	7,319,076	3,909,193	1,387,964	14,005,503	2,214,050	(1,645,417)	2,273,452	29,463,821	1,037,564	30,501,385

EXPLANATORY NOTES

General
There are no changes to the accounting policies and methods of computation since the publication of the last Annual Report. The Interim Financial Statements of the Bank and the Group have been prepared & presented in accordance with the Sri Lanka Accounting Standards (LKAS/SLFRS) and provided necessary disclosure to comply with LKAS 34, Interim Financial Reporting. The Interim Financial Statements have been prepared in accordance with LKAS / SLFRS.

The group financial statements comprise a consolidation of the Financial Statements of the Company and its subsidiary Seylan Developments PLC (70.51%).

Information on Ordinary Shares

MARKET PRICE (Rs.)	31/03	/2017	31/03/2016							
	Voting	Non-Voting	Voting	Non-Voting						
Market Price Per Share	87.00	54.70	86.00	63.00						
Highest price per share during the quarter ended	99.09	60.00	73.00	73.00						
Lowest price per share during the quarter ended	83.60	51.50	77.00	58.50						
	Market Price Per Share Highest price per share during the quarter ended	MARKET PRICE (Rs.) 31/03 Voting Market Price Per Share 87.00 Highest price per share during the quarter ended 99.09	MARKET PRICE (Rs.) 31/03/2017 Voting Non-Voting Market Price Per Share 87.00 54.70 Highest price per share during the quarter ended 99.09 60.00	MARKET PRICE (Rs.) 31/03/2017 31/03 Voting Non-Voting Voting Market Price Per Share 87.00 54.70 86.00 Highest price per share during the quarter ended 99.09 60.00 73.00						

	Shareholders' Information Twenty Largest Ordinary Voting Shareholders as at March 31, 2017	No. of Shares	%
1.	Sri Lanka Insurance Corporation Ltd.		
	[includes Sri Lanka Insurance Corporation Ltd (General Fund) 17,961,365 and		
	Sri Lanka Insurance Corporation Ltd (Life Fund) –8,980,682]	26,942,047	15.00
2.	Brown & Company PLC A/C No. 1	24,921,279	13.87
3.	Employees Provident Fund	17,705,441	9.86
4.	LOLC Investments Ltd.	17,155,820	9.55
5.	National Development Bank PLC A/C No. 02	15,671,043	8.72
6.	Bank of Ceylon No.1 Account	13,471,025	7.50
7.	Mr. R S Captain	7,954,389	4.43
8.	BNYM SA/NV-Frontier Market Opportunities Master Fund L.P	3,883,458	2.16
9.	Employees' Trust Fund Board	3,240,747	1.80
10.	Seyfest (Private) Limited	3,080,300	1.71
11.	Sesot (Private) Limited	2,326,134	1.30
12.	Seybest (Private) Limited	2,210,179	1.23
13.	Seyshop (Private) Limited	2,210,179	1.23
14.	Esots (Private) Limited	2,192,519	1.22
15.		2,122,122	1.18
16.	Capital Development and Investment Company PLC A/C No. 02	1,819,258	1.01
	AIA Insurance Lanka PLC A/C No. 07	1,652,155	0.92
18.	HSBC Intl Nom Ltd. – SSBT-Russell Institutional Funds Public Limited Company	1,567,840	0.87
9.	Mr. K R B Fernando	1,036,232	0.58
20.	Mr. S E Captain	1,021,384	0.57
3.2	Twenty Largest Ordinary Non-Voting Shareholders as at March 31, 2017	No. of Shares	%
1.	Lanka Orix Leasing Company PLC	76,812,865	43.93
2.	Employees' Provident Fund	9,326,028	5.33
3.	Akbar Brothers (Pvt) Ltd A/C No. 1	3,189,599	1.82
4.	Deutsche Bank AG as Trustee for JB Vantage Value Equity Fund	2,929,842	1.68
5.	Commercial Bank of Ceylon PLC/Dunamis Capital PLC	2,794,437	1.60
6.	Pershing LLC S/A Averbach Grauson & Co.	2,747,808	1.57
7.	Mr. E Thavagnanasooriyam & Mr. E Thawagnasundaram	2,741,854	1.57
8.	J B Cocoshell (Pvt) Ltd.	1,989,471	1.14
9.	Merrill J Fernando & Sons (Pvt) Limited	1,942,143	1.11
10.	Mr. N Balasingam	1,823,813	1.04
11.	Lanka Orix Information Technology Services Ltd.	1,522,613	0.87
12.	Deutsche Bank AG - National Equity Fund	1,296,721	0.74
13.	Deutsche Bank AG as Trustee for Namal Acuity Value Fund	1,189,875	0.68
14.	Dr. S Yaddehige	1,164,008	0.67
15.	Employees Trust Fund Board	1,121,448	0.64
16.		888,352	0.51
17.	Mr. R Gautam	886,716	0.51
18.		879,473	0.50
19.	Mr. A P Somasiri	852,054	0.49
20.	Miss. S Durga	813,055	0.47
3.3	Public Holdings as at March 31, 2017		
		Number of Share Holders	Percentage Holdings
	Ordinary Voting Shares	9,151	54.27%

4.	Name of Director	No. of Shares (Ordinary Voting)	No. of Shares (Ordinary Non- voting)
	Mr. W M R S Dias Non Executive Director/Chairman	Nil	Nil
	Mr. I C Nanayakkara, Non-executive Director/Deputy Chairman	Nil	Nil
	Ms. M C Pietersz, Independent Director/Senior Director	Nil	Nil
	Mr. K P Ariyaratne, Director/Chief Executive Officer	37,275	139,681
	Rear Admiral B A J G Peiris, Independent Director	Nil	Nil
	Mr. S P S Ranatunga, Independent Director	Nil	Nil
	Mr. W D K Jayawardena, Non-executive Director	Nil	Nil
	Mr. P L S K Perera, Independent Director	Nil	Nil
	Mr. S V Corea, Non-executive Director	Nil	Nil
	Mr. A S Wijesinha, Independent Director	Nil	Nil
	Mrs. S K Salgado, Independent Director	Nil	Nil
5.	Stated Capital as at March 31, 2017	Rs. '000	
	33,560,000 Voting Ordinary Shares @ Rs. 10/- each	335,600	
	4,000,000 Voting Ordinary Shares @ Rs. 25/- each	100,000	
	92,440,000 Voting Ordinary Shares @ Rs. 35/- each	3,235,400	
	2,644,068 Voting Ordinary Shares @ Rs. 59/- each	156,000	
	43,333,333 Voting Ordinary Shares @ Rs. 75/- each	3,250,000	
	3,636,268 Voting Ordinary Shares @ Rs. 98/- each	356,354	
	83,560,000 Non-Voting Ordinary Shares @ Rs. 12/50 each	1,044,500	
	40,000,000 Non-Voting Ordinary Shares @ Rs. 25/- each	1,000,000	
	45,423,009 Non-Voting Ordinary Shares @ Rs. 35/- each	1,589,805	
	5,859,428 Non-Voting Ordinary Shares @ Rs. 58/40 each	342,191	
	Less: Issue Expenses	(181,581)	

6. Basic/Diluted Earnings per Share

Basic Earnings per share has been calculated by dividing profit after tax attributable to the equity holders of the Bank by the weighted average number of shares in issue (both Voting & Non-voting) during the three months ended March 31, 2017. Diluted Earnings per Share and the Basic Earnings per Share is the same due to non-availability of potentially dilutive ordinary shares.

The dividend of Rs. 3.25 per share was declared and approved by the shareholders at the Annual General Meeting of the Bank held on 31st March 2017. This dividend consisted of Rs. 1.00 per share in the form of cash dividend and Rs. 2.25 per share in the form of a scrip dividend, and was paid/issued to the Ordinary Voting Shareholders and Ordinary Non-voting

 $Shareholders\,who\,were\,entitled/registered\,as\,at\,end\,of\,trading\,on\,31st\,March\,2017.$ 8. Comparative Figures

Individual Impairment
Opening Balance as at 01st January Charge/(Write back) to Income Statement Reversal for Write-Offs Interest Accrued on Impaired Loans and Receivables
Transfer from Collective Impairment
Closing Balance as at 31st March 2017
as at 31st December 2016

Opening Balance as at 01st January
Charge/(Write back) to Income Statement
Reversal for Write-Offs
Transfer to Individual Impairment
Closing Balance as at 31st March 2017
as at 31st December 2016

Collective Impairment

Total Impairment

Total Customer Deposits

All known expenditure items have been provided for in these Interim Accounts.

4. Directors' and Chief Executive Officer's Shareholdings as at March 31, 2017

Comparative figures have been re-stated/re-classified where necessary, to conform to the current period presentation.

During the quarter there were no material changes in Contingent Liabilities, composition of Assets and Liabilities and use of funds raised by the Bank

ADDITIONAL DISCLOSURES				Rs. '000	
	B/	BANK		GROUP	
Customer Loans and Receivables	As at 31.03.2017	As at 31.12.2016	As at 31.03.2017	As at 31.12.2016	
Gross Loans and Receivables (Refer 11.1) Less: Individual Impairment Collective Impairment	248,674,266	242,073,182	248,674,266	242,073,182	
	(2,483,606)	(2,420,888)	(2,483,606)	(2,420,888)	
	(3,659,169)	(3,632,097)	(3,659,169)	(3,632,097)	
Net Loans and Receivables	242,531,491	236,020,197	242,531,491	236,020,197	
11.1 Customer Loans and Receivables - By product By product - Domestic Currency Export Bills	30,849	119,573	30,849	119,573	
Import Bills	324,821	147,802	324,821	147,802	
Local Bills	69,180	142,892	69,180	142,892	
Lease Rentals Receivable	14,900,929	14,685,690	14,900,929	14,685,690	
Overdrafts	63,822,451	59,276,447	63,822,451	59,276,447	
Revolving Import Loans	8,455,061	8,408,394	8,455,061	8,408,394	
Trust Receipts Loans	1,661,581	1,949,259	1,661,581	1,949,259	
Staff Loans	5,554,620	5,521,128	5,554,620	5,521,128	
Housing Loans	12,630,389	12,477,818	12,630,389	12,477,818	
Pawning Receivables	9,447,404	9,609,406	9,447,404	9,609,406	
Refinance Loans	1,936,550	1,995,107	1,936,550	1,995,107	
Credit Cards	4,086,580	3,803,627	4,086,580	3,803,627	
Margin Trading	3,194,387	2,658,052	3,194,387	2,658,052	
Factoring	707,637	445,452	707,637	445,452	
Term Loans	103,042,126	101,864,248	103,042,126	101,864,248	
Total	229,864,565	223,104,895	229,864,565	223,104,895	
y product - Foreign Currency					
Export Bills	1,323,587	1,638,602	1,323,587	1,638,602	
Import Bills	302,745	97,213	302,745	97,213	
Local Bills	76,793	79,037	76,793	79,037	
Overdrafts	761,972	799,936	761,972	799,936	
Revolving Import Loans	335,049	659,811	335,049	659,811	
Housing Loans	45,924	37,594	45,924	37,594	
Term Loans	15,963,631	15,656,094	15,963,631	15.656.094	
Total	18,809,701	18,968,287	18,809,701	18.968.287	
ross Loans and Receivables	248,674,266	242,073,182	248,674,266	242,073,182	
		BANK		GROUP	
1.2 Movements in Individual and Collective Impairment during the period for Customer Loans and Receivables	2017	2016	2017	2016	
	(For 03 Months)	(For 12 Months)	(For 03 Months)	(For 12 Months	

248,674,266	242,073,182	248,674,266	242,073,182	
B/	ANK	GROUP		
2017	2016	2017	2016	
(For 03 Months)	(For 12 Months)	(For 03 Months)	(For 12 Months)	
0.400.000	0.010.507	0.400.000	0.010.507	
2,420,888 253,395	2,019,537 931,597	2,420,888 253,395	2,019,537 931.597	
(67,306)	(239,426)	(67,306)	(239,426)	
(71,911)	(290,820)	(71,911)	(290,820)	
(51,460) 2.483.606	-	(51,460) 2.483.606	-	
2,403,000	2.420.888	2,403,000	2.420.888	
	_,,		_,:,:	
3,632,097	3,718,492	3,632,097	3,718,492	
83,889	38,005	83,889	38,005	
(108,277)	(124,400)	(108,277)	(124,400)	
51,460	-	51,460		
3,659,169		3,659,169		
	3,632,097		3,632,097	
0.440.775	0.050.005	0.440.775	0.050.005	
6,142,775	6,052,985	6,142,775	6,052,985	
BANK		GR	OUP	
As at	As at	As at	As at	
31.03.2017	31.12.2016	31.03.2017	31.12.2016	
15 104 600	10 406 500	15 104 600	10 406 500	
15,124,628	18,436,538	15,124,628	18,436,538	

273,456,344 274,120,849

	DAIRIN		allooi	
12 Customer Deposits - By product	As at	As at	As at	As at
	31.03.2017	31.12.2016	31.03.2017	31.12.2016
By product - Domestic Currency				
Demand deposits	15,124,628	18,436,538	15,124,628	18,436,538
Savings deposits	56,752,148	57,385,770	56,752,148	57,385,770
Fixed deposits	169,752,251	166,813,373	169,752,251	166,813,373
Certificate of deposits	3,486,927	4,068,366	3,486,927	4,068,366
Total	245,115,954	246,704,047	245,115,954	246,704,047
By product - Foreign Currency				
Demand deposits	4,221,510	3,210,023	4,221,510	3,210,023
Savings deposits	9,515,750	9,894,796	9,515,750	9,894,796
Fixed deposits	15,267,635	13,647,478	15,267,635	13,647,478
Total	29.004.895	26.752.297	29.004.895	26.752.297
10141	25,004,030	20,702,237	25,004,030	20,702,237

274,120,849