Despite A Challenging Year BOC Preserves Market Leadership

Bank of Ceylon closed 2018 with a Profit Before Tax (PBT) of 31.9 billion rupees, the highest in the industry, with a five percent growth. The total operating income grew by 20 percent in 2018 to 89.0 billion rupees. Net interest income contributed to 74 percent of the total operating income and the 'Year on Year' (YoY) growth of the net interest income has been 12 percent. Net operating income for the period reflected 14 percent YoY growth. Profit After Tax (PAT) reported a contraction of nine percent due to the impact of income tax expense, which grew by 38 percent in 2018. Crossing 2.0 trillion rupees in its asset base in 2018 was another achievement for the Bank, making it the sole entity in the country to record this amount in assets. The YoY portfolio growth of the Bank has been 24 percent, recording a total gross loan portfolio value of 1.5 trillion rupees as at end 2018. The impact of the transition to SLFRS 9 expected credit loss provision model resulted in the Bank ending up with 14.3 billion rupees impairment charge for 2018, a 48 percent increase. Deposits recorded a growth of 14 percent, reaching 1.8 trillion rupees as at the end of 2018. However, a 20 percent increase in time deposits has resulted in interest expense on deposits to increase by 21 percent.

Ronald C Perera, Chairman, appreciated the continued trust and loyalty that has been placed on the Bank by its customers, which allows the Bank to drive successfully across the strong winds occurred in the macroeconomic front of the country as well as in the international markets.



Ronald C Perera, Chairman, BOC.



Senarath Bandara, CEO/General Manager, BOC.