

BOC

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Ranjana Ratwatte, Chairman,
Bank of Ceylon.



D P K Gunasekera, General Manager,
Bank of Ceylon.

Bank of Ceylon successfully raised 10 billion rupees through the issuance of Basel III Compliant, Unlisted, Rated, Unsecured, Subordinated, Perpetual, Additional Tier 1 (AT1) Capital bonds with a non-viability full and permanent write down at an issue price of 100 rupees each on December 1, 2020. The initial issue of three billion rupees was oversubscribed by more than three times on its opening day and the bank decided to close it on the same day. Commenting on the issuance, D P K Gunasekera, General Manager, BOC said that this was the bank's second AT 1 capital perpetual bond issue during this year and the oversubscription of this issuance highlights the strong confidence the investors have placed on all aspects of the bank's performance. He also thanked the bank's customers and investors for their confidence shown in the strength, stability and growth prospects of the Bank. Being a domestic systemically important bank that has an innate responsibility towards maintaining the financial stability and economic development of Sri Lanka the Bank looks forward to utilize these funds towards financially boosting the priority sectors of the country whilst strengthening the Tier 1 capital and enhancing the Single Borrower exposure limit encouraging entrepreneurship and investment within the country. This will largely benefit retail to large scale private and public sector enterprises to improve their businesses and eventually contribute towards the country's overall economic performance. The AT 1 capital perpetual bonds are not listed on the Colombo Stock Exchange and are confined to qualified investors. The bonds are irredeemable and may be callable by the Bank at its discretion at any time after five years from the date of issue subject to approval of the Central Bank of Sri Lanka. The bonds carry a floating interest rate of weighted average 12 months Net Treasury Bill rate + 1.50 percent per annum with a floor rate of nine percent per annum. The bonds are rated AA (hyb) by ICRA Lanka. This bond issue was approved by the Securities and Exchange Commission of Sri Lanka and Central Bank of Sri Lanka. The Managers and the Registrars for the issuance was the Investment Banking Division of Bank of Ceylon. BOC has a legacy of enriching the lives of Sri Lankans for over eight decades.

With well over two trillion rupees in assets, BOC is the owner of the highest asset base owned by a single business entity of Sri Lankan origin.