SEYLAN BANK PLC FINANCIAL STATEMENTS Six months ended 30th June, 2013

(In terms of Rule 7.4 of the Colombo Stock Exchange)		Bank			Bank				Group				
	F	or the O6 m	onths		For the Qu	arter	For the 06 months				For the Quarter		
	E	inded 30th J	une	Ended 30th June				Ended 30th	June		Ended 30t	h June	
	2013	2012	Growth	2013	2012	Growth	2013	2012	Growth	2013	2012	Grow	
			%			%			%				
Interest Income	11,945,302	9,773,841	22.22	6,088,429	5,280,830		11,946,643	- , - , -	22.21	6,088,927		15.3	
Less: Interest Expense	7,611,530	5,304,161	43.50	3,912,796	2,850,238	37.28	7,598,078		43.39	3,905,564		37.2	
Net Interest Income	4,333,772	4,469,680	(3.04)	2,175,633	2,430,592	(10.49)	4,348,565	4,476,305	(2.85)	2,183,363	2,434,973	(10.3	
Fee and Commission Income	1,015,385	796,181	27.53	534,231	397,593	34.37	1,015,385	796,181	27.53	534,231	397,593	34.3	
Less: Fee and Commission Expense	41,982	33,355	25.86	22,229	19,183	15.88	45,170	36,077	25.20	23,673	20,260	16.	
Net Fee and Commission Income	973,403	762,826	27.60	512,002	378,410	35.30	970,215	760,104	27.64	510,558	377,333	35.3	
Net Gain / (Loss) from Financial Instruments													
Designated at Fair Value through Profit or Loss	(17,853)	41,295	(143.23)	21,226	110,201	(80.74)	(17,137)	37,115	(146.17)	19,644	106,257	(81.	
Net gain from Financial Investments	22,825	1	1,150.68	5,712	1,825	212.99	22,825		1,150.68	5,712	1,825	212.	
Net Exchange Income	216,824	352,088	(38.42)	135,738	151,907	(10.64)	216,824	352,088	(38.42)	135,738	151,907	(10.	
Other Operating Income (Net)	69,285	82,700	(16.22)	53,389	67,873	(21.34)	95,812	109,448	(12.46)	63,083	77,462	(18.	
	291,081	477,908	(39.09)	216,065	331,806	(34.88)	318,324	500,476	(36.40)	224,177	337,451	(33.	
Total Operating Income	5,598,256	5,710,414	(1.96)	2,903,700	3,140,808	(7.55)	5,637,104	5,736,885	(1.74)	2,918,098	3,149,757	(7.3	
Less : Impairment for Loans and Other													
Losses -Charges / (Reversal)													
Individual Impairment	33,803	130,611	74.12	(81,925)	(117,765)	30.43	33,803	130,611	74.12	(81,925)	(117,765)	(30.	
Collective Impairment	11,275	(84,380)	(113.36)	192,565	118,983	(61.84)	11,275	(84,380)	(113.36)	192,565	118,983	(61.	
Others	12,777	136,459	90.64	12,823	133,622	90.40	12,777	136,459	90.64	12,823	133,622	90.	
	57,855	182,690	68.33	123,463	134,840	8.44	57,855	182,690	68.33	123,463	134,840	8.	
Net Operating Income	5,540,401	5,527,724	0.23	2,780,237	3,005,968	(7.51)	5,579,249	5,554,195	0.45	2,794,635	3,014,917	(7.	
Personnel Expenses	1,884,903	1,796,798	4.90	918,911	950,630	(3.34)	1,898,777	1,808,720	4.98	924,835	954,967	(3.	
Depreciation and Amortisation	287,040	283,410	1.28	146,644	142,905	2.62	315,613	312,271	1.07	160,933	157,372	2.	
Other Expenses	1,550,879	1,519,308	2.08	798,302	797,812	0.06	1,532,421		2.60	792,997	787,712	0.	
	3,722,822		3.43		1,891,347		3,746,811		3.66	1,878,765		(1.	
Operating Profit before Taxes	1,817,579	1,928,208	(5.74)	916,380	1,114,621	(17.79)	1,832,438	1,939,615	(5.53)	915,870	1,114,866	(17.	
Value Added Tax (VAT)on Financial Services	334,151	384,164	(13.02)	161,443	205,784	(21.55)	334,151	384,164	(13.02)	161,443	205,784	(21.	
Profit before Taxes	1,483,428	1,544,044	(3.93)	754,937	908,837	(16.93)	1,498,287	1,555,451	(3.68)	754,427	909,082	(17.	
Tax Expenses	481,872	583,992	(17.49)	258,367	347,356	(25.62)	495,755	586,498	(15.47)	265,616	349,377	(23.	
Profit for the period	1.001.556	960.052	4.32	496.570	561,481	(11.56)	1.002.532	968.953	3.47	488.811	559.705	(12.	
Attributable to:	.,001,000	300,002	4.02	400,070	001,401	(11.00)	.,001,002	300,300	0.47	400,011	303,100	(12.	
							993.750	961.340	3.37	484.237	557,235	(13.	
Dwners of the Parent							8.782	7,613	15.36	4.574	2,470	85.	
Owners of the Parent Non - Controlling Interest					561.481	(11 56)	1,002,532	968.953	3.47	488.811	559,705	(12.0	
	1,001,556	960,052	4.32	496,570	301,481	(11.30)	1,002,002				223,702	(12.)	

CASH FLOW STATEMENT		BANK		Rs. '000 ROUP
For the six months ended 30th June	2013	2012	2013	2012
Cash Flows from Operating Activities	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Interest Receipts Fees and Commission Receipts Interest Payments Exchange Income	11,475,405 1,015,385 (7,021,698) 216,824	8,448,125 796,181 (4,707,127) 352,088	11,476,746 1,015,385 (7,008,246) 216,824	8,449,541 796,181 (4,701,918) 352,088
Receipts from Other Operating Activities Cash Payments to Employees and Suppliers Cash Payments to Other Operating Activities	174,941 (3,655,782) (41,982)	(63,868) (3,211,418) (33,355)	220,470 (3,623,309) (45,170)	(41,300) (3,197,621) (36,077)
Operating Profit before Changes in Operating Assets & Liabilities	2,163,093	1,580,626	2,252,700	1,620,894
(Increase)/Decrease in Operating Assets : Loans & Receivables (Advanced to) / Repaid by Customers Deposits Held for Regulatory or Monetary Control Purposes	(5,720,179) (1,389,478)	(11,731,311) (683,367)	(5,720,179) (1,389,478)	(11,731,311) (683,367)
Increase/(Decrease) in Operating Liabilities : Deposits from / Withdrawals by) Customers Negotiable Certificates of Deposit Cash (Used in) / Generated from Operations	8,213,344 679,309 3,946,089	10,922,110 221,838 309,896	8,213,344 679,309 4,035,696	10,922,110 221,838 350,164
Income Tax Paid Contribution Paid into Employee Retirement Benefit Plan / Employees	(5,708) (30,813)	(60,000) (95,744)	(5,708) (30,813)	(60,000) (95,744)
Net Cash (Used in) / Generated from Operating Activities	3,909,568	154,152	3,999,175	194,420
Cash Flows from Investing Activities				
Dividend Income Net Proceeds from Sale, Maturity & Purchase of Financial Instruments of Government of Sri Lanka Matuaring after 03 months Reverse Repurchase Agreements Maturing After 03 Months Net Proceeds from Sale, Maturity & Purchase of Financial Instruments of Shares & Debentures Purchase Of Property, -Plant & Equipment, Leasehold Rights & Intangible Assets Proceeds from Sale of Investment Property Improvements to Investment Property	32,121 (14,024,909) 413 (157,416) (372,285) 28,697	18,581 2,396,224 8,332 (324,910) (231,790) 51,595	14,865 (14,024,909) 413 (214,578) (372,478) 28,788 (18,286) (18,0)	11,679 2,396,224 8,332 (330,731) (233,501) 51,595 - (1,058)
Net Cash (Used in) / Generated from Investing Activities	(14,493,379)	1,918,032	(14,586,365)	1,902,540
Cash Flows from Financing Activities				
Increase / (Decrease) in Debentures Repayment of Preference Shares Securities Sold under Repurchase Agreements Increase / (Decrease) in Other Borrowings Dividends Paid - Ordinary Shares Dividends Paid - Preference Shares	2,132,354 3,961,649 3,015,965 (366,225)	(719,671) (42,376) (2,632,750) (600,486) (333,436) (1)	2,082,354 3,961,649 3,069,351 (366,225)	(719,671) (42,376) (2,632,750) (625,705) (333,436) (1)
Net Cash (Used in) / Generated from Financing Activities	8,743,743	(4,328,720)	8,747,129	(4,353,939)
Net Increase / (Decrease) in Cash & Cash Equivalents Cash & Cash Equivalents at beginning of the Period	(1,840,068) 9,481,018	(2,256,536) 9,398,139	(1,840,061) 9,481,119	(2,256,979) 9,398,700
Cash & Cash Equivalents at end of the Period	7,640,950	7,141,603	7,641,058	7,141,721
Reconciliation of Cash & Cash Equivalents Cash and Cash Equivalents Government of Sri Lanka Treasury Bills/Bonds Maturing within 03 Months Securities Purchased under Resale Agreements maturing with in 03 months	4,990,903 424,526 2,225,521 7,640,950	5,776,653 432,697 932,253 7,141,603	4,991,011 424,526 2,225,521 7,641,058	5,776,771 432,697 932,253 7,141,721
	7,040,000	1,141,000	1,041,000	1,141,121

SEYLAN BANK PLC

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STATEMENT OF COMPREHENSIVE INCOME

	Bank For the 06 months Ended 30th June Fo			Bank For the Quarter Ended 30th June			Group For the 06 months Ended 30th June			Group For the Quarter Ended 30th June		
	2013	2012	Growth %	2013	2012	Growth %	2013	2012	Growth %	2013	2012	Growth %
Profit for the Period	1,001,556	960,052	4.32	496,570	561,481	(11.56)	1,002,532	968,953	3.47	488,811	559,705	(12.6
ther Comprehensive Income, Net of Tax												
evaluation of Property, Plant and Equipment.	-	52,800		-	52,800		-	52,800			52,800	
et Chnage of Financial Assets Measured at												
Fair Value Through Other Comprehensive Income:												
et Change in Fair Valule on Available-for-Sale												
Financial Assets	250,050	(649,691)	138.49	72,056	(196,112)	136.74	250,050	(649,691)	138.49	72,056	(196,112)	136.7
et Amount Transferred to Profit or Loss on	(00.005)	(4.005)	4 4 5 0 0 0	(5.740.)	(4.005.)	040.00	(00.005)	(4.005)	4 4 5 0 0 0	(5.740)	(4.005)	010.0
Available-for-Sale Financial Assets	(22,825)	(1,825)	1,150.68	(5,712)	(1,825)	212.99	(22,825)	(1,825)	1,150.68	(5,712)	(1,825)	212.9
ess: Tax Expense(Income) Relating to												
Components of Other Comprehensive Income	-	-	-	-	-	-	-	-		-	-	
ther Comprehensive Income for the												
Period, Net of Taxes	227,225	(598,716)	137.95	66,344	(145,137)	145.71	227,225	(598,716)	137.95	66,344	(145,137)	145,7
otal Comprehensive Income for the Period	1,228,781	361,336	240.07	562,914	416,344	35.20	1,229,757	370,237	232.15	555,155	414,568	33.9
ttributable to:												
wners of the Parent	-	-	-	-	-	-	1,220,975	362,624	236.71	550,581	412,098	33.6
on-Controlling Interest	-	-	-	-	-	-	8,782	7,613	15.36	4,574	2,470	85.1
otal Comprehensive Income for the Period	1,228,781	361,336	240.07	562,914	416,344	35.20	1,229,757	370,237	232.15	555,155	414,568	33.9

Accounting Standards LKAS 34 - Interim Financial Reporting. STATEMENT OF FINANCIAL POSITION

(In terms of Rule 7.4 of the Colombo Stock Exchange)		Bank			Group	
	As at 30.06.2013	As at 31.12.2012	Growth %	As at 30.06.2013	As at 31.12.2012	Growth %
Assets						
Cash and cash equivalents	4,990,903	6,554,381	(23.85)	4,991,011	6,554,482	(23.85
Balances with central bank	9,418,139	8,028,661	17.31	9,418,139	8,028,661	17.31
Derivative financial instruments	100,800	51,281	96.56	100,800	51,281	96.56
inancial assets designated at fair value through profit or loss	9,873,199	2,460,272	301.31	9,881,794	2,468,151	300.37
ecurities purchased under Resale Agreements	2,225,521	173,441	1,183.16	2,225,521	173,441	1,183.16
oans and receivables to other customers	130,506,405	124,728,371	4.63	130,506,405	124,728,371	4.63
inancial investments – Available-for-sale	14,474,892	11,358,103	27.44	14,474,892	11,358,103	27.44
nancial investments – Held-to-maturity	21,165,628	19,822,966	6.77	21,222,074	19,822,966	7.06
•			0.77	21,222,074	19,022,900	7.00
ivestments in subsidiaries	793,254	793,254	-	-	-	-
ue from subsidiaries	38,216	60,687	(37.03)	-	-	-
roperty, plant and equipment	2,545,031	2,431,132	4.69	3,755,003	3,659,476	2.61
vestment properties	237,629	237,629	-	1,176,518	1,203,380	(2.23
itangible assets	162,418	202,354	(19.74)	162,418	202,354	(19.74
urrent tax assets	-	-	-	-	1,258	
eferred tax assets	109,113	253,171	(56.90)	326,851	481,588	(32.13
ther assets	6,125,255	6,505,973	(5.85)	6,170,231	6,563,140	(5.99
otal Assets	202,766,403	183,661,676	10.40	204,411,657	185,296,652	10.32
abilities						
	10 007 070	0 1 17 500	C 4 O C	10.007.070	0 1 17 500	C 4 0 C
ue to banks	10,097,872	6,147,593	64.26	10,097,872	6,147,593	64.26
erivative financial instruments	71,473	278,826	(74.37)	71,473	278,826	(74.37
ue to other customers	155,623,810	146,727,199	6.06	155,623,810	146,727,199	6.06
ecurities Sold Under Repurchase Agreements	7,636,489	3,674,840	107.80	7,636,489	3,674,840	107.80
urrent tax liabilities	815,624	683,040	19.41	815,805	683,040	19.44
ther liabilities	5,222,496	5,763,784	(9.39)	5,316,633	5,856,065	(9.21
ue to subsidiaries	139,721	216,723	(35.53)	-		-
ebentures	3,344,013	1,211,659	175.99	3,294,013	1,211,659	171.86
otal Liabilities	182,951,498	164,703,664	11.08	182,856,095	164,579,222	11.11
juity						
ated Capital	10,529,724	10,225,452	2.98	10,529,724	10,225,452	2.98
tatutory Reserve Fund	724,905	724,905	2.00	724,905	724,905	2.50
etained Earnings	6,402,514	6,245,706	2.51	6,317,352	6,170,268	2.38
ther Reserves	2.157.762	1,761,949	22.46	2.770.614		16.67
tal Shareholders' Equity	19,814,905	18,958,012	4.52	20,342,595	2,374,801 19,495,426	4.35
		10,000,012			,,	
on-Controlling Interest		-		1,212,967	1,222,004	(0.74
otal Equity	19,814,905	18,958,012	4.52	21,555,562	20,717,430	4.05
tal Equity 8. Liabilitias	202,766,403	192 661 676	10.40	204 411 657	185,296,652	10.22
tal Equity & Liabilities	202,700,403	183,661,676	10.40	204,411,657	103,290,032	10.32
ontingent Liabilities and Commitments	37,185,085	31,286,844	18.85	37,255,468	31,352,643	18.83
emorandum Information						
umber of Employees	3,090	3,061	0.95	3,122	3,092	0.97
umber of Banking Centres	149	147	1.36	149	147	1.36
et Asset Value Per Ordinary Share (Rs.)	57.44	56.08	2.43	58.97	57.67	2.25
ter Asser value i er orallary onare (113.)	07.44	00.00	2.40	00.57	01.01	2.20

SEYLAN BANK PLC - DEBENTURES Rs. '000

Rs. '000

	FOR THE PERIOD Ended 30th June 2013		FOR THE Period Ended 30th June 2013
Debt / Equity ratio	0.17	Interest Yield As At Date of Last Trade	
		2008/2013 Issue	
		Annual Interest	*
Interest Cover	8.09	Monthly Interest	
		Floating Quarterly Interest	*
Quick Asset Ratio	0.82	Floating Annual Interest	
		2013/2018 Issue	
		Annual Interest (11/04/2013)	15.50%
The Market Prices during April to June		Semi Annual Interest	*
(Ex Interest)		Monthly Interest	*
2008/2013 Issue			
Annual Interest - 21.50% p.a.	*	Yield to maturity of trade done on	
Monthly Interest - 20.50% p.a.	*		
Floating Quarterly Interest - 11.65% p.a.	*	2008/2013 Issue	
Floating Annual Interest - 11.59% p.a.	*	Annual Interest	*
	9.95%	Monthly Interest	*
Interest Rate of Comparable Government Security	9.90%	Floating Quarterly Interest	*
		Floating Annual Interest	*
2013/2018 Issue			
Annual Interest - 15.5% p.a.		2013/2018 Issue	
		Annual Interest (11/04/2013)	15.46%
- Highest Price	106.00	Semi Annual Interest	*
- Lowest Price	100.00		
- Last Traded Price	100.00	Monthly Interest	*
(11/04/2013)			
Semi Annual Interest - 15% p.a.	*		
* Monthly Interest - 14.5% p.a.	*	* No Trading During The Period	
* Interest Rate of Comparable Government Security	11.15%		

SELECTED PERFORMANCE INDICATORS

	30.06.2013	31.12.2012	30.06.2013	31.12.201
Regulatory Capital Adequacy Core Capital (Tier 1 Capital) Rs. '000	17,539,597	17,351,517	18,245,909	18,071,88
Total Capital Base Rs. '000	19,464,100	17,364,238	20,140,140	18,079,063
Core Capital Adequacy Ratio as a % of Risk Weighted Assets (Minimum Requirement 5%)	13.73	14.36	14.06	14.70
Total Capital Adequacy Ratio as a % of Risk Weighted Assets (Minimum Requirement 10%)	15.24	14.37	15.52	14.71
Assets Quality (Quality of Loan Portfolio)				
Gross Non-Performing Advances Ratio % (Net of Interest in Suspense)	11.15	12.99		
Gross Non-Performing Advances Ratio % (Net of Interest in Suspense including Investment Properties)	11.30	13.13		
Net Non-Performing Advances Ratio % (Net of Interest in Suspense and Provision)	8.34	9.81		
Net Non-Performing Advances Ratio $\%$ (Net of Interest in Suspense and Provision including Investment Properties)	8.49	9.97		
Profitability Interest Margin % Return (Net Profit Before Tax) on Average Assets % Return on Equity %	4.47 1.53 10.36	5.16 1.82 11.25		
Regulatory 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	39,637,805 12,404 24.35 23.67	32,532,855 11,820 21.51 23.06		

BANK

GROUP

We the undersigned, being the Chairman, Executive Director, General Manager / Chief Executive Officer and Chief Financial Officer of Seylan Bank PLC certify that, 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 unaudited financial statements of the Bank & Group, which have been prepared in compliance with the requirements of the statements of the Bank & Group, which have been prepared in compliance with the requirements of the statements of the Bank & Group, which have been prepared in compliance with the requirements of the statements of the Bank & Group, which have been prepared in compliance with the requirements of the Bank & Group, which have been prepared in compliance with the requirements of the Bank & Group, which have been prepared in compliance with the requirements of the Bank & Group, which have been prepared in compliance with the requirements of the Bank & Group, which have been prepared in compliance with the requirements of the Bank & Group, which have been prepared in compliance with the requirements of the Bank & Group, which have been prepared in compliance with the requirements of the Bank & Group, which have been prepared in compliance with the requirements of the Bank & Group, which have been prepared in compliance with the requirements of the Bank & Group, which have been prepared in compliance with the requirements of the Bank & Group (Group) and (Gro

the Companies Act No. 07 of 2007. (Sgd.) Ramesh Jayasekara (Sgd.) Kapila Ariyaratne General Manager / Chief Executive

Chief Financial Officer July 26,2013 Colombo

Chairman

(Sgd.) Nihal Jayamanna PC

Executive Director

(Sgd.) R. Nadarajah

			F	IN	AN	CIA	L S		EM	ENT	S			SEYL.	
MEASUREMENT OF FIN	ANCIAL	INSTR			onth	IS EI	nded	30th	June	e, 20)13 Rs. '000	EXPLANATORY NOTES		and write a	leese beb
	Designated a	t HTM		ls at 30.06.20 AFS	0thers		Designated at FVTPL / HFT	Bank - A HTM Loans Receival		Others	Total	1 General 1.1 There are no changes to the accounting policies and methods of computation since the publicati			
SETS sh and cash equivalents			Amortized Cos	st		4,990,903		Amortized 6,554,	d Cost		6,554,381	accordance with LKAS 34, Interim Financial Reporting. The Interim Financial Statements should December 31, 2012 which have been prepared in accordance with LKAS / SLFRS. The group financial statements comprise a consolidation of the Financial Statements of the Company a			nents for the y
ances with Central Bank of Sri Lanka ivative financial instruments estments designated at fair value through profit & loss	100,800 9,873,199		9,418,139			9,418,139 100,800 9,873,199	51,281 2,460,272	8,028,	661		8,028,661 51,281 2,460,272	1.2 APPLICATION OF SRI LANKA ACCOUNTING STANDARDS (SLFRS/LKAS). The financial statements for the period ended December 31, 2012 are the first financial statement	its prepared and presented	in accordance with Sri Lanl	ka Accounting
ans and receivables d to Maturity Investment Securities allable for Sale Investment Securities externet is cubaiding		21,165,62		14,474,892		130,506,405 21,165,628 14,474,892	1	9,822,966	371 11,358,10	03	124,728,371 19,822,966 11,358,103	(LKAS/SLFRS) immediately effective from January 01, 2012. These LKAS/SLFRSs have materially or the International Accounting Standards Board (IASB). A brief explanation of how the transition to LKAS/SLFRSs and impact to Total Comprehensive Inc.			. ,
estment in Subsidiary curities purchased under Resale Agreements al financial assets er Assets	9.973.999	793,25	4 2,225,521 2 147,140.968	14.474.892	9,217,662	793,254 2,225,521 193,548,741 9,217,662	2.511.553 20	793,254 173, 0.616.220 139.484.		03 - 9,690,946	793,254 173,441 173,970,730 9,690,946	Statements.	sine on the comparative ng		
al assets	9,973,999 Designated at		2 147,140,968 ortized cost			202,766,403	Designated at	0.616.220 139.484. Amortized cost				2. Information on Ordinary Shares MARKET VALUE (Rs.) 30/06/2013	3	30/06/20	12
BILITIES ie to banks	FVTPL / HFT		10,097,872			10,097,872	FVTPL / HFT	6,147,	593		6,147,593	Voting Market Value Per Share 65.50	Non Voting 36.00	Voting 59.80	Non Votin 28.50
rivative financial instruments posits her borrowings	71,473		155,623,810 7,636,489			71,473 155,623,810 7,636,489	278,826	146,727, 3,674,	840		278,826 146,727,199 3,674,840	Highest price per share for the quarter ended 74.00 Lowest price per share for the quarter ended 59.00	41.20 33.00	66.90 52.00	28.90 21.20
bentures tal financial liabilities uity & Other Liabilities	71,473		3,344,013 176,702,184			3,344,013 176,773,657 25,992,746	278,826	1,211, 157,761 ,	291	25,621,559		3. Shareholders' information			
tal liabilities	71,473		176,702,184 Group - A	As at 30.06.20		202,766,403	278,826	157,761, Group - A	ls at 31.12.2012		183,661,676	Twenty Largest Ordinary Voting Shareholders as at June 30, 2013 1. Sri Lanka Insurance Corporation Ltd		No. of Share	S
	Designated a FVTPL / HFT	t HTM	Loans & Receivables/ Amortized Cos		Others		Designated at FVTPL / HFT	HTM Loans Receival Amortized	bles/	Others	Total	Includes Sri Lanka Insurance Corporation Ltd -General Fund			
SETS sh and cash equivalents lances with Central Bank of Sri Lanka			4,991,011 9,418,139			4,991,011 9,418,139		6,554, 8,028,	482		6,554,482 8,028,661	(Life Fund) – 8,798,869] 2. Brown & Company PLC A/C No. 1		26,396,60 24,416,75	
rivative financial instruments vestments designated at fair value through profit & loss ans and receivables	100,800 9,881,794		130,506,405			100,800 9,881,794 130,506,405	51,281 2,468,151	124,728,			51,281 2,468,151 124,728,371	National Development Bank PLC/ Dr T Senthilverl LOLC Investments Ltd		17,464,08 16,808,50	
Id to Maturity Investment Securities ailable for Sale Investment Securities curities purchased under Resale Agreements		21,222,07	2,225,521	14,474,892		21,222,074 14,474,892 2,225,521		9,822,966			19,822,966 11,358,103 173,441	5. Employees Provident Fund 6. Bank of Ceylon No.1 Account		16,235,38 13,198,30	05
al financial assets ner Assets al assets	9,982,594		4 147,141,076 4 147,141,076		11,591,021	192,820,636 11,591,021 204,411,657		9,822,966 139,484, 9,822,966 139,484,		12,111,196		Waldock Mackenzie Limited/Mr D S K Amarasekera Bentota Backwaters (Pvt) Ltd Constitution Turk Bond (D th) Ltd Constitution Turk Bond (D th) Ltd Constitution Turk Bond (D th) Ltd Constitution		11,322,73 4,318,53	39
	Designated a FVTPL / HFT		ortized cost	01	thers	Total	Designated at FVTPL / HFT	Amortized cost		Others	Total	9. Capital Trust Credit (Pvt) Ltd /Dr W U N Gamage 10. Dr W U N Gamage 11. Credit Official Visional		4,061.01 3,893,70	03
NLITIES to banks ivative financial instruments	71,473		10,097,872			10,097,872 71,473	278,826	6,147,			6,147,593 278,826	11. Seyfest (Private) Limited 12. Sesot (Private) Limited 13. Seybest (Private) Limited		3,017,94 2,279,04 2,165,43	42
oosits er borrowings pentures a financial liabilities			155,623,810 7,636,489 3,294,013 176,652,184			155,623,810 7,636,489 3,294,013	970.000	146,727, 3,674, 1,211, 157,761	840 659		146,727,199 3,674,840 1,211,659	13. Seydest (Private) Limited 14. Seyshop (Private) Limited 15. Esots (Private) Limited		2,165,43 2,165,43 2,148,13	35
al financial liabilities ity & Other Liabilities al liabilities	71,473		176,652,184 176,652,184		27,688,000	176,723,657 27,688,000 204,411,657	278,826 -	157,761,		27,256,535 27,256,535	158,040,117 27,256,535 185,296,652	 Essis (Private) Limited Ceylinco Limited Mr. K R B Fernando 		2,146,13 1,706,53 1,015,25	36
Held for trading, Designated at FVTPL - Desig	gnated at fair valu	l Je through p	profit or loss, HT	I FM - Held-to-n	naturity, L & R	Loans and re	ceivables, AFS -A	vailable-for-sale			I	18. Sotse (Pvt) Ltd 19. Employees Trust Fund Board		977,01 605,17	10
10. SEGMENT REPORTI	NG - GR										Rs. '000	20. Dr. J L B Kotelawala		537,60	
	30.0	BANKIN 6.2013 3	G 80.06.2012	TREAS		PROPERTY 30.06.2013		UNALLOCATED/I 30.06.2013	ELIMINATIONS 30.06.2012	TO 30.06.2013	TAL 30.06.2012	Twenty Largest Ordinary Non-Voting Shareholders as at June 30, 2013		No. of Shares	3
erest Income	R	s. '000 40,398	Rs. '000 8,475,567	Rs. '000 1,874,650	Rs. '000 1,201,118	Rs. '00	Rs. '000	Rs. '000 116,465	Rs. '000 91,889	Rs. '000 11,946,643	Rs. '000 9,775,257	1. Lanka Orix Leasing Company PLC		55,656,15	
rest Expense Interest Income	-	21,674 18,724	4,779,198 3,696,369	489,753 1,384,897	524,827 676,291	333 14,79			(5,131) 97,020	7,598,078 4,348,565	5,298,952 4,476,305	2. Employees' Provident Fund 3. Browns Investments PLC		16,821,05 11,998,20	18
and Commission Income & Commission expense		13,455 25,718	792,192 22,390	- 16,264	- 10,965	3,18	 B 2,722	1,930	3,989 -	1,015,385 45,170	796,181 36,077	Pershing LLC S/A Averbach Grauson & Co Mr. E Thavagnanasooriyam & Mr E Thavagnanasundaram		2,697,22 2,694,96	18
Fee and Commission Income Gain/(Loss) from Financial Instruments	9	87,737	769,802	(16,264)	(10,965)	(3,18	8) (2,722)	1,930	3,989	970,215	760,104	Associated Electrical Corporation Ltd Employees Trust Fund Board		2,663,94 1,985,35	i5
esignated at Fair Value Through Profit or Loss Gain from Financial Investments		-	-	(17,853) 22,825	41,295 1,825	71	6 (4,180) 		-	(17,137) 22,825	37,115 1,825	Merrill J Fernando & Sons (Pvt) Limited Mr. N Balasingam Mr. N Balasingam		1,877,05 1,762,69	13
ixchange Income r Operating Income (Net)		55,904 (3,440)	83,871 115,947	160,234 21,252	213,877 (57,740)	94,212	 2 79,974	686 (16,212)	54,340 (28,733)	216,824 95,812	352,088 109,448	10. National Savings Bank 11. Seylan Bank PLC/Pubudhu Saranga Wijayakumari Rupasinghe 12. Commencing Renk for dam DLC/Coming Turnet Holdings (Dch), Hd		1,535,15 1,396,46	0
Segement Revenue Operating Income		16,078 75,003	(37,455) 4,628,534	(1,101,753) 453,338	(662,558) 202,025	106,533	 3 79,697	885,675 1,002,230	700,013 826,629	- 5,637,104	- 5,736,885	12. Commercial Bank of Ceylon PLC/Capital Trust Holdings (Pvt) Ltd 13. Mr. N Ganarajah 14. Phoenix Ventures Limited		1,227,39 1,169,99 1,158,91	17
reciation and Amortisation airment for Loans and Other Losses - Charges / (F		41,819 21,036	132,748 34,507	625 37,044	989 172,183	28	B 579	172,881 (225)	177,955 (24,000)	315,613 57,855	312,271 182,690	15. S Yaddehige 16. Mrs. L E M Yasen		1,042,33	0
rating Expenses & VAT ortable Segment Profit Before Income Tax		85,745 26,403	2,928,980 1,532,299	50,153 365,516	39,982 (11,129)	45,840 60,39	-	883,605 (54,031)	684,984 (12,310)	3,765,349 1,498,287	3,686,473 1,555,451	17. Waldock Mackenzi Limited/Mr L P Hapangama 18. Mr. E Thavagnanasooriyam		923,14 853,59	2
IER INFORMATION												19. Mr. E Thavagnasundaram 20. Mrs. P S W Rupasinghe		772,19	12
al Assets al Liabilities & Equity	159,5	02,113 1	16,237,431 34,577,052	54,570,540 12,903,315	42,404,926 13,870,073	4,405,143	3 4,414,718	27,601,086	14,014,834 24,210,066	204,411,657 204,411,657	177,071,909				
sh Flows from Operating Activites sh Flows from Investing Activites sh Flows from Financing Activites		70,503 79,049)	(156,438) (110,819)	403,185 (14,174,445)	162,043 2,090,205	60,68 3,86	9 (57,215)		141,645 (19,631)	3,999,175 (14,586,365)		Percentage of Public Holdings as at June 30, 2013			
bital Expenditure	(1	79,049)	(110,819)	9,076,160 (1,416)	(3,995,283) (63)	(36,99 37			(343,860) (125,397)	8,747,129 (372,478)	(4,353,939) (233,501)	Ordinary Voting Shares - 61.55% Ordinary Non-Voting Shares - 66.99%			
STATEMENT OF CHANG		UITY Stated Cap			Statutory	Retained	1	Reser	Ves		Rs. '000	 Directors' and General Manager/Chief Executive Officer's Shareholdings as at June 30, 2013 			
		Drdinary	Preference	Share	Reserve	Earnings	•		vailable for	Other	Total	Name of Director	No of Shares (Ordinary Voting)	No of Shares (Ordinary Non-voting)	
	-	Shares n Voting	Shares	Premium *	Fund **		Reserve		Sale Reserve	Reserves		Mr. N M Jayamanne PC Mr. I C Nanayakkara	5,583 Nil	Ni	
	/11,000 2	,677,133	33,901	837,319	618,567	5,198,157	98,741	461,998	130,608	/24,/94	17,492,218	Mr R Nadarajah Rear Admiral B A J G Peiris	13,600 Nil	Ni Ni	il
Il Comprehensive Income for the period fit / (Loss) for the period						960,052	2	50.000	(054 540)		960,052	Mr A L Devasurendra Mr S P S Ranatunga	Nil Nil	Ni Ni	il
er Comprehensive Income (net of tax) otal Comprehensive Income for the period	-	-	-	-	-	960,052	2 -	52,800 52,800	(651,516) (651,516)	-	(598,716) 361,336	Mr A M Mohan De Alwis	Nil	Ni	I
sactions With Equity Holders, Recognised Direct	tly In Equity		(00.004)									Shares held by General Manager/Chief Executive Officer, Mr. K P Ariyaratne as at June 30, 2013			_
emption of Preference Shares**** lends to Equity Holders			(33,901)			(8,474 (338,080))				(42,375) (338,080)	Mr K P Ariyaratne Jointly with Mrs. N I Ariyaratne	21,117 37	118,367	-
fers from / to Retained Profits tal Transactions with Equity Holders		-	(33,901)	-	-	(280,000 (626,554		-		280,000 280,000	(380,455)	 Impairment Allowances on Loans and Receivables – Ceylinco Group Exposure In view of the special circumstances under which the Bank was reconstituted by the Direction of t 	the Control Donk of Cri Lond	in the Mensters Deard has	avanted on a
nce as at 30.06.2012 (1 + 2 + 3) 6,7	711,000 2	,677,133	-	837,319	618,567	5,531,655	5 98,741	514,798	(520,908)	1,004,794	17,473,099	providing loan losses for a period of 3 years from December 31, 2010 to Seylan Bank PLC, from the property, in terms of the Banking Act Direction No. 03 of 2008 on "Classification of Loans and Advance	e requirement to apply progr	ressive discount on the forced	d sale value
												made as at June 30, 2013, for non-performing facilities of Ceylinco Homes International (since cover or Underutilized Assets and subsequently placed under the Compensation Tribunal. No adjustments	ed under the scope of Act No	o 43 of 2011 – Revival of Und	lerperformin
alance as at 01.01.2013 6,7	711,000 2	,677,133		837,319	724,905	6,245,706	i 112,922	510,049	(125,070)	1,264,048	18,958,012	Credit Card Company. However the required impairment allowance on above facilities as required under LKAS-39 have been			
I Comprehensive Income for the period						1 001 550					1 001 550	6. Stated Capital as at June 30, 2013 Rs'000			
it / (Loss) for the period r Comprehensive Income (net of tax)						1,001,556			227,225 227,225		1,001,556	43,560,000 Voting Ordinary Shares @ Rs. 10/- each 435,600			
tal Comprehensive Income for the period		-	-			1,001,330	, -	•	221,223	-	1,228,781	86,440,000 Voting Ordinary Shares @ Rs. 35/- each 3,025,400 43,333,333 Voting Ordinary Shares @ Rs. 75/- each 3,250,000			
		148,272				(676,160				001 540	(371,888)	2,644,068 Voting Ordinary Shares @ Rs. 59/- each 156,000			
fers from / to Retained Profits al Transactions with Equity Holders 1	156,000	148,272	-	-	-	(168,588 (844,748	, , , ,		-	281,510 281,510	(371,888)	123,560,000 Non Voting Ordinary Shares @ Rs.10/- each 1,235,600 41,186,666 Non Voting Ordinary Shares @ Rs.35/- each 1,441,533 4,236,343 Non Voting Ordinary Shares @ Rs.35/- each 148,272			
		,825,405		837,319	724,905	6,402,514	ı -	510,049	102,155	1,545,558	19,814,905	4,236,343 Non Voting Ordinary Shares @ Rs.35/- each 148,272 Share Premium 837,319			
STATEMENT OF CHANG		UITY		Statu	tory Det	ained	Res	erves			Rs. '000	10,529,724			
	rdinary Ordina Shares Shar	iry Pre	ference	Share Rese			pecial Revaluation Risk Reserve	Available	Other Reserves	Total N Controli	ion Total ing Equity	 Basic/Diluted Earnings per Share Basic Earnings per share has been calculated by dividing profit after tax attributable to the equity hold 	Jers of the Bank by the weig	hted average number of share	es in issue (t
د	Voting -Non-Voti	ng	****	•	**		eserve ***	Reserve		Inter	est	Non- voting) during the 6 months ended June 30, 2013. Diluted Earnings per Share and the Basic Ear shares.	nings per Share is the same	e due to non- availability of po	tentially dilu
	11,000 2,677,1	33	33,901 8	37,319 618	,567 5,10	9,557 9	98,741 820,877	130,923	980,007 18,	018,025 1,211,2	18 19,229,243	8. Others			
I Comprehensive Income for the period it / (Loss) for the period er Comprehensive Income (net of tax)					96	1,340	52,800	(651,516)		961,340 7,6 (598,716)	13 968,953 (598,716)	Mr. P L P Withana resigned from the Board of Directors with effect from June 19, 2013. REL approval use obtained on 18th April 2013, to include the 20,000,000 unseeured, subordinat	tad radiom-til.	d debentures of D	ach in-
er Comprehensive Income (net of tax) Il Comprehensive Income for the period	-	-	-	-	- 96	1,340	- 52,800 - 52,800	/	,		(598,716) 13 370,237	CBSL approval was obtained on 18th April 2013, to include the 20,000,000 unsecured, subordinat February 2013 to the Bank's Capital adequacy Ratio Computation. Such has been included in the Bank'			.cn issued a
nsactions With Equity Holders , Recognised Directly lemption of Preference Shares****	In Equity	((33,901)		(8,474)				(42,375)	(42,375)	9. COMPARATIVE INFORMATION Comparative information has been re-valued/re-arranged in line with the changes to the new Sri Lanks	Accounting Chard-out 2	۵۹/۹۱ FB۹) which	e from 4-4
dends to Equity Holders sfers from / to Retained Profits					(33	8,080) 0,000)				(338,080)	(338,080)	Comparative information has been re-valued/re-arranged in line with the changes to the new Sri Lanka 9.1 Reconciliation of Total Comprehensive Income in accordance with Sri Lanka Accountion Standards e			
ers I Transactions with Equity Holders	-	-	(33,901)	-	- (62	(767) 7,321)		. <u>.</u>	280,000 (;		27) (7,894) 27) (388,349)	9.1 Reconciliation of Total Comprehensive Income in accordance with Sri Lanka Accounting Standards e to 1st January 2012	recuve from 1st January 20	anu סדו Lanka Accounting בייס	orandards 6
ance as at 30.06.2012 (1 + 2 + 3) 6,71	11,000 2,677,1	33	- 8	37,319 618	,567 5,44	3,576 9	98,741 873,677	(520,593)	1,260,007 17,9	999,427 1,211,7	04 19,211,131			For the perio Bank	d ended Gr
ance as at 01.01.2013 6,71	11,000 2,677,1	33	- 8	137,319 724	,905 6,17	D,268 11	12,922 868,928	(126,310)	1,519,261 19,4	495,426 1,222.0	04 20,717,430	Profit after tay nublished in anonydance with the second start of	1st January 2010	30th June 2012 Rs. '000	30th Ju Rs.
I Comprehensive Income for the period												Profit after tax published in accordance with the accounting standards effective immediately prior to Effect of adoption of LKAS/ SLFRS	or oanually 2012	1,021,306	1,034,
fit / (Loss) for the period er Comprehensive Income (net of tax)						3,750		227,225		227,225	82 1,002,532 227,225	Financial Instruments & Others Operating Leases		(62,735) (22,861)	(66,
I Comprehensive Income for the period	- In Fauity	-	-	-	- 99	3,750		227,225	- 1,:	220,975 8,7	82 1,229,757	Tax Impact Net Profit Reported in the Income Statement		24,342 960,052	24 968
sactions With Equity Holders , Recognised Directly I / Scrip Dividends to Equity Holders 15 sfers from / to Retained Profits	In Equity 56,000 148,2	72				6,160) 8,588) (1 [.]	12,922)		(281,510	(371,888)	(371,888)	Revaluation of Property Plant & Equipment		52,800	52
						8,588) (1 1,918)	-,)		_01,010	- (1,918) (17,8	19) (19,737)	Changes in fair value of investment securities - available for sale		(651,516)	(651
ers al Transactions with Equity Holders 15	56,000 148,2	72		-		6,666) (11	12,922) -	-	281,510 (3	373,806) (17,8	(19) (391,625)	Total Comprehensive Income in compliance with accounting standards			1

* Share Premium consists of the premium booked prior to issuance of New companies act No. 7 of 2007 ** 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) *** According to the circular Ref. No. 08/24/002/0005/003/ issued by the Central Bank of Sri Larka, Primary Dealer Unit is required to appropriate 25% of the profit after tax for the year towards the Special Risk Reserve. However, with effect from 14/02/2013 Licensed All known expenses including Provision for Impairment as per LKAS/SLFRS have been provided for in these Interim Accounts. Commercial Banks appointed as Primary Dealers were exempted from the requirement of maintaining such Special Reserve as per Direction No. 08/11/011/0019/001 dated 18/03/2013.

**** As provided in section 64(1) of the companies act no.07 of 2007, the Bank redeemed its Preference Shares (which the Article 6 of the Company enables to effect such purchases) with the approval of Board of Directors.

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There were no material changes in Contingent Liabilities, composition of Assets and Liabilities and use of funds raised by the Bank.