

Your ref :

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**INCOME STATEMENT**  
 (In terms of Rule 7.4 of the Colombo Stock Exchange)

	Group			(Amounts in Rupees Thousands)		
	Group			Group		
	For the Nine Months Ended 30th September			For the Quarter Ended 30th September		
	2012	2011	Growth %	2012	2011	Growth %
<b>Interest Income</b>						
Interest Income on Loans and Advances	12,515,182	8,804,669	42.14	4,539,448	3,121,029	45.45
Interest Income on Other Interest Earning Assets	2,393,592	3,066,421	(21.94)	808,925	953,578	(15.17)
	<b>14,908,774</b>	<b>11,871,090</b>	<b>25.59</b>	<b>5,348,373</b>	<b>4,074,607</b>	<b>31.26</b>
<b>Less: Interest Expenses</b>						
Interest Expense on Deposits	7,113,311	5,105,779	39.32	2,743,054	1,701,612	61.20
Interest Expense on Other Interest Bearing Liabilities	1,365,099	1,073,848	27.12	458,032	336,531	36.10
	<b>8,478,410</b>	<b>6,179,627</b>	<b>37.20</b>	<b>3,201,086</b>	<b>2,038,143</b>	<b>57.06</b>
<b>Net Interest Income</b>	<b>6,430,364</b>	<b>5,691,463</b>	<b>12.98</b>	<b>2,147,287</b>	<b>2,036,464</b>	<b>5.44</b>
<b>Non-Interest Income</b>						
Foreign Exchange Income	490,275	428,742	14.35	117,985	119,012	(0.86)
Other Income	1,368,654	1,391,467	(1.64)	477,261	431,322	10.65
	<b>1,858,929</b>	<b>1,820,209</b>	<b>2.13</b>	<b>595,246</b>	<b>550,334</b>	<b>8.16</b>
	<b>8,289,293</b>	<b>7,511,672</b>	<b>10.35</b>	<b>2,742,533</b>	<b>2,586,798</b>	<b>6.02</b>
<b>Less: Non-Interest Expenses</b>						
Personnel costs	2,277,891	2,262,760	0.67	741,960	763,214	(2.78)
Provision for Staff Retirement Benefits	76,875	179,817	(57.25)	3,835	141,399	(97.29)
Premises, Equipment and Establishment Expenses	1,231,705	1,214,587	1.41	402,326	410,660	(2.03)
Loss on Trading/Investment Securities	121,837	-	-	10,226	-	-
Negative Goodwill on Consolidation	-	(22,353)	-	-	-	-
Other Operating Expenses	1,566,438	1,409,788	11.11	559,412	457,248	22.34
	<b>5,274,746</b>	<b>5,044,599</b>	<b>4.56</b>	<b>1,717,759</b>	<b>1,772,521</b>	<b>(3.09)</b>
<b>Less: Provision for Bad and Doubtful Debts and Loans Written Off</b>	<b>3,014,547</b>	<b>2,467,073</b>	<b>22.19</b>	<b>1,024,774</b>	<b>814,277</b>	<b>25.85</b>
Provisions-General	41,340	(164,285)	125.16	13,456	(49,059)	127.43
Provisions-Specific	368,356	660,262	(44.21)	122,422	160,638	(23.79)
Recoveries (-)	(588,285)	(505,009)	16.49	(196,477)	(180,058)	9.12
Loans Written Off	7,576	8,941	(15.27)	1,099	5,534	(80.14)
	<b>(171,013)</b>	<b>(91)</b>	<b>187,826.37</b>	<b>(59,500)</b>	<b>(62,945)</b>	<b>(5.47)</b>
<b>Operating Profit on Ordinary Activities Before Diminution / Impairment</b>	<b>3,185,560</b>	<b>2,467,164</b>	<b>29.12</b>	<b>1,084,274</b>	<b>877,222</b>	<b>23.60</b>
<b>Less: Provision / (Reversal) for Decline in Value of Investments (Net)</b>	<b>(128,733)</b>	<b>243,617</b>	<b>152.84</b>	<b>(46,640)</b>	<b>46,977</b>	<b>199.28</b>
<b>Impairment Loss / (Reversal) on Other Securities</b>	<b>153,984</b>	<b>743,427</b>	<b>79.29</b>	<b>-</b>	<b>230,777</b>	<b>-</b>
<b>Operating Profit on Ordinary Activities Before Extra Ordinary Cost &amp; Taxes</b>	<b>3,160,309</b>	<b>1,480,120</b>	<b>113.52</b>	<b>1,130,914</b>	<b>599,468</b>	<b>88.65</b>
Less: Extra Ordinary Cost (VRS Cost)	-	698,650	-	-	(1,350)	-
<b>Operating Profit on Ordinary Activities Before Taxes</b>	<b>3,160,309</b>	<b>781,470</b>	<b>304.41</b>	<b>1,130,914</b>	<b>600,818</b>	<b>88.23</b>
Less: Value Added Tax on Financial Services	627,855	249,826	151.32	239,821	125,999	90.34
<b>Profit Before Corporate Tax</b>	<b>2,532,454</b>	<b>531,644</b>	<b>376.34</b>	<b>891,093</b>	<b>474,819</b>	<b>87.67</b>
Less: Income Tax	902,847	174,000	418.88	295,873	75,396	292.43
<b>Profit after Tax</b>	<b>1,629,607</b>	<b>357,644</b>	<b>355.65</b>	<b>595,220</b>	<b>399,423</b>	<b>49.02</b>
Attributable to Minority Interest	15,652	15,995	(2.15)	6,026	2,911	106.99
<b>Net Profit Attributable to Shareholders of the Bank</b>	<b>1,613,955</b>	<b>341,649</b>	<b>372.40</b>	<b>589,194</b>	<b>396,512</b>	<b>48.59</b>
<b>Basic Earnings per Share in Rupees (annualised)</b>	<b>6.37</b>	<b>1.62</b>	<b>293.21</b>	<b>6.97</b>	<b>5.63</b>	<b>23.80</b>

The above statements are subject to audit and 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 35 - Interim Financial Reporting.

