

# Balance Sheet

As at 31st December		Bank			Group		
		2008 Rs. '000	2007 Rs. '000	Change %	2008 Rs. '000	2007 Rs. '000	Change %
	Note						
<b>ASSETS</b>							
Cash and Short-Term Funds	3	4,064,392	3,145,647	29	4,064,549	3,146,513	29
Statutory Deposit with the Central Bank of Sri Lanka	4	1,716,713	1,964,032	(13)	1,716,713	1,964,032	(13)
Government Treasury Bills and Bonds	5	11,279,414	7,368,493	53	14,338,832	11,330,683	27
Investments	6	3,780,957	2,392,434	58	3,780,957	2,392,434	58
Loans and Advances:							
Bills of Exchange	7.1	422,986	561,609	(25)	422,986	561,609	(25)
Loans and Advances	7.2	25,834,626	21,360,013	21	26,378,089	22,418,411	18
Lease Rentals Receivable within one year	7.3.1	3,374,219	2,434,931	39	3,374,483	2,437,753	38
Lease Rentals Receivable after one year	7.3.2	5,768,461	4,816,384	20	5,768,461	4,816,384	20
Corporate Debt Securities	7.4	3,927,573	3,288,632	19	3,996,366	4,265,741	(6)
Other Assets	8	2,318,601	1,301,343	78	1,777,635	1,209,330	47
Investments in Subsidiaries	9	678,710	678,710	-	-	-	-
Property, Plant & Equipment	10	1,475,399	482,677	206	2,034,621	1,065,426	91
Goodwill	11	-	-	-	79,261	79,261	-
<b>Total Assets</b>		<b>64,642,051</b>	<b>49,794,905</b>	<b>30</b>	<b>67,732,953</b>	<b>55,687,577</b>	<b>22</b>
<b>LIABILITIES</b>							
Deposits	12	34,146,500	28,665,757	19	34,146,474	28,665,757	19
Due to Banks		1,038,866	1,393,720	(25)	1,038,866	1,394,174	(25)
Borrowings	13	19,610,156	12,468,054	57	22,454,486	18,077,013	24
Other Liabilities	14	3,436,221	3,319,541	4	3,272,206	3,307,018	(1)
Deferred Liabilities	15	301,100	195,735	54	305,359	201,674	51
Debentures	16	1,500,000	500,000	200	1,500,000	500,000	200
Subordinated Loan	17	673,250	673,250	-	673,250	673,250	-
<b>Total Liabilities</b>		<b>60,706,093</b>	<b>47,216,057</b>	<b>29</b>	<b>63,390,641</b>	<b>52,818,886</b>	<b>20</b>
<b>SHAREHOLDERS' FUNDS</b>							
Stated Capital	18	3,109,771	2,061,554	51	3,109,771	2,061,554	51
Reserve Fund	19	80,509	56,679	42	80,509	56,679	42
Reserves	20	745,678	460,615	62	1,152,032	750,458	54
<b>Total Shareholders' Funds</b>		<b>3,935,958</b>	<b>2,578,848</b>	<b>53</b>	<b>4,342,312</b>	<b>2,868,691</b>	<b>51</b>
<b>Total Liabilities and Shareholders' Funds</b>		<b>64,642,051</b>	<b>49,794,905</b>	<b>30</b>	<b>67,732,953</b>	<b>55,687,577</b>	<b>22</b>
<b>Commitments and Contingencies</b>	21	<b>25,728,055</b>	<b>18,138,461</b>	<b>42</b>	<b>25,728,055</b>	<b>18,138,461</b>	<b>42</b>
Net Assets Value per Ordinary Share (Rs.)		23.47	20.50		25.89	22.81	

## Certification

These Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



**Raja Senanayake**  
Chief Financial Officer

The Notes to the Financial Statements from pages 80 to 106 form an integral part of these Financial Statements.

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Signed for and on behalf of the Board by:



**A.D. Gunewardene**  
Chairman



**E.H. Wijenaik**  
Deputy Chairman



**Z.H. Zavahir**  
Director/CEO



**Theja Silva**  
Company Secretary

Colombo, 17th February 2009