NATIONS TRUST BANK PLC AND ITS FULLY OWNED SUBSIDIARIES

As at

On-Balance Sheet Assets

			IN	COME S	TATEME	NT						
			BAI	NK					GRO	UP		
_	Twelve months	ended 31st Dece	ember	Quarter ende	d 31st Decembe	r	Twelve months e	nded 31st Dece	ember	Quarter ende	d 31st Decemb	oer
	2009	2008 (Change	2009	2008 C	hange	2009	2008 (Change	2009	2008 C	Change
	Rs. '000	Rs. '000	(%)	Rs. '000	Rs. '000	(%)	Rs. '000	Rs. '000	(%)	Rs. '000	Rs. '000	(%)
GROSS INCOME	13,285,998	11,965,448	11	2,975,875	3,355,966	(11)	13,955,543	13,877,449	1	3,067,186	3,983,550	(23)
Interest Income												
Interest Income on Loans and Advances	7,772,925	7,311,055	6	1,824,987	2,048,841	(11)	7,772,924	7,311,055	6	1,824,986	2,048,841	(11
Interest Income on Other Interest												
Earning Assets	3,838,029	2,993,471	28	800,404	908,621	(12)	4,255,369	4,783,116	(11)	881,279	1,482,532	(41
	11,610,954	10,304,526	13	2,625,391	2,957,462	(11)	12,028,293	12,094,171	(1)	2,706,265	3,531,373	(23
Interest Expense												
Interest Expense on Deposits	(4,027,201)	(3,379,004)	19	(990,034)	(900,674)	10	(4,027,202)	(3,379,004)	19	(990,035)	(900,674)	10
Interest Expense on Other Interest												
Bearing Liabilities	(4,014,322)	(4,191,427)	(4)	(673,732)	(1,236,977)	(46)	(4,220,548)	(5,805,918)	(27)	(695,636)	(1,797,350)	(61
	(8,041,523)	(7,570,431)	6	(1,663,766)	(2,137,651)	(22)	(8,247,750)	(9,184,922)	(10)	(1,685,671)	(2,698,024)	(38
NET INTEREST INCOME	3,569,431	2,734,095	31	961,625	819,811	17	3,780,543	2,909,249	30	1,020,594	833,349	2
Non-Interest Income												
Foreign Exchange Gain /(Loss)	(538,792)	495,546	(209)	50,622	137,881	(63)	(538,792)	495,546	(209)	50,622	137,881	(63
Other Operating Income	2,213,836	1,165,376	90	299,862	260,623	15	2,466,042	1,287,732	92	310,299	314,296	(
	1,675,044	1,660,922	1	350,484	398,504	(12)	1,927,250	1,783,278	8	360,921	452,177	(2
NET INCOME	5,244,475	4.395.017	19	1,312,109	1,218,315	8	5,707,7943	4.692.527	22	1,381,515	1.285.526	
Less : Non-Interest Expenses	0,244,470	4,033,017	13	1,012,103	1,210,010	0	0,707,7340	4,032,321	22	1,001,010	1,203,320	
Personnel Costs	1,165,120	1,135,762	3	323.817	341,376	(5)	1,188,241	1,159,683	2	330,101	351,737	(
Provision for Staff Retirement Benefits	40.954	36,949	11	7.831	5.908	33	42,149	37.770	12	7,208	6.271	1
Premises, Equipment and	40,304	30,343		7,001	3,300	55	42,143	07,770	12	7,200	0,271	
Establishment Expenses	775,209	598,227	30	185,934	188,268	(1)	776,803	620.894	25	174,005	191,464	(
Loss on Trading / Investment Securities	770,203	-	-	100,304	100,200	(1)	770,000	020,034	-	174,000	131,404	(-
Amortisation of Intangible Assets												
Other Operating Expenses	1,234,190	1,249,742	(1)	261,294	347,593	(25)	1,284,954	1,251,572	3	302,036	333,117	(
other operating Expenses	3.215.473	3.020.680	6	778.876	883.145	(12)	3.292.147	3.069.919	7	813.350	882.589	(
	0,210,110	0,020,000	· ·	110,010	000,110	()	0,202,141	0,000,010		010,000	002,000	(
Less : Provision for Bad & Doubtful												
Debts and Loans Written Off												
Provision-General	(34,483)	34,582	(200)	(11,242)	(6,629)	70	(43,615)	34,582	(226)	(20,374)	(6,629)	20
Provision-Specific	847,262	436,316	94	179,281	109,452	64	847,261	436,316	94	179,280	109,452	64
	812,779	470,898	73	168,039	102,823	63	803,646	470,898	71	158,906	102,823	5
OPERATING PROFIT ON ORDINARY												
ACTIVITIES BEFORE TAXES	1,216,223	903,439	35	365,194	232,347	57	1,612,000	1,151,710	40	409,259	300,114	3
Less:Value Added Tax on Financial Services	(155,479)	(76,118)	104	(53,329)	(21,266)	151	(231,038)	(123,203)	88	(57,919)	(29,854)	94
Less. value Audeu Tax OII Filialicial Selvices	(100,479)	(70,110)	104	(55,529)	(21,200)	101	(231,030)	(120,200)	00	(37,313)	(23,034)	9-
OPERATING PROFIT BEFORE												
CORPORATE TAX	1.060.744	827.321	28	311.865	211.081	48	1.380.962	1.028.507	34	351.340	270.260	30
Less:Tax on Profits on Ordinary Activities	(558,943)	(350,713)	59	(168,218)	(87,065)	93	(694,891)	(435,388)	60	(170,147)	(98,140)	73
	(000,010)	(000,, 10)	00	(100,210)	(0.,000)	00	(001,001)	(100,000)	-	(1.0,1.1)	(00,170)	,,
OPERATING PROFIT FOR THE PERIOD	501,801	476,608	5	143,647	124,016	16	686,071	593,119	16	181,193	172,120	Ę

Explanatory Notes:

(1) The Group figures include those of the fully owned subsidiaries, Waldock Mackenzie Limited, Allied Properties Limited, Mercantile Leasing (Financial Services) Limited and Nations Insurance Brokers Limited.

(2) These Financial Statements are prepared in accordance with Sri Lanka Accounting Standards and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange and the Directions issued by the Central Bank of Sri Lanka. Comparative firgues have been restated where necessary to comply with the Central Bank guidelines.

(3) Non interest incomer- Foreign exchange gain (10ss) for the twelve months ended 31.12.2009 is negative due to losses arising from a breach in operating procedures in the FCBU which have been fully accounted for during the 2nd quarter. Other operating income for the twelve months ended 31.12.2009 has shown a significant increase due to income earned on trading in government securities and increases in business volumes of other banking activities.

(4) Subject to approval of the Shareholders at the forthcoming Annual General Meeting, the Directors recommended the payment of a first and final dividend of Rs. 1.50 per share for the year ended 31st December 2009.

(5) Specific provisions for the period include certain prudential provisions made over and above the provisioning policy of the Bank which is more stringent than the guidelines of the Central Bank of Sri Lanka.

Debenture Information
As at 31.12.2009, the Bank had debentures amounting to Rs. 2.0 Bn in issue (1.50 Bn as at 31.12.2008). The unsecured, Subordinated, Redeemble Debentures 2006/10, 2006/11, 2006/12, 2008/13 and 2009/13 unsubordinated) of the Bank are listed in the Colombo Stock Exchange. However, these debentures have not been traded from the date of listing up to 31st December 2009.

Debenture category	Interest rate of comparable Govt. security % (31.12.2009)	Interest rate of comparable Govt. security % (31.12.2008)
2006/10	9.34	20.28
2006/11	10.54	19.94
2006/12	10.92	19.99
2008/13	11.65	18.62
2009/13	11.65	-

Ratios of Debt	31.12.2009	31.12.2008
Debt/Equity Ratio (%)	47.78	38.11
Interest Cover (Times)	4.03	6.58

Twenty largest Shareholders as at 31st December 2009

Name of the Shareholder John Keells Holdings PLC.

Financial Services Limited

Central Finance Company PLC.

CF Insurance Brokers (pvt) Ltd.

First Capital Treasuries Ltd

Mr. A.M.A. Almeshaal

Mr. A. D. Gunewardene

Mr.M.F. Hashim.

Mr.M.J. Fernando.

Name of Director

Mr. A.D. Gunewardene

Mr. E.H. Wijenaike Mr. J.R.F. Peiris

Mr. A.K. Gunaratne Mr. A.R. Rasiah

Dr. D. Weerakoon Mr. M.E. Wickremesinghe Mr. K.N.J. Balendra Mr. S.G. Rajakaruna

Mr. C.H.S.K. Piyaratna

Renuka City Hotels Limited

Employee Trust Fund Board Mrs. B. Thapar

HSBC International Nominees Limited - Credit Suisse AG Zurich

BNY-J.P. Morgan Clearing Corporation

HSBC International Nominees Limited - SSBT - Deutstche Bank AG Singapore A/C 01

Freudenberg Shipping Agencies Limited

Janashakthi Insurance PLC (Shareholders)

Percentage of public holding as at 31st December 2009 was 78.39%

No. of Shares

2,583,366 15,414

14,133

16,304

67,066

Director's holding in shares as at 31st December 2009

Mr.Y.S.H.I K Silva.

CF Growth Fund Limited

SHAREHOLDERS INFORMATION

33,542,937 20.00

16,603,752 9.90

16,491,520 9.83

16,005,214 9.54

10,773,290 6.42

6,278,122 3.74

4,025,600 2.40

3,842,600 2.29

2,560,025 1.53

2,521,486 1.50 2.000.000 1,899,000 1.13

1,756,000 1.05

1,746,700 1.04

1,720,680 1.03

1,632,000 0.97

1,301,100 0.78 1.197.000 0.71

1,170,033 0.70

1,028,200 0.61 128,095,259 76.38 39,619,413 23.62 167,714,672 100.00

SELECTED PERFORMANCE INDICATORS								
_	BANK GROUP							
	As at 31.12.2009	As at 31.12.2008	As at 31.12.2009	As at 31.12.2008				
Regulatory Capital Adequacy								
Core Capital (Tier 1 Capital), Rs.Mn.	4,184	3,934	4,688	4,254				
Total Capital Base, Rs.Mn.	5,903	6,155	6,408	6,476				
Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 5%)	10.74%	9.73%	11.79%	10.31%				
Total Capital Adequacy Ratio, as % of Risk Weighted	15.14%	15.22%	16.11%	15.70%				
Assets (Minimum Requirement, 10%)								
Assets Quality (Quality of Loan Portfolio) Gross Non-performing Advances Ratio, %								
(Net of Interest In Suspense)	8.53%	4.81%	8.47%	4.74%				
Net Non-performing Advances Ratio, %	0.0070	1.0170	0.4776	1.7 170				
(Net of Interest In Suspense and Provisions)	4.75%	1.86%	4.74%	1.83%				
Profitability		4.000/						
Interest Margin, %	4.85% 1.44%	4.33% 1.31%	1.90%	1.49%				
Return on Assets, % (before Tax) Return on Equity. %	12.59%	1.31%	1.90%	1.49%				
Regulatory Liquidity	12.3970	12.7370	13.20%	14.4370				
Statutory Liquid Assets, Rs. Mn.	16,849	13.558						
Statutory Liquid Assets Ratio, (%)	,	,						
(Minimum Requirement, 20%)								
Domestic Banking Unit (DBU)	28.17%	21.40%						
Foreign Currency Banking Unit (FCBU)	40.24%	37.89%						
Net Assets Value Per Share (Rs.)	24.96	23.47	28.48	25.89				
	31.12.2009	31.12.2008						
Market Price Per Share (Rs.)	Quarter ended)	(Quarter ended)						
Highest	39.50	30.00						
Lowest	33.00	21.00						
Last Traded Price	36.75	22.25						

STATEMEI	NT OF CH	ANGES	IN EQU	JITY	
	Stated Capital	Capital Reserve	Reserve Fund	Revenue Reserve	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Bank					
Balance as at 31st December 2007	2,061,554	-	56,679	460,615	2,578,848
Rights Issue of Shares	1,048,217	-	-	-	1,048,217
Dividend Paid for 2007	-	-	-	(167,715)	(167,715)
Profit for the Year	-	-	-	476,608	476,608
Transfers during the Year	-	-	23,830	(23,830)	-
Balance as at 31st December 2008	3,109,771	-	80,509	745,678	3,935,958
Dividend Paid for 2008	-	-	-	(251,572)	(251,572)
Profit for the Year	-	-	-	501,801	501,801
Transfers during the Year		-	25,090	(25,090)	
Balance as at 31st December 2009	3,109,771	-	105,599	970,817	4,186,187
Group					
Balance as at 31st December 2007	2,061,554	9,500	56,679	740,958	2,868,691
Rights Issue of Shares	1,048,217			-	1,048,217
Dividend Paid for 2007	-	-	-	(167,715)	(167,715)
Profit for the Year	-	-	-	593,119	593,119
Transfers during the Year			23,830	(23,830)	
Balance as at 31st December 2008	3,109,771	9,500	80,509	1,142,532	4,342,312
Dividend Paid for 2008	-	-	-	(251,572)	(251,572)
Profit for the Year	-	-	-	686,071	686,071
Transfers during the Year		-	25,090	(25,090)	
Balance as at 31st December 2009	3,109,771	9,500	105,599	1,551,941	4,776,811

			SEG	MENTAL	. INFORI	MATION				
	BAN	KING	INVESTMEN	IT BANKING	ОТН	IERS	ELIMINATION	/ALLOCATED	GRO	UP
In Rs. '000	31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Total Revenue	13,285,998	11,965,448	1,451,218	3,013,586	106,631	90,860	(888,304)	(1,192,445)	13,955,543	13,877,449
Segment Results										
Profit before Taxation	1,060,744	827,321	299,360	186,987	45,314	39,578	(24,456)	(25,379)	1,380,962	1,028,507
Taxation	(558,943)	(350,713)	(120,545)	(70,232)	(15,403)	(14,443)	-	-	(694,891)	(435,388)
Net Profit for the Year	501,801	476,608	178,815	116,755	29,911	25,135	(24,456)	(25,379)	686,071	593,119
Segment Assets	69,978,230	64,772,971	4,077,828	13,388,949	767,032	744,164	(4,398,003)	(11,121,471)	70,425,087	67,784,613
Goodwill	-	-	-	-	-	-	79,261	79,261	79,261	79,261
Total Assets	69,978,230	64,772,971	4,077,828	13,388,949	767,032	744,164	(4,318,742)	(11,042,209)	70,504,348	67,863,874
Segment Liabilities	65,360,893	60,404,993	3,640,129	13,100,565	58,794	58,008	(3,768,883)	(10,478,284)	65,290,933	63,085,282
Deferred Tax Liabilities	431,150	432,020	-	-	-	-	5,454	4,260	436,604	436,280
Total Liabilities	65,792,043	60,837,013	3,640,129	13,100,565	58,794	58,008	(3,763,429)	(10,474,024)	65,727,537	63,521,562
Others										
Additions to Property,										
Plant and Equipment	505,829	1,193,872	-	-	53	1,490	-	-	505,882	1,195,362
Depreciation	281,067	191,883	11	11	11,651	18,737	-	-	292,729	210,631
Non Cash Expenses										
Provision for Bad &										
Doubtful Debts	812,779	470,898	-	-	-	-	(9,133)	-	803,646	470,898
Provision for Gratuity	40,954	36,949	664	(348)	531	1,169	-	-	42,149	37,770
A										

On-Balance Sheet Assets						
Cash in Hand	865,510	613,391	41	865,518	613,424	41
Balances with Central Bank of Sri Lanka	2,043,624	1,716,713	19	2,043,624	1,716,713	19
Due from Banks and Other Financial Institutions	9,488,118	14,422,538	(34)	6,875,107	9,528,458	(28)
Investments-Trading Account	2,122,112	, ,	()	-,,	-,,	(/
Government Securities	9,638,564	1,160,103	731	11,437,873	8,054,497	42
Investments-Held-to-Maturity	3,000,004	1,100,100	701	11,401,010	0,001,107	12
Government Securities	0 020 402	3,838,309	133	10 020 202	4.011.500	104
	8,939,492	-,,-		10,030,393	4,911,599	
Other Securities	355,215	425,715	(17)	355,215	425,715	(17)
Investments in Subsidiaries	678,710	678,710	-		-	-
Total Loans and Advances						
Total Performing Loans and Advances						
Bills of Exchange	145,116	421,831	(66)	145,116	421,831	(66)
Overdrafts	5,416,991	5,280,436	3	5,416,991	5,280,436	3
Lease Rentals Receivable within One Year	3,310,695	3,355,778	(1)	3,310,756	3,361,978	(2)
Lease Rentals Receivable after One Year	3,975,597	5,378,734	(26)	3,975,597	5,378,734	(26)
Other Loans	20,485,785	23,168,595	(12)	20,748,272	23,387,492	(11)
	33,334,184	37,605,374	(11)	33,596,732	37,830,471	(11)
Total Non-performing Loans and Advances	00,001,101	07,000,07	(,	00,000,702	07,000,171	(,
Overdrafts	621,589	263,314	136	621,589	263,314	136
Lease Rentals Receivable		, -	69		, -	69
Other Loans	1,116,049	660,794	30	1,116,049	660,794	30
	1,736,090	1,336,048		1,736,090	1,336,048	
Interest Receivable	288,610	178,249	62	288,610	178,249	62
Total Gross Loans and Advances	37,096,522	40,043,779	(7)	37,359,070	40,268,876	(7)
Less:						_
Interest In Suspense	(654,810)	(489,556)	34	(654,810)	(489,556)	34
Specific Loan Loss Provisions	(1,097,573)	(879,818)	25	(1,097,573)	(879,818)	25
General Loan Loss Provisions	(280,130)	(314,408)	(11)	(270,998)	(314,408)	(14)
Net Loans and Advances	35,064,009	38,359,997	(9)	35,335,689	38,585,094	(8)
Other Assets	904,608	1,951,175	(54)	935,537	1,783,571	(48)
Deferred Assets	307,363	130,921	135	307,363	130,921	135
Intangible Assets		-	-	79,261	79,261	-
Property, Plant and Equipment	1,693,017	1,475,399	15	2,238,768	2,034,621	10
Total on Balance Sheet Assets	69,978,230	64,772,971	8	70,504,348	67,863,874	4
On-Balance Sheet Liabilities	03,370,200	04,772,371		70,004,040	07,000,074	
Total Deposits						
	4 700 675	0.044.770	00	4 700 675	0.044.744	00
Demand Deposits	4,722,675	3,844,770	23	4,722,675	3,844,744	23
Savings Deposits	5,631,952	5,838,663	(4)	5,631,952	5,838,663	(4)
Time Deposits	33,866,945	24,463,067	38	33,866,945	24,463,067	38
Margin Deposits	203,563	163,287	25	203,563	163,287	25
	44,425,135	34,309,787	29	44,425,135	34,309,761	29
Total Borrowings						
Borrowings from the Central Bank of Sri Lanka	5,853	12,338	(53)	5,853	12,338	(53)
Borrowings from Banks and Financial						
Institutions in Sri Lanka	1,311,398	2,685,526	(51)	1,311,398	2,685,526	(51)
Borrowings from Banks and Financial	1,011,011	_,,	()	.,,	_,,	()
Institutions Abroad	348,369	1,703,447	(80)	348,369	1,703,447	(80)
Securities Sold Under Repurchase Agreements	10,475,037	10,316,405	2	10,475,037	13,155,004	(20)
Subordinated Term Debt						٠,
	2,105,925	2,173,250	(3)	2,105,925 2,775,052	2,173,250	(3)
Other Borrowings	2,775,055	5,931,306	(53)		5,937,037	(53)
Deferred Toyotian	17,021,637	22,822,272	(25)	17,021,634	25,666,602	(34)
Deferred Taxation	291,130	319,250	(9)	291,130	319,250	(9)
Current Taxation	493,554	79,787	519	547,745	102,838	433
Other Liabilities	3,560,587	3,305,917	8	3,441,893	3,123,111	10
Total on -Balance Sheet Liabilities	65,792,043	60,837,013	8	65,727,537	63,521,562	3
Equity Capital and Reserves						
Stated Capital (167,714,672 Ordinary Shares)	3,109,771	3,109,771	-	3,109,771	3,109,771	-
Statutory Reserve Fund	105,599	80,509	31	105,599	80,509	31
Total Other Reserves	970,817	745,678	30	1,561,441	1,152,032	36
	4,186,187	3,935,958	6	4,776,811	4,342,312	10
Total On Balance Sheet Liabilities and		,				
Equity Capital and Reserves	69,978,230	64,772,971	8	70,504,348	67,863,874	4
Off-Balance Sheet Items and Contra Accounts		- , -,		.,,	- ,	
Contingencies	23,969,018	35,745,642	(33)	23,969,018	35,745,642	(33)
Commitments and Contra Accounts	27,546,572	17,871,777	54	27,546,572	17,871,777	54
Communication and Contra Accounts	51,515,590	53,617,419	(4)	51,515,590	53,617,419	(4)
Memorandum Information	31,313,390	33,017,419	(4)	31,313,390	33,017,419	(4)
	4500	4500		4500	1015	
Number of Employees	1506	1592		1532	1615	
Number of Branches	38	36		38	36	
Number of Leasing Centers	10	8		10	8	
Number of Personal Banking Centers	6	6		6	6	
I						
CERTIFICATION: I certify that the above financial statements com	ply with the requirm	ents of the Compa	anies Act	No: 7 of 2007.		

BALANCE SHEET

31.12.2008 Change

Rs. '000 (%)

31.12.2009

Rs. '000

31.12.2008 Change

Rs. '000 (%)

31.12.2009

Rs. '000

I certify that the above financial statements comply with the requirments of the Companies Act No: 7 of 2007. (Sgd.) Ajith Akmeemana Chief Financial Officer

We , the undersigned being the Deputy Chairman, Executive Director and Director / Chief Executive Officer of Nations Trust Bank PLC.,

(a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka. (b) the information contained in these statements has been extracted from the audited financial statements of the Bank and its Subsidiaries.

(Sgd) E.H. Wijenaike (Sgd) C.H.S.K. Piyaratna (Sgd) Saliya Rajakaruna February, 24, 2010 - Colombo

CASH F	LOW STAT	TEMENT		
	BAN	(GRO	UP
For the twelve months ended December 31	2009	2008	2009	2008
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash Flows from Operating Activities				
nterest Received	10,773,033	10,299,975	10,855,530	12,191,771
ees and Commission Received	287,606	302,153	375,435	385,581
nterest Paid	(7,447,873)	(7,217,046)	(7,832,433)	(8,698,988)
Foreign Exchange Income Received Receipts from Other Operating Activities	316,978 1,916,532	495,546 863,223	316,978 2,011,939	495,546 919,185
Gratuity Payments made	(13,705)	(5,766)	(13,705)	(5,766)
Payments to Employees and Suppliers	(3,027,705)	(2,855,970)	(3,165,824)	(2,935,054)
Net Cashflow from Operating Activities before Income Tax (A)	2,804,866	1,882,115	2,547,920	2,352,275
ncome Tax paid	(204,946)	(184,946)	(310,357)	(261,514)
Operating Profit before Changes in Operating	, , ,		, , ,	, , ,
Assets and Liabilities	2,599,920	1,697,169	2,237,563	2,090,761
Increase)/Decrease in Operating Assets				
nvestments in Treasury Bills ,Bonds & Reverse				
Repurchases Agreements	(10,821,410)	(4,018,781)	(7,691,121)	(3,268,743)
nvestments and other placements	(465,306)	(1,388,544)	(465,306)	(1,388,544)
Corporate Debt Securities	746,309	(656,356)	637,158	294,515
Bills of Exchange	277,371	138,623	277,371	138,623
Loans and Advances	1,831,167	(6,793,427)	(310,308)	(6,278,492)
Other Assets	199,057	(1,017,261)	179,979	(731,750)
Increase/(Decrease) in Operating Liabilities	(8,232,812)	(13,735,746)	(7,372,227)	(11,234,391)
Customer Deposits	9,739,242	5,254,316	9,739,242	5,254,290
Securities sold under Repurchase Agreements	141,694	6,033,409	(2,424,711)	6,906,003
Other Liabilities	204,979	(27,884)	2,276,368	(436,085)
	10,085,915	11,259,841	9,590,899	11,724,208
Net Cash Flow from Operating Activities	4,453,023	(778,736)	4,456,235	2,580,578
Cash Flows from Investing Activities				
Proceeds from sale of Property, Plant & Equipment	3,219	9,694	6,031	18,290
Purchase of Property, Plant & Equipment	(505,830)	(1,193,872)	(505,882)	(1,195,362)
	(502,611)	(1,184,178)	(499,851)	(1,177,072)
Cash Flows from Financing Activities		4 0 4 0 0 4 7		4 040 047
Proceeds from Rights Issue of shares	•	1,048,217	•	1,048,217
Increase / (Decrease) in Refinance Activities	/E 000 40E\	16,895	/E 000 40E\	16,895
Increase / (Decrease) in Call & Other Borrowings Issue / (Redemption) of Debentures	(5,863,435) 500,000	1,091,797 1,000,000	(5,863,435) 500,000	(2,274,878) 1,000,000
Dividend Paid	(251,572)	(167,715)	(251,572)	(167,715)
Sividend 1 aid	(5,615,007)	2,989,194	(5,615,007)	(377,481)
				,
Net Increase in Cash and Cash Equivalents	(1,664,595)	1,026,280	(1,658,623)	1,026,025
Cash and Cash Equivalents at the beginning of the year	4,742,239	3,715,959	4,742,395	3,716,370
Cash and Cash Equivalents at the end of the year	3,077,644	4,742,239	3,083,772	4,742,395
Reconciliation of Cash and Cash Equivalents				
Cash in Hand, Balances with Banks & Due to Banks	936,451	748,657	942,579	748,813
Balance with the Central Bank of Sri Lanka	2,043,624	1,716,713	2,043,624	1,716,713
Money at Call and Short Notice	97,569	2,276,869	97,569	2,276,869
-	3,077,644	4,742,239	3,083,772	4,742,395
A. Reconciliation of Operating Profit				
Profit before taxation	1,060,744	827,321	1,380,962	1,028,507
Depreciation	281,067	191,883	292,729	210,631
Profit) / Loss on disposal of Property, Plant & Equipment	3,925	(425)	2,975	(2,752)
Provision for Doubtful Debts	812,779	470,898	803,646	470,898
Provision for Gratuity	40,954	36,949	42,149	37,770
(Increase) / Decrease in Interest Receivable	(503,537)	81,847	(712,494)	192,024
ncrease / (Decrease) in Interest Payable	404,735	279,408	132,542	420,963
Other Non cash items	717,904	(E 700)	619,116	(E 700)
Gratuity Payments Made	(13,705)	(5,766)	(13,705) 2,547,920	(5,766)
	2,804,866	1,882,115	2,047,920	2,352,275

