

# SEYLAN BANK PLC

## FINANCIAL STATEMENTS

### Six months ended 30th June, 2016



#### INCOME STATEMENT

(In terms of Rule 7.4 of the Colombo Stock Exchange)	Bank									Group								
	For the 06 months Ended 30th June			For the Quarter Ended 30th June			For the 06 months Ended 30th June			For the Quarter Ended 30th June			For the 06 months Ended 30th June			For the Quarter Ended 30th June		
	2016	2015	Growth %	2016	2015	Growth %	2016	2015	Growth %	2016	2015	Growth %	2016	2015	Growth %	2016	2015	Growth %
Interest Income	14,918,184	11,589,366	28.72	8,036,062	6,005,559	33.81	14,925,167	11,595,690	28.71	8,039,298	6,007,822	33.81	14,918,184	11,589,366	28.72	8,036,062	6,005,559	33.81
Less: Interest Expenses	8,771,062	5,754,087	52.43	4,827,910	2,974,785	62.29	8,762,593	5,745,196	52.52	4,823,868	2,970,387	62.40	8,771,062	5,754,087	52.43	4,827,910	2,974,785	62.29
<b>Net Interest Income</b>	<b>6,147,122</b>	<b>5,835,279</b>	<b>5.34</b>	<b>3,208,152</b>	<b>3,030,774</b>	<b>5.85</b>	<b>6,162,574</b>	<b>5,850,494</b>	<b>5.33</b>	<b>3,215,430</b>	<b>3,037,435</b>	<b>5.86</b>	<b>6,147,122</b>	<b>5,835,279</b>	<b>5.34</b>	<b>3,208,152</b>	<b>3,030,774</b>	<b>5.85</b>
Fee and Commission Income	1,488,850	1,246,644	19.43	763,290	659,112	15.81	1,488,850	1,246,644	19.41	763,290	659,108	15.77	1,488,850	1,246,644	19.43	763,290	659,112	15.81
Less: Fee and Commission Expenses	56,649	55,215	2.90	26,297	29,952	(12.20)	59,352	57,255	3.86	27,388	31,042	(11.77)	56,649	55,215	2.90	26,297	29,952	(12.20)
<b>Net Fee and Commission Income</b>	<b>1,432,201</b>	<b>1,191,429</b>	<b>20.21</b>	<b>736,993</b>	<b>629,160</b>	<b>17.14</b>	<b>1,429,498</b>	<b>1,189,370</b>	<b>20.17</b>	<b>736,902</b>	<b>628,066</b>	<b>17.13</b>	<b>1,432,201</b>	<b>1,191,429</b>	<b>20.21</b>	<b>736,993</b>	<b>629,160</b>	<b>17.14</b>
Net Trading Income	(201,844)	251,229	(180.34)	314,480	234,979	33.83	(202,244)	250,029	(180.89)	314,680	234,979	33.92	(201,844)	251,229	(180.34)	314,480	234,979	33.83
Net Gain from Financial Investments	30,525	92,501	(67.00)	(6,139)	36,472	(116.83)	30,525	92,501	(67.00)	(6,139)	36,472	(116.83)	30,525	92,501	(67.00)	(6,139)	36,472	(116.83)
Net Exchange Income	475,067	408,806	16.21	189,944	194,430	(2.31)	475,067	408,806	16.21	189,944	194,430	(2.31)	475,067	408,806	16.21	189,944	194,430	(2.31)
Other Operating Income (Net)	307,194	282,459	8.76	180,636	168,293	7.33	300,432	275,555	8.63	211,357	189,051	11.80	307,194	282,459	8.76	180,636	168,293	7.33
<b>Total Operating Income</b>	<b>8,190,265</b>	<b>6,061,703</b>	<b>1.59</b>	<b>4,624,066</b>	<b>4,294,108</b>	<b>7.98</b>	<b>8,195,629</b>	<b>6,067,765</b>	<b>1.58</b>	<b>4,630,433</b>	<b>4,320,433</b>	<b>7.88</b>	<b>8,190,265</b>	<b>6,061,703</b>	<b>1.59</b>	<b>4,624,066</b>	<b>4,294,108</b>	<b>7.98</b>
Less: Impairment for Loans and Other Losses - Charges/(Reversal)	174,357	372,745	(53.22)	103,753	243,811	(57.45)	174,357	372,745	(53.22)	103,753	243,811	(57.45)	174,357	372,745	(53.22)	103,753	243,811	(57.45)
Individual Impairment	138,013	183,970	(24.98)	124,689	(69,062)	280.55	138,013	183,970	(24.98)	124,689	(69,062)	280.55	138,013	183,970	(24.98)	124,689	(69,062)	280.55
Collective Impairment	203	1,474	(86.23)	(210)	1,200	(117.50)	203	1,474	(86.23)	(210)	1,200	(117.50)	203	1,474	(86.23)	(210)	1,200	(117.50)
Others	312,573	558,189	(44.00)	228,232	175,949	29.71	312,573	558,189	(44.00)	228,232	175,949	29.71	312,573	558,189	(44.00)	228,232	175,949	29.71
<b>Net Operating Income</b>	<b>7,877,692</b>	<b>5,503,514</b>	<b>4.99</b>	<b>4,395,834</b>	<b>4,118,159</b>	<b>6.74</b>	<b>7,883,056</b>	<b>5,509,576</b>	<b>4.97</b>	<b>4,432,724</b>	<b>4,144,484</b>	<b>6.95</b>	<b>7,877,692</b>	<b>5,503,514</b>	<b>4.99</b>	<b>4,395,834</b>	<b>4,118,159</b>	<b>6.74</b>
Personnel Expenses	2,302,541	2,111,626	9.04	1,168,133	1,032,790	13.10	2,319,138	2,127,317	9.02	1,176,353	1,040,641	13.04	2,302,541	2,111,626	9.04	1,168,133	1,032,790	13.10
Depreciation and Amortisation	286,928	231,989	23.68	146,399	117,306	24.80	310,407	254,179	21.98	157,994	128,419	23.03	286,928	231,989	23.68	146,399	117,306	24.80
Other Expenses	2,086,718	2,021,672	3.22	1,088,744	1,086,525	0.20	2,049,865	1,992,234	2.89	1,067,538	1,076,844	(0.86)	2,086,718	2,021,672	3.22	1,088,744	1,086,525	0.20
<b>Operating Profit before Taxes</b>	<b>4,676,187</b>	<b>4,365,287</b>	<b>7.12</b>	<b>2,403,276</b>	<b>2,236,621</b>	<b>7.45</b>	<b>4,679,050</b>	<b>4,373,730</b>	<b>6.98</b>	<b>2,401,885</b>	<b>2,245,904</b>	<b>6.95</b>	<b>4,676,187</b>	<b>4,365,287</b>	<b>7.12</b>	<b>2,403,276</b>	<b>2,236,621</b>	<b>7.45</b>
Value Added Tax (VAT) and Nation Building Tax (NBT) on Financial Services	642,310	559,361	14.83	404,934	311,021	30.20	635,828	559,361	13.67	398,452	315,983	26.10	642,310	559,361	14.83	404,934	311,021	30.20
<b>Profit before Income Tax</b>	<b>2,559,195</b>	<b>2,578,866</b>	<b>(0.76)</b>	<b>1,587,624</b>	<b>1,570,517</b>	<b>1.09</b>	<b>2,568,178</b>	<b>2,576,485</b>	<b>(0.32)</b>	<b>1,632,367</b>	<b>1,582,597</b>	<b>3.15</b>	<b>2,559,195</b>	<b>2,578,866</b>	<b>(0.76)</b>	<b>1,587,624</b>	<b>1,570,517</b>	<b>1.09</b>
Income Tax Expense	804,212	838,559	(4.10)	552,897	521,563	6.01	819,172	851,566	(3.80)	560,962	527,218	6.50	804,212	838,559	(4.10)	552,897	521,563	6.01
<b>Profit for the Period</b>	<b>1,754,983</b>	<b>1,740,307</b>	<b>0.84</b>	<b>1,034,727</b>	<b>1,048,954</b>	<b>(1.36)</b>	<b>1,749,006</b>	<b>1,724,919</b>	<b>1.40</b>	<b>1,071,425</b>	<b>1,055,379</b>	<b>1.52</b>	<b>1,754,983</b>	<b>1,740,307</b>	<b>0.84</b>	<b>1,034,727</b>	<b>1,048,954</b>	<b>(1.36)</b>
Attributable to:																		
Owners of the Parent	1,754,983	1,740,307	0.84	1,034,727	1,048,954	(1.36)	1,749,006	1,724,919	1.40	1,071,425	1,055,379	1.52	1,754,983	1,740,307	0.84	1,034,727	1,048,954	(1.36)
Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Profit for the Period</b>	<b>1,754,983</b>	<b>1,740,307</b>	<b>0.84</b>	<b>1,034,727</b>	<b>1,048,954</b>	<b>(1.36)</b>	<b>1,749,006</b>	<b>1,724,919</b>	<b>1.40</b>	<b>1,071,425</b>	<b>1,055,379</b>	<b>1.52</b>	<b>1,754,983</b>	<b>1,740,307</b>	<b>0.84</b>	<b>1,034,727</b>	<b>1,048,954</b>	<b>(1.36)</b>
Basic/Diluted Earnings per Ordinary Share (in Rupees)	5.09	5.04	0.84	3.00	3.04	(1.36)	5.03	4.97	1.21	3.08	3.05	1.04	5.09	5.04	0.84	3.00	3.04	(1.36)

#### CASH FLOW STATEMENT

For the 06 Months ended 30th June	BANK		GROUP	
	2016	2015	2016	2015
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Cash Flows from Operating Activities</b>	13,783,044	10,894,187	13,770,027	10,900,511
Interest Receipts	1,488,850	1,246,644	1,488,850	1,246,644
Fees and Commission Receipts	(8,220,528)	(5,715,485)	(8,210,059)	(5,712,584)
Interest Payments	(92,195)	(273,053)	(92,195)	(273,053)
Trading Income	616,515	952,545	665,092	992,197
Receipts from Other Operating Activities	(5,315,814)	(4,692,972)	(5,289,075)	(4,599,450)
Cash Payments to Employees and Suppliers	(56,649)	(55,215)	(59,352)	(57,255)
Cash Payments to Other Operating Activities	-	-	-	-
<b>Operating Profit before Changes in Operating Assets and Liabilities</b>	<b>2,183,223</b>	<b>2,528,757</b>	<b>2,272,065</b>	<b>2,585,097</b>
<b>Increase in Operating Assets:</b>				
Loans and Receivables to Customers	(14,558,152)	(8,186,979)	(14,558,152)	(8,186,979)
Deposits Held for Regulatory or Monetary Control Purposes	(4,305,474)	(1,036,474)	(4,305,474)	(1,036,474)
<b>Increase/(Decrease) in Operating Liabilities:</b>				
Deposits from Customers	16,253,084	5,034,580	16,253,084	5,034,580
Certificates of Deposit from Customers	(416,563)	(666,820)	(416,563)	(666,820)
<b>Cash Used in Operations</b>	<b>(843,885)</b>	<b>(2,322,938)</b>	<b>(843,885)</b>	<b>(2,322,938)</b>
Income Tax Paid	(377,476)	(208,055)	(377,476)	(208,055)
Contribution Paid into Employees Retirement Benefit Plan to Employees	(27,042)	(41,775)	(27,042)	(41,775)
<b>Net Cash Used in Operating Activities</b>	<b>(1,283,136)</b>	<b>(2,564,033)</b>	<b>(1,174,294)</b>	<b>(2,507,693)</b>
<b>Cash Flows from Investing Activities</b>				
Investment in Subsidiary Company	(1,673)	(34,771)	-	-
Dividend Income Received	73,463	81,376	17,124	35,820
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	(898,015)	(19,724,900)	(898,015)	(19,724,900)
Reverse Repurchase Agreements Maturing after 03 Months	(29,401)	(29,401)	(29,401)	(29,401)
Net Proceeds from Sale, Maturity and Purchase of Financial Investments of Shares and Debentures	295,555	1,339,350	295,555	1,361,230
Purchase of Property, Plant & Equipment/Leasehold Rights and Intangible Assets	(285,565)	(168,789)	(297,823)	(177,282)
Proceeds from Sale of Property, Plant & Equipment, Leasehold Rights and Intangible Assets	17,190	8,392	17,190	8,392
Proceeds from Sale of Investment Properties	-	155,000	-	155,000
Improvements to Investment Properties	-	(105)	-	(91)
<b>Net Cash Used in Investing Activities</b>	<b>(969,045)</b>	<b>(18,373,743)</b>	<b>(966,174)</b>	<b>(18,365,332)</b>
<b>Cash Flows from Financing Activities</b>				
Securities Sold under Repurchase Agreements	13,622,433	4,564,311	13,622,433	4,564,311
Increase in Other Borrowings	681,225	4,218,982	675,709	4,161,779
Dividends Paid - Ordinary Shares	(929,587)	(849,438)	(955,764)	(856,826)
<b>Net Cash Generated from Financing Activities</b>	<b>13,374,091</b>	<b>7,933,855</b>	<b>13,342,378</b>	<b>7,869,264</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	11,201,910	(13,003,921)	11,201,910	(13,003,761)
Cash and Cash Equivalents at beginning of the Year	14,682,092	32,936,491	14,682,142	32,936,531
<b>Cash and Cash Equivalents at End of the Period</b>	<b>25,884,002</b>	<b>19,932,570</b>	<b>25,884,052</b>	<b>19,932,770</b>
<b>Reconciliation of Cash and Cash Equivalents</b>				
Cash and Cash Equivalents	7,771,321	6,232,115	7,771,371	6,232,315
Placements with Banks and Finance Companies	361,582	361,582	361,582	361,582
Government of Sri Lanka Treasury Bills/Bonds and Development Bonds Maturing within 03 Months	10,257,785	9,070,611	10,257,785	9,070,611
Securities Purchased under Resale Agreements Maturing within 03 Months	7,854,896	4,288,282	7,854,896	4,288,282
<b>Total</b>	<b>25,884,002</b>	<b>19,932,570</b>	<b>25,884,052</b>	<b>19,932,770</b>

#### STATEMENT OF PROFIT OR LOSS OR OTHER COMPREHENSIVE INCOME

(In terms of Rule 7.4 of the Colombo Stock Exchange)	Bank												Group											
	For the 06 months Ended 30th June			For the Quarter Ended 30th June			For the 06 months Ended 30th June			For the Quarter Ended 30th June			For the 06 months Ended 30th June			For the Quarter Ended 30th June								
	2016	2015	Growth %	2016	2015	Growth %	2016	2015	Growth %	2016	2015	Growth %	2016	2015	Growth %	2016	2015	Growth %						
Profit for the Period	1,754,983	1,740,307	0.84	1,034,727	1,048,954	(1.36)	1,749,006	1,724,919	1.40	1,071,425	1,055,379	1.52	1,754,983	1,740,307	0.84	1,034,727	1,048,954	(1.36)						
Other Comprehensive Income/(Loss) Net of Tax																								



# SEYLAN BANK PLC

## FINANCIAL STATEMENTS

### Six months ended 30th June, 2016



#### 11. ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Rs. '000

	Bank - 30.06.2016					Bank - 31.12.2015				
	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
<b>Assets</b>										
Cash and Cash Equivalents	-	-	7,771,321	-	7,771,321	-	-	7,800,488	-	7,800,488
Balances with Central Bank of Sri Lanka	-	-	12,869,375	-	12,869,375	-	-	8,563,888	-	8,563,888
Placements with Banks and Finance Companies	-	-	-	-	-	-	-	757,050	-	757,050
Derivative Financial Instruments	97,119	-	-	-	97,119	130,055	-	-	-	130,055
Other Financial Assets Held-for-Trading	7,087,936	-	-	-	7,087,936	6,016,572	-	-	-	6,016,572
Securities Purchased under Resale Agreements	-	-	7,854,896	-	7,854,896	-	-	2,312,548	-	2,312,548
Customer Loans and Receivables	-	-	207,714,897	-	207,714,897	-	-	193,103,942	-	193,103,942
Financial Investments - Available-for-Sale	-	-	46,082,541	-	46,082,541	-	-	-	-	46,082,541
Financial Investments - Held-to-Maturity	-	24,156,019	-	-	24,156,019	-	18,147,773	-	-	18,147,773
Group Balances Receivable	-	-	39,844	-	39,844	-	-	30,000	-	30,000
Other Assets	-	-	4,337,499	-	4,337,499	-	-	3,854,350	-	3,854,350
<b>Total Financial Assets</b>	<b>7,185,055</b>	<b>24,156,019</b>	<b>240,587,832</b>	<b>46,082,541</b>	<b>318,011,447</b>	<b>6,146,827</b>	<b>18,147,773</b>	<b>216,422,266</b>	<b>46,082,541</b>	<b>308,759,178</b>
<b>Liabilities</b>										
Due to Banks	-	-	21,431,589	-	21,431,589	-	-	19,784,171	-	19,784,171
Derivative Financial Instruments	200,933	-	-	-	200,933	50,013	-	-	-	50,013
Customer Deposits	-	-	240,769,894	-	240,769,894	-	-	224,525,455	-	224,525,455
Securities Sold under Repurchase Agreements	-	-	25,039,777	-	25,039,777	-	-	11,409,788	-	11,409,788
Other Borrowings	-	-	17,635	-	17,635	-	-	15,688	-	15,688
Debt Securities	-	-	7,189,904	-	7,189,904	-	-	7,179,853	-	7,179,853
Group Balances Payable	-	-	161,071	-	161,071	-	-	181,266	-	181,266
Current Tax Liabilities	-	-	680,439	-	680,439	-	-	506,712	-	506,712
Other Liabilities	-	-	5,112,017	-	5,112,017	-	-	5,580,298	-	5,580,298
<b>Total Financial Liabilities</b>	<b>200,933</b>	<b>-</b>	<b>306,402,325</b>	<b>-</b>	<b>306,603,258</b>	<b>50,013</b>	<b>-</b>	<b>269,183,331</b>	<b>-</b>	<b>269,233,344</b>

#### 10. SEGMENT REPORTING - GROUP

Rs. '000

	BANKING		TREASURY		PROPERTY/INVESTMENTS		UNALLOCATED/ELIMINATIONS		TOTAL	
	30.06.2016	30.06.2015	30.06.2016	30.06.2015	30.06.2016	30.06.2015	30.06.2016	30.06.2015	30.06.2016	30.06.2015
Interest Income	12,638,597	9,570,165	1,488,920	1,355,330	15,935	15,765	811,715	654,430	14,955,167	11,595,690
Interest Expense	7,889,488	6,197,721	780,883	557,807	483	540	(10,882)	8,765,993	5,745,196	4,332,400
<b>Net Interest Income</b>	<b>4,749,109</b>	<b>3,372,444</b>	<b>708,037</b>	<b>797,523</b>	<b>15,452</b>	<b>15,225</b>	<b>801,676</b>	<b>668,437</b>	<b>9,209,971</b>	<b>7,263,290</b>
Fee and Commission Income	1,487,791	1,245,832	807	717	-	-	29	76	1,488,827	1,246,625
Fee & Commission Expenses	39,821	35,302	17,028	19,913	2,703	2,040	-	99,392	57,255	57,255
<b>Net Fee and Commission Income</b>	<b>1,447,970</b>	<b>1,210,530</b>	<b>790,779</b>	<b>797,804</b>	<b>(2,703)</b>	<b>(2,040)</b>	<b>29</b>	<b>76</b>	<b>1,431,776</b>	<b>1,189,370</b>
Net Trading Income	-	-	(201,844)	251,229	(400)	(1,200)	-	-	(202,444)	250,029
Net Gain from Financial Investments	-	-	30,525	92,501	-	-	-	-	30,525	92,501
Net Exchange Income	129,939	14,620	328,473	386,465	-	-	16,655	7,721	475,067	408,806
Other Operating Income (Net)	(6,775)	188,026	104,883	32,485	114,446	100,142	86,876	(45,090)	306,432	276,550
Inter-Segment Revenue	(134,775)	(63,670)	97,355	27,653	-	-	37,420	36,017	-	-
<b>Total Operating Income</b>	<b>6,086,668</b>	<b>5,721,950</b>	<b>1,821,888</b>	<b>1,569,660</b>	<b>128,779</b>	<b>112,127</b>	<b>960,658</b>	<b>684,028</b>	<b>8,195,828</b>	<b>8,067,755</b>
Depreciation and Amortisation	195,283	163,083	632	563	800	957	113,302	89,576	310,847	254,179
Impairment on Loans and Other Losses - Charges/(Reversal)	312,373	588,189	881,366	1,360,827	49,818	73,353	73,375	26,822	(1,174,294)	(2,582,950)
Operating Expenses Net of VAT	3,812,290	3,759,568	170,142	208,333	45,335	46,762	977,964	663,749	5,004,331	4,678,912
<b>Reportable Segment Profit Before Income Tax</b>	<b>1,766,542</b>	<b>1,241,110</b>	<b>850,734</b>	<b>1,360,264</b>	<b>80,810</b>	<b>64,408</b>	<b>(129,708)</b>	<b>(89,297)</b>	<b>2,568,178</b>	<b>2,576,485</b>
<b>OTHER INFORMATION</b>										
Total Assets	203,380,897	154,493,328	99,937,713	86,733,624	4,998,503	4,423,428	20,998,957	19,708,224	328,416,070	265,358,604
Total Liabilities & Equity	290,983,996	197,427,832	38,460,859	29,700,164	4,998,503	4,423,428	33,992,712	33,807,180	328,416,070	265,358,604
Cash Flows from Operating Activities	(2,147,454)	(3,970,695)	881,366	1,360,827	49,818	73,353	(1,174,294)	26,822	(2,582,950)	(2,582,950)
Cash Flows from Investing Activities	(823,451)	(162,956)	(530,670)	(18,381,947)	17,910	(13,182)	170,831	192,753	(966,174)	(18,365,332)
Cash Flows from Financing Activities	-	-	14,303,658	8,783,293	(88,779)	(73,982)	(872,501)	(840,047)	13,342,378	7,969,234
Capital Expenditure	(238,083)	(128,185)	-	-	(2,484)	(2,684)	(157,376)	(40,513)	(397,923)	(171,382)

#### STATEMENT OF CHANGES IN EQUITY - BANK

Rs. '000

For the Six Months ended 30th June	Ordinary Shares		Statutory Reserve Fund *	Retained Earnings	Reserves			Total
	Voting	Non-Voting			Revaluation Reserve	Available for Sale Reserve	Other Reserves	
	<b>1 Balance as at 01.01.2015</b>	<b>6,962,722</b>	<b>3,567,002</b>	<b>995,894</b>	<b>9,083,743</b>	<b>651,483</b>	<b>651,222</b>	<b>2,096,473</b>
Super Gain Tax **	-	-	-	(867,428)	-	-	-	(867,428)
<b>Adjusted Balance as at 01.01.2015</b>	<b>6,962,722</b>	<b>3,567,002</b>	<b>995,894</b>	<b>8,216,315</b>	<b>651,483</b>	<b>651,222</b>	<b>2,096,473</b>	<b>23,141,111</b>
<b>Total Comprehensive Income for the period</b>	-	-	-	1,740,307	-	-	-	1,740,307
Profit for the Period	-	-	-	-	-	-	-	-
Other Comprehensive Income (Net of Tax)	-	-	-	-	-	-	(230,296)	(230,296)
<b>2 Total Comprehensive Income for the period</b>	-	-	-	1,740,307	-	-	(230,296)	1,510,011
<b>Transactions With Equity Holders - Recognised Directly In Equity</b>								
Dividends to Equity Holders	-	-	-	(862,401)	-	-	-	(862,401)
Transfers from/to Retained Profits	-	-	-	61,919	-	-	-	61,919
<b>3 Total Transactions with Equity Holders</b>	-	-	-	(800,482)	-	-	-	(800,482)
<b>Balance as at 30.06.2015 (1 + 2 + 3)</b>	<b>6,962,722</b>	<b>3,567,002</b>	<b>995,894</b>	<b>9,156,140</b>	<b>651,483</b>	<b>420,926</b>	<b>2,034,554</b>	<b>23,788,721</b>
<b>1 Balance as at 01.01.2016</b>	<b>6,962,722</b>	<b>3,567,002</b>	<b>1,187,441</b>	<b>11,125,666</b>	<b>651,483</b>	<b>(468,626)</b>	<b>2,030,189</b>	<b>25,055,677</b>
<b>Total Comprehensive Income for the period</b>	-	-	-	1,754,983	-	-	-	1,754,983
Profit for the Period	-	-	-	-	-	-	-	-
Other Comprehensive Income (net of tax)	-	-	-	-	-	-	(1,544,690)	(1,544,690)
<b>2 Total Comprehensive Income for the period</b>	-	-	-	1,754,983	-	-	(1,544,690)	210,293
<b>Transactions With Equity Holders - Recognised Directly In Equity</b>								
Dividends to Equity Holders	-	-	-	(948,641)	-	-	-	(948,641)
Transfers from/to Retained Profits	-	-	-	4,364	-	-	-	4,364
<b>3 Total Transactions with Equity Holders</b>	-	-	-	(944,277)	-	-	-	(944,277)
<b>Balance as at 30.06.2016 (1 + 2 + 3)</b>	<b>6,962,722</b>	<b>3,567,002</b>	<b>1,187,441</b>	<b>11,936,372</b>	<b>651,483</b>	<b>(2,013,516)</b>	<b>2,025,825</b>	<b>24,317,329</b>

\* Statutory Reserve Fund represents the statutory requirement in terms of the section 20(1) and (2) of the Banking Act No. 30 of 1988 (5% of net profit after tax).

\*\* As per the provisions of Part III of the Finance Act, No. 10 of 2015 which was certified on 30 October 2015, the Bank is liable for Super Gain Tax of Rs. 867.4 Million. According to the Act, the Super Gain Tax shall be deemed to be expenditure in the Financial Statements relating to the year of assessment which commenced on 1st April 2015. The Act supersedes the requirements of the Sri Lanka Accounting Standards; hence the expense of Super Gain Tax is accounted in accordance with the requirements of the said Act as recommended by the Statement of Alternative Treatment (SoAT) on Accounting for Super Gain Tax issued by the Institute of Chartered Accountants of Sri Lanka, dated 24 November 2015.

#### STATEMENT OF CHANGES IN EQUITY - GROUP

Rs. '000

For the Six Months ended 30th June	Ordinary Shares		Statutory Reserve Fund *	Retained Earnings	Reserves			Total
	Voting	Non-Voting			Revaluation Reserve	Available for Sale Reserve	Other Reserves	
	<b>1 Balance as at 01.01.2015</b>	<b>6,962,722</b>	<b>3,567,002</b>	<b>995,894</b>	<b>9,293,830</b>	<b>1,373,590</b>	<b>650,480</b>	<b>2,351,686</b>
Super Gain Tax **	-	-	-	(870,371)	-	-	-	(870,371)
<b>Adjusted Balance as at 01.01.2015</b>	<b>6,962,722</b>	<b>3,567,002</b>	<b>995,894</b>	<b>8,423,459</b>	<b>1,373,590</b>	<b>650,480</b>	<b>2,351,686</b>	<b>24,324,833</b>
<b>Total Comprehensive Income for the period</b>	-	-	-	1,715,367	-	-	-	1,715,367
Profit for the Period	-	-	-	-	-	-	-	-
Other Comprehensive Income (Net of Tax)	-	-	-	-	-	-	(230,852)	(230,852)
<b>2 Total Comprehensive Income for the period</b>	-	-	-	1,715,367	-	-	(230,852)	1,484,515
<b>Transactions With Equity Holders, Recognised Directly In Equity</b>								
Dividends	-	-	-	(862,401)	-	-	-	(862,401)
Transfers from/to Retained Profits	-	-	-	61,919	-	-	-	61,919
<b>Changes in Ownership Interest without Change in Control</b>								
Acquisition of Non-Controlling Interest without Change in Control	-	-	-	14,793	-	-	-	14,793
<b>3 Total Transactions with Equity Holders</b>	-	-	-	(845,589)	-	-	-	(845,589)
<b>Balance as at 30.06.2015 (1 + 2 + 3)</b>	<b>6,962,722</b>	<b>3,567,002</b>	<b>995,894</b>	<b>9,353,137</b>	<b>1,373,590</b>	<b>419,628</b>	<b>2,289,767</b>	<b>24,961,740</b>
<b>1 Balance as at 01.01.2016</b>	<b>6,962,722</b>	<b>3,567,002</b>	<b>1,187,441</b>	<b>11,376,269</b>	<b>1,378,783</b>	<b>(469,879)</b>	<b>2,285,402</b>	<b>26,287,740</b>
<b>Total Comprehensive Income for the period</b>	-	-	-	1,736,201	-	-	-	1,736,201
Profit for the Period	-	-	-	-	-	-	-	-
Other Comprehensive Income (Net of Tax)	-	-	-	-	-	-	(1,546,000)	(1,546,000)
<b>2 Total Comprehensive Income for the period</b>	-	-	-	1,736,201	-	-	(1,546,000)	190,201
<b>Transactions With Equity Holders, Recognised Directly In Equity</b>								
Dividends	-	-	-	(948,641)	-	-	-	(948,641)
Transfers from/to Retained Profits	-	-	-	4,364	-	-	-	4,364
<b>Changes in Ownership Interest without Change in Control</b>								
Acquisition of Non-Controlling Interest without Change in Control	-	-	-	1,021	-	-	-	1,021
<b>3 Total Transactions with Equity Holders</b>	-	-	-	(943,256)	-	-	-	(943,256)
<b>Balance as at 30.06.2016 (1 + 2 + 3)</b>	<b>6,962,722</b>	<b>3,567,002</b>	<b>1,187,441</b>	<b>12,169,214</b>	<b>1,378,783</b>	<b>(2,013,879)</b>	<b>2,281,038</b>	<b>25,530,321</b>

\* Statutory Reserve Fund represents the statutory requirement in terms of the section 20(1) and (2) of the Banking Act No. 30 of