NATIONS TRUST BANK PLC AND ITS FULLY OWNED SUBSIDIARIES

SHAREHOLDERS INFORMATION

- Credit Suisse AG Zurich - Uma Kumar Sharma 8,990,300 4.29

- SSBT - Deustche Bank AG Singapore A/C 01 2.447.700 1.17

No. of Shares

41,928,670 20.00 20,754,690 9.90

19,532,440 9.32

13,466,612 6.42

8,929,612 4.26

4,621,272 2.20

4,010,600 1.91

2,396,225 1.14

2,191,025 1.05

2.025.000 0.97

1.858,750 0.89

1,617,200 0.77 1.489.500 0.71

1,474,150 0.70

1,459,700 0.70

1,320,624 0.63

1.092.100 0.52 161,802,212 77.18 47,841,128 22.82

Twenty largest Shareholders as at 30th June 2010

Name of the Shareholder

Central Finance Company PLC

CF Insurance Brokers (pvt) Limited Mr. A.D.Gunewardene

HSBC International Nominees Limited

HSBC International Nominees Limited

- Credit Suisse AG Zurich

Heraymila Investments Limited

Renuka City Hotels Limited

Bank of Ceylon-No2 A/C Mr. M.J.Fernando

Bank of Cevlon-No1 Account

Mr. N.R. Somaiya

Name of Director

Mr. J.R.F. Peiris Mr. A.K. Gunaratne

Mr. C.H.S.K. Pivaratna Mr. A.R. Rasiah

Dr. (Ms.) D. Weerakoo Mr. M.E. Wickremesinghe

Mr. S.G. Rajakaruna (Director / CEO)

BNY-J.P. Morgan Clearing Corporation

Sri Lanka Insurance Corporation Ltd - Life Fund

Director's holding in shares as at 30th June 2010

Percentage of public holding as at 30th June 2010 was 77.69%

9,635

83.832

16,304

Mr. A.M.A. Almeshaal

Mr.M.F.Hashim

CF Growth Fund Limited

| | | | | | TATEME | | | | | | | |
|---|-------------|-----------------|-------|-------------|---------------|-------|---------------|-----------------|--------|-------------|----------------|--------|
| | BANK | | | | | GROUP | | | | | | |
| | Six months | ended 30th June | | Quarter en | ded 30th June | | Six months of | ended 30th June | | Quarter e | nded 30th June | |
| | 2010 | 2009 C | hange | 2010 | 2009 C | hange | 2010 | 2009 C | hange | 2010 | 2009 C | Change |
| | Rs. '000 | Rs. '000 | (%) | Rs. '000 | Rs. '000 | (%) | Rs. '000 | Rs. '000 | (%) | Rs. '000 | Rs. '000 | (%) |
| GROSS INCOME | 5,791,098 | 6,904,841 | (16) | 2,985,341 | 3,467,428 | (14) | 5,911,481 | 7,371,729 | (20) | 3,018,210 | 3,707,140 | (19 |
| Interest Income | | | | | | | | | | | | |
| Interest Income on Loans and Advances | 3,158,060 | 3,991,824 | (21) | 1,581,107 | 1,971,475 | (20) | 3,158,060 | 3,991,824 | (21) | 1,581,107 | 1,971,475 | (20 |
| Interest Income on Other Interest | | | | | | | | | | | | |
| Earning Assets | 1,700,390 | 2,039,395 | (17) | 885,985 | 1,171,401 | (24) | 1,842,369 | 2,315,439 | (20) | 960,128 | 1,284,296 | (25 |
| Internal France | 4,858,450 | 6,031,219 | (19) | 2,467,092 | 3,142,876 | (22) | 5,000,429 | 6,307,262 | (21) | 2,541,235 | 3,255,771 | (22 |
| Interest Expense | (4 E04 E44) | (1 000 000) | (04) | (702,402) | (1 OFF 200) | (22.) | (4 E04 E44) | (4.000.000) | (0.4.) | (702.402) | (1 OFF 200) | (20 |
| Interest Expense on Deposits Interest Expense on Other Interest | (1,504,514) | (1,980,628) | (24) | (702,402) | (1,055,399) | (33) | (1,504,514) | (1,980,628) | (24) | (702,402) | (1,055,399) | (33 |
| Bearing Liabilities | (1,273,376) | (2,377,776) | (46) | (683,316) | (1,269,364) | (46) | (1,280,727) | (2,548,605) | (50) | (686,620) | (1,327,119) | (48 |
| bearing Liabilities | (2,777,890) | (4,358,404) | (36) | (1,385,718) | (2,324,763) | (40) | (2,785,241) | (4,529,233) | (39) | (1,389,022) | (2,382,518) | (42 |
| | (2,777,030) | (4,000,404) | (00) | (1,000,710) | (2,024,700) | (40) | (2,700,241) | (4,023,200) | (03) | (1,003,022) | (2,002,010) | (42 |
| NET INTEREST INCOME | 2,080,560 | 1,672,815 | 24 | 1,081,374 | 818,113 | 32 | 2,215,188 | 1,778,029 | 25 | 1,152,213 | 873,253 | 32 |
| Non-Interest Income | 2,000,000 | 1,072,010 | | 1,001,011 | 0.0,0 | 02 | 2,210,100 | 1,770,020 | 20 | 1,102,210 | 0,0,200 | 02 |
| Foreign Exchange Gain /(Loss) | 120,990 | (640,281) | 119 | 60,575 | (800,438) | 108 | 120,990 | (640,281) | 119 | 60,575 | (800,438) | 108 |
| Other Operating Income | 811,658 | 1,513,904 | (46) | 457,674 | 1,124,990 | (59) | 790,062 | 1,704,747 | (54) | 416,400 | 1,251,807 | (67 |
| | 932,648 | 873,623 | 7 | 518,249 | 324,552 | 60 | 911,052 | 1,064,467 | (14) | 476,975 | 451,369 | 6 |
| NET INCOME | 3,013,208 | 2,546,438 | 18 | 1,599,623 | 1,142,665 | 40 | 3,126,240 | 2,842,496 | 10 | 1,629,188 | 1,324,622 | 23 |
| Less : Non-Interest Expenses | 0,010,200 | 2,340,400 | 10 | 1,033,020 | 1,142,003 | 40 | 0,120,240 | 2,042,430 | 10 | 1,023,100 | 1,024,022 | 20 |
| Personnel Costs | 739,306 | 544,051 | 36 | 401,361 | 215,161 | 87 | 752,080 | 555,099 | 35 | 408,001 | 220,757 | 85 |
| Provision for Staff Retirement Benefits | 22,465 | 22,501 | (0) | 10.695 | 10,902 | (2) | 23,050 | 23,578 | (2) | 10,954 | 11.643 | (6 |
| Premises, Equipment and | , | ,, | (-) | 10,000 | , | (-) | | , | (-) | 10,001 | , | ,- |
| Establishment Expenses | 376,822 | 383,517 | (2) | 184,684 | 201,244 | (8) | 384,668 | 401,284 | (4) | 188,822 | 210,050 | (10 |
| Loss on Trading / Investment Securities | - | - | - | - | - | - | - | - | `- | - | - | ` . |
| Amortisation of Intangible Assets | - | - | - | - | - | - | - | - | - | - | - | |
| Other Operating Expenses | 580,465 | 600,447 | (3) | 282,798 | 294,014 | (4) | 584,659 | 607,038 | (4) | 284,656 | 296,429 | (4 |
| | 1,719,058 | 1,550,516 | 11 | 879,538 | 721,321 | 22 | 1,744,457 | 1,586,999 | 10 | 892,433 | 738,879 | 21 |
| Less : Provision for Bad & Doubtful | | | | | | | | | | | | |
| Debts and Loans Written Off | | | | | | | | | | | | |
| Provision-General | 36,158 | (9,251) | 491 | 14,208 | (15,838) | 190 | 29,421 | (9,251) | 418 | 11,441 | (15,838) | 172 |
| Provision-Specific | 175,806 | 476,636 | (63) | 79,148 | 218,049 | (64) | 175,806 | 476,636 | (63) | 79,148 | 218,049 | (64 |
| | 211,964 | 467,385 | (55) | 93,356 | 202,211 | (54) | 205,227 | 467,385 | (56) | 90,589 | 202,211 | (55 |
| OPERATING PROFIT ON ORDINARY | | | | | | | | | | | | |
| ACTIVITIES BEFORE TAXES | 1,082,186 | 528,537 | 105 | 626,729 | 219,133 | 186 | 1,176,556 | 788,112 | 49 | 646,166 | 383,532 | 68 |
| Less: Value Added Tax on Financial Services | (213,299) | (105,704) | 102 | (131,812) | (50,011) | 164 | (232,958) | (153,403) | 52 | (139,191) | (80,630) | 73 |
| | , , , , , | ,,, | | , , , , , | ,,, | | , , , , , | (,, | | , . , , | , , | |
| OPERATING PROFIT BEFORE CORPORATE TAX | 868,887 | 422,833 | 105 | 494,917 | 169,122 | 193 | 943,598 | 634,709 | 49 | 506,975 | 302,902 | 67 |
| Less: Tax on Profits on Ordinary Activities | (425,191) | (211,407) | 101 | (226,572) | (93,834) | 141 | (449,445) | (303,786) | 48 | (226,879) | (152,117) | 49 |
| OPERATING PROFIT FOR THE PERIOD | 443,696 | 211,426 | 110 | 268,345 | 75,288 | 256 | 494,153 | 330,923 | 49 | 280,096 | 150,785 | 86 |
| Earnings Per Share -Basic (Rs.) | 2.31 | 1.26 | 83 | 1.30 | 0.45 | 190 | 2.58 | 1.97 | 31 | 1.34 | 0.90 | 49 |
| Earnings Per Share -Diluted (Rs.) | 2.25 | | | | | | 2.51 | | | | | |

Explanatory Moles:

(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 (formerly MLL 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 figures have been restated where necessary to comply with the Central Bank of Sri Lanka. Comparative figures have been restated where necessary to comply with the Central Bank of Sri Lanka. 12.2009 and the balances reflected are due to transactions carried out in the normal course of Banking Business.

(3) There are no material changes to contingent assets and liabilities since 31.2.2009 and adjustments in these accounts and all known expenditures have been provided in these financial statements.

(5) No material events have taken place since 30.06.2010 that require disclosure or/and adjustments in these accounts and all known expenditures have been provided in these financial statements.

(6) There are no changes in the accounting policies and methods of computation as disclosed in the Annual Report for the year ended 31st December 2009 and these interim financials are presented in accordance with SLAS 35 - Interim Financial Reporting.

(7) During the 1st quarter 2010 through warrant conversion, 41,928,668 ordinary shares were issued and added to the Stated capital.

Debenture Information
The unsecured, Subordinated, Redeemable Debentures 2006/11, 2006/12, 2008/13 and 2009/13 of the Bank are listed in the Colombo Stock Exchange. However, these debentures have not been traded from the date of listing up to 30th June 2010

| - 1 | | | | | | | |
|-----|--|-------------------------------|----------------------------------|---|---|---------------|---------------|
| ı | Debenture category | Interest rate of comparable | Interest rate of comparable | | Ratios of Debt | 30.06.2010 | 30.06.2009 |
| 1 | | Govt. security % (30.06.2010) | Govt. security % (30.06.2009) | l | | | |
| | 2006/11 2006/12 2008/13 2009/13 | 9.10 9.47 9.80 9.75 | 12.94 13.13 13.24 13.10 | | Debt/Equity Ratio (%) Interest Cover (Times) | 32.87 5.91 | 51.37 3.69 |

| SELECTED PERFORMANCE INDICATORS | | | | | | | | |
|---|-----------------|-----------------|------------|------------|--|--|--|--|
| | ВА | NK | GROU | P | | | | |
| | As at | As at | As at | As at | | | | |
| | 30.06.2010 | 31.12.2009 | 30.06.2010 | 31.12.2009 | | | | |
| | | Audited | | Audited | | | | |
| Regulatory Capital Adequacy | | | | | | | | |
| Core Capital (Tier 1 Capital), Rs.Mn. | 5,128 | 4,184 | 5,631 | 4,688 | | | | |
| Total Capital Base, Rs.Mn. | 6,536 | 5,903 | 7,025 | 6,408 | | | | |
| Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 5%) | 11.37% | 10.74% | 12.27% | 11.79% | | | | |
| Total Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 10%) | 14.49% | 15.14% | 15.31% | 16.11% | | | | |
| Assets Quality (Quality of Loan Portfolio) | | | | | | | | |
| Gross Non-performing Advances Ratio, % | | | | | | | | |
| (Net of Interest In Suspense) | 6.12% | 8.53% | 6.07% | 8.47% | | | | |
| Net Non-performing Advances Ratio, % | | | | | | | | |
| (Net of Interest In Suspense and Provisions) | 3.17% | 4.75% | 3.19% | 4.74% | | | | |
| Profitability | | | | | | | | |
| Interest Margin, % | 5.47% | 4.85% | | | | | | |
| Return on Assets, % (before Tax) | 2.28% | 1.44% | 2.46% | 1.90% | | | | |
| Return on Equity, % | 17.58% | 12.59% | 17.40% | 15.20% | | | | |
| Regulatory Liquidity | | | | | | | | |
| Statutory Liquid Assets, Rs. Mn. | 17,227 | 16,849 | | | | | | |
| Statutory Liquid Assets Ratio, (%) | | | | | | | | |
| (Minimum Requirement, 20%) | | | | | | | | |
| Domestic Banking Unit (DBU) | 30.14% | 28.17% | | | | | | |
| Foreign Currency Banking Unit (FCBU) | 41.81% | 40.24% | | | | | | |
| Net Assets Value Per Share (Rs.) | 26.63 | 24.96 | 29.69 | 28.48 | | | | |
| | 30.06.2010 | 30.06.2009 | | | | | | |
| Market Price Per Share (Rs.) | (Quarter ended) | (Quarter ended) | | | | | | |
| Highest | 57.50 | 36.50 | | | | | | |
| Lowest | 34.00 | 23.75 | | | | | | |
| Last Traded Price | 55.50 | 30.50 | | | | | | |

| STATEM | IENT OF | CHAN | GES I | N EOUIT | Г | |
|--|-------------------|--------------------|-----------------|--------------------------|--------------------|-----------|
| O IAI EIII | Stated Capital | Capital Reserve | Reserve Fund | Exchange Equalisation | Revenue Reserve | Total |
| Book | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 |
| Bank Balance as at 01.01.2009 | 3,109,771 | - | 80,509 | | 745.678 | 3,935,958 |
| Dividend Paid for 2008 | - | - | - | - | (251,572) | (251,572 |
| Exchange Equalisation of Reserve | - | - | - | (2,473) | - | (2,473 |
| Net Profit for the Year | - | - | - | - | 211,426 | 211,426 |
| Balance as at 30.06.2009 | 3,109,771 | - | 80,509 | (2,473) | 705,532 | 3,893,339 |
| Balance as at 01.01.2010 | 3,109,771 | | 105,599 | - | 970,817 | 4,186,18 |
| Dividend Paid for 2009 | - | - | - | - | (314,465) | (314,46 |
| 2010 Warrant Conversion | 1,257,860 | - | - | - | - | 1,257,86 |
| Net Profit for the Period | - | - | - | - | 443,696 | 443,69 |
| Exchange Equalisation of Reserve | | - | - | 8,962 | - | 8,96 |
| Balance as at 30.06.2010 | 4,367,631 | | 105,599 | 8,962 | 1,100,048 | 5,582,24 |
| Group | | | | | | |
| Balance as at 01.01.2009 | 3,109,771 | 9,500 | 80,509 | - | 1,142,532 | 4,342,31 |
| Dividend Paid for 2008 | - | - | - | - | (251,572) | (251,57) |
| Exchange Equalisation of Reserve | - | - | - | (2,473) | | (2,47 |
| Net Profit for the Year | - | | - | - | 330,923 | 330,92 |
| Balance as at 30.06.2009 | 3,109,771 | 9,500 | 80,509 | (2,473) | 1,221,883 | 4,419,19 |
| Balance as at 01.01.2010 | 3,109,771 | 9,500 | 105,599 | - | 1,551,941 | 4,776,81 |
| Dividend Paid for 2009 | 4 057 000 | - | - | - | (314,465) | (314,46 |
| 2010 Warrant Conversion Net Profit for the Period | 1,257,860 | - | - | - | 404 450 | 1,257,86 |
| | - | - | - | - | 494,153 | 494.15 |
| Exchange Equalisation of Reserve | | | | 8.962 | . , | 8.96 |

| | | | SEG | MENTAL | . INFOR | MATION | | | | |
|--------------------------|------------|------------|--------------------|------------|------------|------------|-------------|-------------|------------|------------|
| | BANKING | | INVESTMENT BANKING | | OTH | IERS | ELIMINATION | /ALLOCATED | GROUP | |
| In Rs. '000 | 30.06.2010 | 30.06.2009 | 30.06.2010 | 30.06.2009 | 30.06.2010 | 30.06.2009 | 30.06.2010 | 30.06.2009 | 30.06.2010 | 30.06.2009 |
| Total Revenue | 5,791,098 | 6,904,841 | 319,411 | 958,584 | 44,201 | 45,766 | (243,230) | (537,463) | 5,911,481 | 7,371,728 |
| Segment Results | | | | | | | | | | |
| Profit before Taxation | 868,887 | 422,833 | 93,577 | 187,828 | 23,534 | 24,048 | (42,400) | - | 943,598 | 634,709 |
| Taxation | (425,191) | (211,407) | (41,941) | (83,924) | (6,690) | (8,455) | 24,377 | - | (449,445) | (303,786) |
| Net Profit for the Year | 443,696 | 211,426 | 51,636 | 103,904 | 16,844 | 15,593 | (18,023) | - | 494,153 | 330,923 |
| Segment Assets | 78,058,360 | 77,294,976 | 4,474,125 | 6,894,836 | 780,382 | 770,040 | (4,758,494) | (9,838,163) | 78,554,373 | 75,121,688 |
| Goodwill | - | - | - | - | | - | 79,261 | 79,261 | 79,261 | 79,261 |
| Total Assets | 78,058,360 | 77,294,976 | 4,474,125 | 6,894,836 | 780,382 | 770,040 | (4,679,233) | (9,758,902) | 78,633,634 | 75,200,949 |
| Segment Liabilities | 72,219,275 | 73,202,904 | 4,030,290 | 6,502,546 | 63,584 | 67,455 | (4,159,681) | (9,189,879) | 72,153,468 | 70,583,026 |
| Deferred Tax Liabilities | 256,845 | 198,733 | - | - | | - | | - | 256,845 | 198,733 |
| Total Liabilities | 72,476,120 | 73,401,637 | 4,030,290 | 6,502,546 | 63,584 | 67,455 | (4,159,681) | (9,189,879) | 72,410,313 | 70,781,759 |

| | | BANK | | | GROUP | |
|--|--------------------------|-------------|--------|------------|--------------|------|
| As at | 30.06.2010 | 31.12.2009 | Change | 30.06.2010 | 31.12.2009 C | hang |
| | Rs. '000 | Rs. '000 | (%) | Rs. '000 | Rs. '000 | (% |
| On-Balance Sheet Assets | | (Audited) | ` ' | | (Audited) | • |
| Cash in Hand | 836,869 | 865,510 | (3) | 836,902 | 865,518 | (; |
| Balances with Central Bank of Sri Lanka | 2,378,066 | 2,043,624 | 16 | 2,378,066 | 2,043,624 | 16 |
| Due from Banks and Other Financial Institutions | 5,406,126 | 9,488,118 | (43) | 3,101,999 | 6,875,107 | (5 |
| | 3,400,120 | 3,400,110 | (43) | 3,101,333 | 0,073,107 | (5, |
| Investments-Trading Account | 40 000 007 | 0.000.504 | 00 | 47 705 700 | 44 407 070 | - |
| Government Securities | 16,260,607 | 9,638,564 | 69 | 17,725,709 | 11,437,873 | 5 |
| Investments-Held-to-Maturity | | | | | | |
| Government Securities | 9,701,659 | 8,939,492 | 9 | 10,803,532 | 10,030,393 | - 8 |
| Other Securities | 240,097 | 355,215 | (32) | 240,097 | 355,215 | (32 |
| Investments in Subsidiaries | 678,710 | 678,710 | - | - | - | (|
| Total Loans and Advances | 510,110 | | | | | |
| Total Performing Loans and Advances | | | | | | |
| Bills of Exchange | 252 022 | 1/5 116 | 75 | 252 022 | 145 116 | 7 |
| | 253,832 | 145,116 | | 253,832 | 145,116 | |
| Overdrafts | 8,590,711 | 5,416,991 | 59 | 8,590,711 | 5,416,991 | 5 |
| Lease Rentals Receivable within One Year | 2,862,417 | 3,310,695 | (14) | 2,862,417 | 3,310,756 | (1 |
| Lease Rentals Receivable after One Year | 4,053,772 | 3,975,597 | 2 | 4,053,772 | 3,975,597 | |
| Other Loans | 22,498,604 | 20,485,784 | 10 | 22,818,157 | 20,748,271 | 1 |
| | 38,259,336 | 33,334,183 | 15 | 38,578,889 | 33,596,732 | 1 |
| Total Non-performing Loans and Advances | ,, | ,, | | ,, | ,, | |
| Overdrafts | 524,582 | 621,589 | (16) | 524,582 | 621,589 | (1 |
| Lease Rentals Receivable | 1,122,294 | 1,116,049 | 1 | 1,122,294 | 1,116,049 | (1 |
| | | | | | | |
| Other Loans | 1,330,110 | 1,736,090 | (23) | 1,330,110 | 1,736,090 | (2 |
| Interest Receivable | 293,179 | 288,610 | 2 | 293,179 | 288,610 | _ |
| Total Gross Loans and Advances | 41,529,501 | 37,096,521 | 12 | 41,849,054 | 37,359,069 | 1 |
| Less: | | | | | | |
| Interest In Suspense | (776,394) | (654,810) | 19 | (776,394) | (654,810) | 1 |
| Specific Loan Loss Provisions | (884,085) | (1,097,573) | (19) | (884,085) | (1,097,573) | (1 |
| General Loan Loss Provisions | (316,161) | (280,130) | 13 | (300,291) | (270,998) | 1 |
| Net Loans and Advances | 39,552,861 | 35,064,008 | 13 | 39,888,284 | 35,335,688 | 1 |
| | | | | | | |
| Other Assets | 1,162,112 | 904,609 | 28 | 1,198,352 | 935,537 | 2 |
| Deferred Assets | 216,495 | 307,363 | (30) | 216,495 | 307,363 | (3 |
| Intangible Assets | - | - | - | 79,261 | 79,261 | |
| Property, Plant and Equipment | 1,624,758 | 1,693,017 | (4) | 2,164,937 | 2,238,768 | (|
| Total on Balance Sheet Assets | 78,058,360 | 69,978,230 | 12 | 78,633,634 | 70,504,348 | 1 |
| | .,, | | | .,, | | |
| On-Balance Sheet Liabilities | | | | | | |
| Total Deposits | | | | | | |
| Demand Deposits | 7,242,428 | 4,722,675 | 53 | 7,242,428 | 4,722,675 | 5 |
| Savings Deposits | 6,162,290 | 5,631,952 | 9 | 6,162,290 | 5,631,952 | |
| Time Deposits | 32,257,900 | 33,866,945 | (5) | 32,257,900 | 33,866,945 | (|
| Margin Deposits | 203,816 | 203,563 | 0 | 203,816 | 203,563 | (|
| Margin Deposits | | | 3 | | | |
| | 45,866,434 | 44,425,135 | 3 | 45,866,434 | 44,425,135 | |
| T | | | | | | |
| Total Borrowings | | | | | | |
| Borrowings from the Central Bank of Sri Lanka | 2,868 | 5,853 | (51) | 2,868 | 5,853 | (5 |
| Borrowings from Banks and Financial | | | | | | |
| Institutions in Sri Lanka | 1,315,708 | 1,311,398 | 0 | 1,315,708 | 1,311,398 | |
| Borrowings from Banks and Financial | 1,510,103 | .,, | | .,, | .,,., | |
| Institutions Abroad | 726,321 | 348,369 | 108 | 726,321 | 348,369 | 10 |
| | | | | - , - | | |
| Securities Sold Under Repurchase Agreements | 15,743,377 | 10,475,037 | 50 | 15,743,377 | 10,475,037 | 5 |
| Subordinated Term Debt | 1,873,600 | 2,105,925 | (11) | 1,873,600 | 2,105,925 | (1 |
| Other Borrowings | 2,235,345 | 2,775,055 | (19) | 2,235,345 | 2,775,055 | (1 |
| | 21,897,219 | 17,021,637 | 29 | 21,897,219 | 17,021,637 | 2 |
| Deferred Taxation | 256,845 | 291,130 | (12) | 256,845 | 291,130 | (1 |
| Current Taxation | 694,347 | 493,554 | 41 | 764,414 | 547,745 | 4 |
| Other Liabilities | 3,761,275 | 3,560,587 | 6 | 3,625,401 | 3,441,890 | |
| Total on -Balance Sheet Liabilities | 72,476,120 | 65,792,043 | 10 | 72,410,313 | 65,727,537 | 1 |
| iotal on -Dalance onest Liabilities | 12,410,120 | 00,732,043 | 10 | 12,410,313 | 00,121,001 | |
| Equity Capital and Reserves | | | | | | |
| Stated Capital (209,643,340 Ordinary Shares | | | | | | |
| as at 30.06.2010 & 167.714,672 as at 31.12.2009) | 4,367,631 | 3,109,771 | 40 | 4,367,631 | 3,109,771 | 4 |
| Statutory Reserve Fund | 105,599 | 105,599 | (0) | 105,599 | 105,599 | (|
| Total Other Reserves | | | | | | |
| IUIAI UIIIEI NESEIVES | 1,109,010 | 970,817 | 14 | 1,750,091 | 1,561,441 | 1 |
| | 5,582,240 | 4,186,187 | 33 | 6,223,321 | 4,776,811 | 3 |
| Total On Balance Sheet Liabilities and | | | | | | |
| Equity Capital and Reserves | 78,058,360 | 69,978,230 | 12 | 78,633,634 | 70,504,348 | 1 |
| Off-Balance Sheet Items and Contra Accounts | | | | | | |
| Contingencies | 37,975,335 | 26,885,018 | 41 | 37,975,335 | 26,885,018 | 4 |
| CONTINUENCIES | 25,609,933 | 27,603,271 | (7) | 25,609,933 | 27,603,271 | . (|
| | | | 17 | 63,585,268 | 54,488,289 | 1 |
| | | | | 00,000,200 | J4,400,209 | |
| | 63,585,268 | 54,488,289 | | | | |
| Commitments and Contra Accounts | | 54,488,289 | | | | |
| Commitments and Contra Accounts Memorandum Information | 63,585,268 | | | | | |
| Commitments and Contra Accounts Memorandum Information Number of Employees | 63,585,268 | 1506 | | 1561 | 1532 | |
| Commitments and Contra Accounts Memorandum Information Number of Employees Number of Branches | 63,585,268 1530 40 | | | 40 | 1532 38 | |
| Commitments and Contra Accounts Memorandum Information Number of Employees Number of Branches | 63,585,268 | 1506 | | | | |
| Commitments and Contra Accounts Memorandum Information Number of Employees | 63,585,268 1530 40 | 1506 38 | | 40 | 38 | |

BALANCE SHEET

CERTIFICATION: 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 Chairman , Executive Director and Director / Chief Executive Officer of Nations Trust Bank PLC., certify

(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 unaudited financial statements of the Bank and its

(Sgd) A.D. Gunewardene

Subsidiaries unless indicated as audited.

(Sgd) C.H.S.K. Piyaratna

(Sgd) Saliya Rajakaruna August 03, 2010 - Colombo

| | BAN | K | GRO |)UP |
|---|----------------------|----------------------------|-----------------------|----------------------------|
| For the six months ended June 30 | 2010 | 2009 | 2010 | 2009 |
| | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 |
| ash Flows from Operating Activities | | | | |
| nterest Received | 4,740,271 | 5,936,807 | 4,959,456 | 6,446,760 |
| nterest Paid | (2,988,415) | (4,076,042) | (3,012,537) | (3,981,779) |
| oreign Exchange Income Received | 120,990 | (640,281) | 120,990 | (640,281) |
| eceipts from Other Operating Activities | 712,891 | 1,599,470 | 658,470 | 1,743,532 |
| ratuity Payments made | (6,221) | (1,405) | (6,437) | (1,405) |
| ayments to Employees and Suppliers | (1,766,868) | (1,493,440) | (1,810,139) | (1,569,162) |
| et Cashflow from Operating Activities before Income Tax (A) | 812,648 (224,399) | 1,325,109 (140,420) | 909,803 (270,098) | 1,997,665 (228,102) |
| perating Profit before Changes in Operating | (224,333) | (140,420) | (270,030) | (220,102) |
| Assets and Liabilities | 588,249 | 1,184,689 | 639,705 | 1,769,563 |
| | | | | |
| ncrease)/Decrease in Operating Assets | | | | |
| ovestments in Treasury Bills ,Bonds & Reverse Repurchases | (2,961,167) | (12,621,013) | (332,630) | 1,475,931 |
| nvestments and other placements | 109,101 | 1,078,344 | 109,101 | 1,078,344 |
| ills of Exchange | (108,716) | 62,882 | (108,716) | 62,882 |
| oans and Advances | (4,538,357) | (965,378) | (3,681,048) | (1,008,906) |
| ther Assets | (192,939) | (442,426) | (170,431) | (430,500) |
| peroses // Decreases) in Operating Liabilities | (7,692,078) | (12,887,591) | (4,183,724) | 1,177,751 |
| ncrease/(Decrease) in Operating Liabilities sustomer Deposits | 1,728,211 | 9,888,581 | 1,728,211 | 9,888,581 |
| ecurities sold under Repurchase Agreements | 5,265,257 | 4,773,271 | 2,655,852 | (10,524,946) |
| ther Liabilities | 33,922 | 546,441 | 703,173 | 1,227,072 |
| ther Eldollides | 7,027,390 | 15.208.293 | 5,087,236 | 590,707 |
| | .,, | ,, | -,, | |
| let Cash Flow from Operating Activities | (76,439) | 3,505,391 | 1,543,217 | 3,538,021 |
| ash Flows from Investing Activities | | | | |
| roceeds from sale of Property, Plant & Equipment | - | 2,752 | | 2,752 |
| urchase of Property, Plant & Equipment | (75,180) | (386,200) | (75,427) | (386,447) |
| | (75,180) | (383,448) | (75,427) | (383,695) |
| ash Flows from Financing Activities | | | | |
| Varrant Conversion | 1,257,860 | - (0.470) | 1,257,860 | - (0.470) |
| ncrease / (Decrease) in Refinance Activities | (2,985) | (3,178) | (2,985) | (3,178) |
| ncrease / (Decrease) in Call & Other Borrowings | (715,745) | (2,028,232) | (2,302,748) | (2,028,232) |
| sue / (Redemption) of Debentures ividend Paid | (21A ACE) | (500,000) | (214 ACE) | (500,000) |
| IVIUEIIU Palu | (314,465) | (251,572) (2,782,982) | (314,465) (1,362,338) | (251,572) (2,782,982) |
| | 224,003 | (2,702,902) | (1,302,330) | (2,702,302) |
| et Increase in Cash and Cash Equivalents | 73,046 | 338,961 | 105,452 | 371,344 |
| ash and Cash Equivalents at the beginning of the year | 3,077,645 | 2,452,632 | 3,083,714 | 2,458,729 |
| ash and Cash Equivalents at the end of the year | 3,150,691 | 2,791,593 | 3,189,166 | 2,830,073 |
| econciliation of Cash and Cash Equivalents | | | | |
| ash in Hand, Balances with Banks & Due to Banks | 772,625 | 895,537 | 811,100 | 934,017 |
| alance with the Central Bank of Sri Lanka | 2,378,066 | 1,895,572 | 2,378,066 | 1,895,572 |
| Ioney at Call and Short Notice | _,5.0,000 | 484 | -,0.0,000 | 484 |
| | 3,150,691 | 2,791,593 | 3,189,166 | 2,830,073 |
| . Reconciliation of Operating Profit | | | | |
| rofit before taxation | 868,887 | 422,833 | 943,598 | 634,709 |
| epreciation | 143,023 | 140,277 | 148,848 | 146,102 |
| Profit) / Loss on disposal of Property, Plant & Equipment | | 27 | | 27 |
| rovision for Doubtful Debts | 211,964 | 467,385 | 205,227 | 467,385 |
| rovision for Gratuity | 22,465 | 22,501 | 23,050 | 23,578 |
| ncrease) / Decrease in Interest Receivable | (118,179) | (131,857) | (85,176) | 58,030 |
| ncrease / (Decrease) in Interest Payable | (210,523) | 282,364 | (224,861) | 546,255 |
| ther Non cash items ratuity Payments Made | (98,768) | 122,984 | (94,446) | 122,984 |
| rattitity Pay/ments Mane | (6,221) | (1,405) | (6,437) | (1,405) |

Nations Trust Bank PLC No. 242, Union Place, Colombo 2. Tel: 4313131 Fax: 2307854 Email: info@nationstrust.com Web: www.nationstrust.com

