

	BANK				GROUP	
	2012 (Rs. '000)	2011 (Rx. '000)	Change %	2012 (Rs. '000)	2011 (Rs. 1000)	Change %
Gross Income	19,747,321	15,332,839	28.6	24.053.141	18.234.651	31.9
Interest Income	17,474,707	14.168.226	23.3	21,342,724	16,747,839	27.4
Interest Income on Loans and Advances	14,667,376	11,075,187	34.4	18,703,947	13,642,892	37.1
Interest Income on Other Interest Earning Assets	2,587,329	3,092,809	(16.3)	2,638,777	3,104,947	(15.0
Less: Interest Expenses	9,723,959	7,408,943	31.2	11,691,872	8,469,946	38.0
Interest Expenses on Deposits	8,357,011	6,419,525	30.2	8,353,191	6,370,652	31.1
Interest Expenses on Other Interest Bearing Liabilities	1,365,948	989,418	38.2	3,338,681	2,099,294	59.0
Net Interest Income	7,750,748	6,760,053	14.7	9,650,852	8,277,893	16.6
Non Interest Income	2,151,216	1,095,917	96.3	2,572,580	1,409,397	82.5
Foreign Exchange Income	985,150	238,650	313.2	985,150	238,650	313.2
Other Income	1,165,066	857,267	35.9	1,586,430	1,170,747	35.5
Less: Non - Interest Expenses	5,073,863	4,176,159	21.5	5,981,325	4,831,797	23.8
Personnel Costs  Douglains for Staff Batterment Benefits	2,835,054	2,203,255	25.7	3,171,886	2,365,584	34.1
Provision for Stair Retrement Denants Premises Equipment and Establishment Expenses	392,145 986,007	375,025 797,381	4.6	392,145 1.043,974	375,025 829,307	4.6 25.9
Losses on Trading Investment Securities	100,007	797,301	21.1	1,043,974	0.29,307	20.9
Other Operating Expenses	880,657	800,498	10.0	1,373,320	1,261,881	8.8
Less: Provision for Bad and Doubtful Debts and Loans Written Off	462,687	113,875	306.3	232,968	(427,762)	(154.5
Provisions - General	437,756	(5,500)	(5,250.1)	413,562	(233,660)	(277.0
Provisions - Specific	146,329	190,301	(23.1)	(42,757)	(115,587)	(63.4
Recoveries(-) Lows Witten Off Other Provisions	(121,398)	(67,926)	78.7	(137,837)	(77,415)	78.0
Less:Provision for Decline in Value of Investments	507,339	(57,197)	(987.0)	507,339	(57,197)	(987.0
Operating Profit on Ordinary Activities before Tax	3,858,075	3,623,133	6.5	5,501,800	5,340,452	3.0
Less:Value Added Tax on Financial Services	660,079	544,355	21.3	735,975	606,157	21.4
Operating Profit on Ordinary Activities before Corporate Tax	3,197,996	3,078,778	3.9	4,765,824	4,734,294	0.7
Share of Subsidiaries/Associate Companies' Profit				(1,856)	(10,904)	(83.0
Operating Profit Before Corporate Tax	3,197,996	3,078,778	3.9	4,763,968	4,723,390	0.9
Less:Tax on Profits on Ordinary Activities	1,125,219	1,077,689	4.4	1,525,775	1,599,653	(4.6
Operating Profit after Corporate Tax	2,072,777	2,001,089	3.6	3,238,193	3,123,737	3.7
Minority Interest				(297,467)	(3,549)	8,281.7
Operating Profit for the Period	2 072 777	2 001 089	36	2 940 776		5.0

STATEMENT OF CHANGES IN EQUITY AND RESERVES - BANK FOR THE QUARTEE BEDDED JUST MARCH 2012											
	Equity Capital				Reserves						
	Ordinary Shares (Rs. '000)	Capital Pending Allotment (Rs. '000)	Permanent Reserve (Rs. 1000)	Revaluation Reserve (Rs. '000)	Capital Reserve (Rs. '000)	Special Risk Reserve (Rs. '000)	General Reserve (Rs. '000)	Building Reserve (Rx. '000)	Fund (Rs. '000)	Statement (Rs. '000)	Total (Rs. '000)
Balance as at 01.01.2012	49,995	7,152,000	1,892,591	5,630,460	5,663	1,451,406	2,188,500	1,000	1,897,702	6,226,026	25,495,346
Issue of Shares/ Increase of assigned capital (Tranch 4 Capital)											
Bonus Issue											
Rights Issue											
Surplus on revaluation of property											
Net profit for the period										2,072,777	2,072,777
Transfer to Special Risk Reserve during the period											
Transfer to General Reserve											
Transfer to Reserve Fund											
Transfer to I revealment Fund									463,882	(463,682)	1.0
Dividend Paid to GOSL											
Profit transfer to Head office										(54.922)	(54,922)
Special Lawy to Treasury											
Balance as at 31.03.2012	49 998	7,152,000	1 892 591	5 630 460	5.663	1.451.405	2 188 500	1.000	2 361 584	7 779 999	28 513 261

	Equity Capital					Reserves					
	Ordinary Shares (Rs. 1999)	Capital Pending Allotment (Rs. 1999)	Permanent Reserve (Rx. 900)	Revaluation Reserve (Rs. '996)	Capital Reserve (Rs. 900)	Special Risk Reserve (Rs. '000)	General Reserve (Rs. '900)	Building Reserve (Rx. '900)	Fund (Rx. 900)	Income Statement (Rs. 1000)	Total (Rs. 1000)
Balance as at 01.01.2012	40,995	7,152,000	1,892,591	5,630,460	5,663	1,451,405	2,188,500	1,000	2,230,900	17,525,520	38,128,033
Issue of Shares/ Increase of assigned capital (Tranch4 Capital)											
Bonus Issue											
Rights Issue											
Surplus on revaluation of property											
Net profit for the period										2,940,726	2,940,721
Transfer to Special Risk Reserve during the period											
Transfer to General Reserve											
Transfer to Reserve Fund											
Transfer to I revealment Fund									673,873	(673,673)	
Disposal & change of holding in subsidiries										(15,754)	(15,754
Goodwill Adjustment											
Share issue Expenses											
Deerred Disposal Profit											
Dividend Paid to GOSL											
Profit transfer to Head office										(54,922)	(54,922
Special Lew to Treasury										(34,622)	(34,86
Balance as at 31.03.2012	42.221	7,152,000	1,892,591	5,630,460	5,663	1.451.405	2,155,500	1,000	2,904,773	19,721,697	40,225,05

		BANK		OUP
	As at 31.03.2012	As at 31.12.2011 (Audited)	As at 31.03.2012	As at 31.12.2011 (Audited)
Regulatory Capital Adequacy				
Core Capital (Tier 1 Capital), Rs. Mn	20,414	20,460	35,859	35,61
Total Capital Base, Rs. Mn	31,697	31,502	50,218	49,71
Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 5%)	9.5	9.6	11.9	11.
Total capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 10%)	14.8	14.8	16.2	15.
Assets Quality (Quality of Loan Portfolio)				
Gross Non-Performing Advances Ratio, % (net of				
Interest in Suspense)	3.5	3.4	3.1	2.5
Net Non- Performing Advances Ratio, % (net of interest in suspense and provisions)	0.8	0.5	0.7	0.
Profitability				
Interest Margin, %	4.5	5.0	5.0	5.5
Return on Assets (Before Tax.), % Return on Equity (After Tax), %	1.9	2.5 42.9	2.5 32.7	43
Regulatory Liquidity				
Statutory Liquid Assets, RcMn				
Domestic Banking Unit Rv. Mn	119,735	118,497		
Off- Shore Banking Unit USS (1000)	103,797	65,958		
Statutory Liquid Assets, Ratio % (Minimum Requirement, 20%)				
Domestic Banking Unit	20.6	21.5		
Off-Shore Banking Unit	21.3	21.5		

	AS AT 31ST MA	RCH	GROUP					
	BANK As at 31.03.2012 (Rs. 1000)	As at 31.12.2011 (Rs. 100) (Audited)	Change %	As at 31.03.2012 (Rs. '000)	As at 31.12.2011 (Rs. '000) (Audited)	Chang %		
On Balance Sheet Assets								
Cash in Mand Balances with Central Bank of Sri Lanks /Other Central Banks Due from Banks and Other Financial Institutions	12,082,469 37,632,909 24,269,695	10,371,434 35,717,033 24,652,931	16.5 5.4 (1.6)	12,682,295 37,632,909 26,497,898	11,474,476 35,717,033 28,501,733	10. 5. (7.		
Investments - Trading Account Government Securities Other Securities	17,899,343 17,112,441 786,907	23,891,041 23,021,869 869,172	(25.1) (25.7) (9.5)	18,011,096 17,112,441 898,655	23,984,288 23,021,869 962,339	(24 (25		
investments - Held -to-Maturity (Net of provisions made for decline in inv Excluding Investments in Associates and Subsidiaries)	estment value) 80,601,377	77.565.671	3.9	82,054,445	78.045.143			
Government Securities	80.667.613	77.421.244	4.2	82,030,672	77.750.706			
Other Securities Less : Provision for decline in Value of Investment	1,309,758 1,375,994	1,309,758 1,165,331	18.1	1,409,768 1,375,994	1,459,768 1,165,331	1		
Investments in Associates and Subsidiaries	1,693,050	1,693,050		375,340	377,196			
Loans and Advances Performing Loans and Advances	503,069,291	462,282,977	8.8	604,742,787	560,667,341			
Bills of Exchange Overfolis	20,405,560	14,969,959	36.3	20,405,560 54,990,295	14,969,959	3		
Lease Rentals Receivable	142,586	175,049	(18.5)	101,395,330	99,745,111			
Other Loans	426,567,559	385,109,499	10.8	427,950,602	385,061,946	1		
Non Performing Loans and Advances Bills of Exchange	18,355,607	16,061,589	14.3	18,971,378	16,842,695	1		
Overdrafts	1,701,375	1,499,758	13.4	1,701,375	1,499,758	- 1		
Lease Rentals Receivable Other Loans	4,137 14,935,173	4,165	(0.7) 15.6	598,319 14,956,762	785,272 12,922,352	(2		
Add: Interest Receivables on NP Advances	33,466,074	33,133,569	1.0	33,519,397	33,191,538			
Total Gross Loans and Advances	554,890,972	511,478,135	8.5	657,233,562	610,701,574			
Less: Interest in Suspence	35,111,916	33 570 578	4.5	57 972 794	55 327 745			
Specific Loan Loss Provisions General Loss Loss Provisions	11,050,883	10,758,432	2.7	11,766,016	11,712,443			
Get Loans and Edwards	505 953 531	464 817 770	10.7	584 760 510	540 307 612			
Other Annah	17,572,317	15 417 855	13.6	20,419,248	18 890 054			
internalble Asserts	85 289	100,807	(15.4)	435,930	450.412			
Prepayment Leases Property, Plant & Equipment/Net of Accumulated Deprication)	325,225 8,644,950	325,225 8,509,867	1.6	325,225 11,456,881	325,225 10,735,283			
Total on Balance Sheet Assets	796,760,356	663,077,154	6.6	794.661.778	748.578.375			
On Balance Sheet Liabilities								
Total Deposits Demand Deposits	554,495,232 37,042,211	539,861,539	2.7	561,911,584 37,037,587	548,033,329	(1		
Savings Deposits	228,623,376	232,339,102	(1.6)	229,440,149	233,277,130			
Time Deposits Marrin Deposits	284,353,488	252,009,020 12,578,793	12.6	290,956,641	259,239,002 12,578,793			
Other Deposits	295,154	413,241	(28.6)	295,204	416,461	Ġ		
Total Borrowings Borrowings from CBSL	93,444,146 3,383,655	72,820,593 3,054,715	28.3 10.4	148,262,583	124,630,252			
Borrowings from Banks and Financial Institutions in Sri Lanks Securities sold under Repurchae Agreements	57,717,031	43,375,535 16,307,544	33.1 36.5	110,978,500	93,187,245	1		
Subordinated Term Debts	10,000,000	10,000,000		12,005,330	12,072,830			
Other Borrowings Deferred Liabilities	79,125	72,799	8.7	79,125 1,146,495	72,799 760,044			
Jenemed Lucinius Current Taxation Shar I inhilities	2,608,093 27,362,502	2,805,539	(7.1)	2,886,517	3.427.708	0		
Pher Liabilities	27,362,502	20,778,455	31.7	34,584,769	29,041,503			
Total on Balance Sheet Liabilities	678,247,155	636,581,888	6.5	748,791,948	705,892,906			
Minority Interest				4,871,744	4,557,433			
Equity Capital and Reserves	28,513,201	26,495,346	7.6	40,998,087	38,128,037			
Share Capital/Assigned Capital Statutory Reserve Fund	7,201,998 49,998	7,201,998 49,998	: [	7,201,998 43,998	7,201,995 49,995			
Total Other Reserves	21,261,205	19,243,350	10.5	33,746,091	30,876,041			
Total On - Balance Sheet Liabilities, Equity Capital and Reserves	706,760,356	663.077.154	6.6	794.661.778	748.578.375			
Off-Balance Sheet Items and Contra Accounts Contingencies	201,899,937 183,068,586 18,831,351	191,025,357 171,012,444 20,012,913	5.7 7.0	201,899,937 183,068,586 18,831,351	191,025,357 171,012,444			
Commitment and Contra Accounts	18,831,351	20,012,913	(5.9)	18,831,351	20,012,913			
Memorandum Information Number of Employees	8,094	8,249		9,612	9,723			
Number of Branches	342	341		403	399			

NOTES:

The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka.
 The Information contained in these statements have been extracted from the audited financial statements of the Bank and have been prepared in accordance with Sri Lanka Accounting Stand

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18.05.2012 Colombo.