NATIONS TRUST BANK PLC AND ITS FULLY OWNED SUBSIDIARIES

Company Number PQ 118

				NK						OUP		
		ended 31st Dec			nded 31st Decem			ended 31st De			nded 31st Decem	
	2011	2010 0	3	2011	2010 C	3	2011	2010 0	3 -	2011	2010 C	
00000 11100111	Rs. '000	Rs. '000	(%)	Rs. '000	Rs. '000	(%)	Rs. '000	Rs. '000	(%)	Rs. '000	Rs. '000	(%
GROSS INCOME Interest Income	11,893,412	11,954,249	(1)	3,197,772	2,927,062	9	12,272,730	12,247,011	0	3,278,085	2,990,089	10
	C COO 057	6.478.344	3	1 070 007	1 010 015	16	6.982.388	6 710 000	4	1.933.744	1 005 004	15
Interest Income on Loans and Advances Interest Income on Other Interest	6,692,957	0,470,344	3	1,870,367	1,612,315	10	0,902,300	6,718,082	4	1,933,744	1,685,904	15
	0.070.004	0.050.505	(44)	700 005	004.040	(40)	0.074.000	0.070.004	(40)	704 700	770 400	
Earning Assets	2,978,894	3,352,585	(11)	739,895	821,040	(10)	2,971,366	3,372,094	(12)	731,729	779,462	(6
-tt 5	9,671,851	9,830,929	(2)	2,610,262	2,433,355	7	9,953,754	10,090,176	(1)	2,665,473	2,465,366	
Interest Expense Interest Expense on Deposits	(2.202.105)	(0.000 E00.)	10	(1.045.140.)	(700.004)	45	(2.202.405)	(0.000.500)	16	(1.045.140)	(700.004)	45
	(3,392,195)	(2,932,580)	16	(1,045,142)	(720,864)	45	(3,392,195)	(2,932,580)	16	(1,045,142)	(720,864)	43
Interest Expense on Other Interest	(0.400.040)	(0.500.004.)	(40)	(500 505)	(005.040)	(00)	(0.400.005)	(0.500.400)	(45)	(500.070)	(010.000)	/4/
Bearing Liabilities	(2,180,918)	(2,583,881)	(16)	(502,505)	(625,610)	(20)	(2,196,365)	(2,592,489)	(15)	(503,376)	(618,366)	(19
	(5,573,113)	(5,516,461)	1	(1,547,647)	(1,346,474)	15	(5,588,560)	(5,525,069)	1	(1,548,518)	(1,339,230)	16
NET INTEREST INCOME	4,098,738	4,314,468	(5)	1,062,615	1,086,881	(2)	4,365,194	4,565,107	(4)	1,116,955	1,126,136	
NET INTEREST INCOME Non-Interest Income	4,090,730	4,314,400	(5)	1,002,010	1,000,001	(2)	4,300,194	4,505,107	(4)	1,110,955	1,120,130	(
Foreign Exchange Gain	343.351	314.824	9	79.889	121,755	(34)	343.351	314.824	9	79.889	121,755	(34
	,		4	,	,	. ,	,		7	,	,	3
Other Operating Income	1,878,210 2,221,561	1,808,496	5	507,621	371,952	<u>36</u> 19	1,975,625	1,842,011 2.156.835	8	532,723 612.612	402,968 524.723	1
	2,221,301	2,123,320	э	587,510	493,707	19	2,318,976	2,100,030	0	012,012	524,723	- 1
NET INCOME	6,320,299	6,437,788	(2)	1,650,125	1,580,588	4	6,684,170	6,721,942	(1)	1,729,567	1,650,859	
Less : Non-Interest Expenses	0,320,299	0,437,700	(2)	1,000,120	1,300,300	*	0,004,170	0,721,942	(1)	1,729,007	1,000,009	,
Personnel Costs	1,742,752	1,604,492	9	525.045	428.094	23	1,778,732	1,630,097	9	538.630	434,278	2
Provision for Staff Retirement Benefits	55,321	44,941	23	14,783	11,309	31	56,905	46,691	22	15,506	12,225	2
Premises, Equipment and	33,321	44,541	20	14,703	11,000	01	30,303	40,031	22	10,000	12,220	_
Establishment Expenses	694,897	621,013	12	185,877	170.198	9	705.065	636,437	11	188.185	174,246	
Loss on Trading / Investment Securities	186,066	021,013	100	172.995	170,130	100	222.788	31.810	600	187.620	29.774	53
Amortisation of Intangible Assets	95,000	147,994	(36)	14,580	29,828	(51)	95,000	147,994	(36)	14,580	29,828	(5
Other Operating Expenses	1,463,044	1,474,653	(1)	417,559	474,855	(12)	1,461,285	1,471,373	(1)	410,660	462,805	(1
Other Operating Expenses	4,237,080	3,893,093	9	1,330,839	1,114,284	19	4,319,775	3,964,402	9	1,355,181	1,143,156	19
	4,237,000	3,030,033	3	1,550,055	1,114,204	13	4,010,770	0,304,402	3	1,000,101	1,140,100	- 1
Less : Provision for Bad & Doubtful Debts and												
Loans Written Off												
Provision/(Write back) -General	(53,505)	31,035	(272)	(21,278)	(36.034)	(41)	(42,718)	24,836	(272)	(16,828)	(33,759)	(50
Provision/ (Write back) -Specific	(165,491)	178,027	(193)	(54,414)	7,182	(858)	(165,491)	177,971	(193)	(54,414)	7,127	(86
Tronoidia (vinto basily opositio	(218,996)	209,062	(205)	(75,692)	(28,852)	162	(208,209)	202,807	(203)	(71,242)	(26,632)	16
	(210,000)	200,002	(200)	(70,032)	(20,002)	102	(200,200)	202,007	(200)	(11,242)	(20,002)	10
OPERATING PROFIT ON ORDINARY												
ACTIVITIES BEFORE TAXES	2.302.215	2.335.633	(1)	394.978	495.156	(20)	2.572.604	2.554.733	1	445.628	534.335	(1
Less: Value Added Tax on Financial Services	(338,182)	(482,010)	(30)	(33,024)	(119,185)	(72)	(362,722)	(526,165)	(31)	(22,449)	(126,073)	(8)
	(000,102)	(102,010)	(00)	(55,527)	(1.15,130)		(552,: 22)	(525, 507)	(0.)	(22,110)	(-25,5.0)	, 0.
OPERATING PROFIT BEFORE CORPORATE TAX	1,964,033	1,853,623	6	361,954	375,971	(4)	2,209,882	2,028,568	9	423,179	408,262	
Less: Tax on Profits on Ordinary Activities	(593,105)	(851,686)	(30)	(40,006)	(128,430)	(69)	(675,987)	(944,343)	(28)	(59,242)	(172,447)	(6)
	(, ,	(,/	,,	,,	, ., .,	, ,	, , , , ,	,- , /	, ,	, , , ,	, , , , ,	,-
OPERATING PROFIT FOR THE PERIOD	1,370,928	1,001,937	37	321,948	247,541	30	1,533,895	1,084,225	41	363,937	235,815	54
Earnings Per Share -Basic (Rs.)	6.01	4.66	29	1.41	1.15	23	6.73	5.04	33	1.60	1.10	4
Explanatory Notes												

(3) These interim financial statements are presented in accordance with SLAS 55 - Interim Financial Reporting and there are no changes to the accounting policies and methods of computation as against those disclosed in the Annual Report for the year ende (4) Specific provisions for the period include certain productial provisions made over and above the provisioning policy of the Bank which is more stringent than the quiedlines of the Central Bank of Sri Lanks.

(5) There are no material changes to contingent assets and liabilities since 31.12.2011 and the balances reflected are due to transactions carried out in the normal course of Banking Business.

(6) During the 15 quarter 2011 through warrant conversion, 2,9,953,445 ordinary shares were issued and added to the Stated capital.

(7) During the 15 quarter, the bank issued Womillion, rated, unsecured, busderdinated redemandle debentures for an aggregate value of Rs. 2 billion by way of a Private Placement. The debentures will be listed in the Colombo Stock exchange in due course.

(8) No material events have taken place since 31.12.2011 that require disclosure or/and adjustments in these accounts and all known expenditures have been provided in these financial statements.

Debenture Information
The unsecured, Subordinated, Redeemable Debentures 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 31st December 2011.

Debenture categories	CSE Listing	Interest Payable Frequency	Balance as at		Market Values		Intere	st Rates	Interest rate of Comparable	Interest rate of Comparable		s as at date t trade
			31.12.2011	Highest	Lowest	Year End Rs.	Coupon Rate	Effective Annual Yield	Government Security 31.12.2011	Government Security 31.12.2010	Interest Yield	Yield to Maturity
			Rs. '000	Rs.	Rs.		%	%	%	%	%	%
Fixed Rate Fixed Rate Fixed Rate Fixed Rate Fixed Rate	NTBD0145 NTBD0131 Not Listed Not Listed	Semi-Annually Annually Semi-Annually Semi-Annually	500,000 1,000,000 200,000 1,800,000		ot traded during the curre ot traded during the curre - -		20.53 21.00 11.00 11.50	21.58 21.00 11.30 11.83	9.47 9.60 10.02 10.02	10.50 7.50 - -	Not traded during Not traded during	
Floating Rate Floating Rate Total Debentures	NTBD0104	Quarterly	170,000 3 670 000	N	ot traded during the curre	nt period	9.39	9.73	8.32	6.85	Not traded during	the current period

SELECTED PER	KFUKIVIANU	PE INDIP	IIUK9		
	BAN	NK .	GROUP		
	As at 31.12.2011	As at 31.12.2010	As at 31.12.2011	As at 31.12.2010	
Regulatory Capital Adequacy	(Audited)	(Audited)	(Audited)	(Audited	
Core Capital (Tier 1 Capital), Rs.Mn.	7,775	6,132	8,522	6,716	
Total Capital Base, Rs.Mn. Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 5%)	10,337 12.50%	7,302 12.52%	11,079 13.42%	7,869 13.43%	
Total Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 10%)	16.62%	14.91%	17.44%	15.74%	
Assets Quality (Quality of Loan Portfolio) Gross Non-performing Advances Ratio, % (Net of Interest In Suspense) Net Non-performing Advances Ratio, %	2.83%	4.88%	2.79%	4.82%	
(Net of Interest In Suspense and Provisions)	1.32%	2.36%	1.30%	2.36%	
Profitability Interest Margin, % Return on Assets, % (before Tax) Return on Equity, %	4.39% 2.10% 19.36%	5.42% 2.33% 18.30%	2.34% 19.56%	2.53% 17.70%	
Regulatory Liquidity Statutory Liquid Assets, Rs. Mn. Statutory Liquid Assets Ratio, (%) (Minimum Requirement, 20%)	17,698	14,386			
Domestic Banking Unit (DBU) Foreign Currency Banking Unit (FCBU) Net Assets Value Per Share (Rs.)	21.37% 33.79% 33.72	22.13% 42.97% 29.25	37.34	32.46	
Market Price Per Share (Rs.) Highest Lowest	31.12.2011 (Quarter ended) 89.80 54.00	31.12.2010 (Quarter ended) 114.70 34.00			

	Capital	Capital Reserve	Reserve Fund	Investment Fund*	Revenue Reserve	Tota
Bank	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Balance as at 01.01.2010	3,109,771		105,599	-	970,817	4,186,187
Dividend Paid for 2009	-	-	-	-	(314,465)	(314,465
Shares issued on '2010 Warrants' exercised	1,257,860	-	-	-	-	1,257,86
Net Profit for the Period					1,001,937	1,001,93
Fransfers during the Year			50,097		(50,097)	
Balance as at 31.12.2010	4,367,631		155,696		1,608,192	6,131,51
Balance as at 01.01.2011	4,367,631		155,696		1,608,192	6,131,51
Dividend Paid for 2010	-	-	-	-	(461,215)	(461,21
Shares issued on '2011 Warrants' exercised	733,738			-	-	733,73
Fransfers to Investment Fund*				248,123	(248,123)	
Net Profit for the Period					1,370,928	1,370,92
Transfers during the Year	-		68,546	-	(68,546)	
Balance as at 31.12.2011	5,101,369	<u> </u>	224,242	248,123	2,201,236	7,774,97
Group						
Balance as at 01.01.2010	3,109,771	9,500	105,599		1,551,941	4,776,81
Dividend Paid for 2009				-	(314,465)	(314,46
Shares issued on '2010 Warrants' exercised	1,257,860			-		1,257,86
Net Profit for the Period	-			-	1,084,225	1,084,22
Fransfers during the Year	-		50,097	-	(50,097)	
Balance as at 31.12.2010	4,367,631	9,500	155,696		2,271,604	6,804,43
Balance as at 01.01.2011	4,367,631	9,500	155,696		2,271,604	6,804,43
Dividend Paid for 2010	-	-	-	-	(461,215)	(461,21
Shares issued on '2011 Warrants' exercised	733,738	-	-	-	-	733,73
Fransfers to Investment Fund*		-	-	268,761	(268,761)	
Net Profit for the Period	-		-	-	1,533,895	1,533,89
Connections developed by Many			68,546	-	(68,546)	
Fransfers during the Year Balance as at 31.12.2011	5.101.369	9,500	224,242	268,761	3.006.977	8,610,84

	BAN	KING	INVESTMEN	IT BANKING	ОТН	ERS	ELIMINATION/	ALLOCATED	GR0	UP
In Rs. '000	31.12.2011	31.12.2010	31.12.2011	31.12.2010	31.12.2011	31.12.2010	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Total Revenue	11,893,412	11,954,249	522,258	631,637	141,712	104,791	(284,652)	(443,666)	12,272,730	12,247,011
Segment Results										
Profit before Taxation	1,964,033	1,853,623	205,530	172,420	70,441	48,329	(30,122)	(45,804)	2,209,882	2,028,568
Taxation	(593,105)	(851,686)	(64,589)	(77,182)	(10,086)	(13,730)	(8,207)	(1,745)	(675,987)	(944,343
Net Profit for the Year	1,370,928	1,001,937	140,941	95,238	60,355	34,599	(38,329)	(47,549)	1,533,895	1,084,225
Segment Assets	100,821,640	82,416,846	2,829,426	3,775,253	853,287	799,536	(2,578,062)	(3,823,024)	101,926,291	83,168,611
Goodwill		-				-	79,261	79,261	79,261	79,261
Total Assets	100,821,640	82,416,846	2,829,426	3,775,253	853,287	799,536	(2,498,801)	(3,743,763)	102,005,552	83,247,872
Segment Liabilities	92,428,066	75,836,731	2,207,629	3,287,815	61,930	64,985	(1,929,395)	(3,201,890)	92,768,230	75,987,641
Deferred Liabilities	618,604	448,596	3,118	2,513	4,751	4,691			626,473	455,800
Total Liabilities	93,046,670	76,285,327	2,210,747	3,290,328	66,681	69,676	(1,929,395)	(3,201,890)	93,394,703	76,443,441

9.73	8.32		6.85	Not traded d	luring the current period	
R	atios of Debt		31.	12.2011	31.12.2010	
	* Debt / Equity Ratio % Interest Cover (Times)			.53% 5.18	37.61% 5.31	
* All St	urbordinated de	ebt ar	nd listed S	Senior debt	are considered as	
Debt (n	umerator)					

SHAREHOLDERS II	MEUBW	\TIO	71
SHANEHULDENS II	AFUNIWI	ATTU	1
Twenty largest Shareholders as at 31st December	2011		
Name of the Shareholder	No. of Shares	%	
John Keells Holdings PLC	46,121,536	20.00	
DFCC Bank A/C No. 01	22,865,356	9.92	
Mackingana & Vaalla Einangial Carriage Limited	22 920 150	0.00	

22,830,159 9.90 20,715,400 8.98 Mr. M.F. Hashim 2,460,237 1.07

Mr. S.K. Sharma 2,022,100 0.88

Renuka City Hotels Limited 1,858,775 0.81

Sri Lanka Insurance Corporation Limited - General Fund 1,658,529 0.72

HSSC International Nominees Limited - SSBT
Deustche Bank AG Singapore A/C No. 01 1,600,000 0.69

Mr. M.M. Udeshi 1,392,034 0.60

Mr. M.R. Somaiya 1,366,900

Mr. N.R. Somaiya 1,366,900

Mr. N.R. Somaiya 1,366,900

Timex (Garments) Limited Sri Lanka Insurance Corporation Limited - SSBT
ST Lanka Insurance Corporation Limited 1,366,900

Mr. N.R. Somaiya 1,366,900

Sri Lanka Insurance Corporation Limited Stri Lanka Insurance Corpora Central Finance Company PLC A/C No. 03
HSBC International Nominees Limited Credit Suisse AG Zurich - Uma Kumar Sharma 1,600,000 0.69
1,546,100 0.67
1,392,034 0.60
1,366,900 0.59
1,320,624 0.57
1,238,465 0.54
1,122,100 0.49
1,122,100 0.49
180,385,566 78.22
50,221,717 21.78
230,607,283 100.00

Percentage of public shareholding as at 31st December $\,$ 2011 was 77.39%

lame of Director	lo of Shares
Mr. A.D. Gunewardene*	5,671,164
fr. E.H. Wijenaike*	10,598
Mr. K.N.J.Balendra	107,700
fr. J.R.F. Peiris	-
fr. A.K. Gunaratne	19,432
Mr. S.G. Rajakaruna (Director / CEO)	-
Mr. C.H.S.K. Piyaratna	100,400
fr. A.R. Rasiah	16,304
r. (Ms.) D. Weerakoon	-
Ar. M.E. Wickremesinghe	-
Ar. M Jafferjee	-
r. (Mr.) Kemal De. Soysa	-
fr. Dhammika Prasanna De Silva**	
As. Neelendra Shalini Panditaratne*	* -

*Resigned w.e.f 31.12.11

		BANK			GROUP	
As at	31.12.2011	31.12.2010	Change	31.12.2011	31.12.2010 (
On-Balance Sheet Assets	Rs. '000	Rs. '000	(%)	Rs. '000	Rs. '000	(%)
Cash in Hand	1,370,877	873,295	57	1,370,885	873,303	57
Balances with Central Bank of Sri Lanka	4,284,336	2,416,235	77	4,284,336	2,416,235	77
Due from Banks and Other Financial Institutions	8,523,588	4,226,626	102	7,875,177	3,033,697	160
Investments-Trading Account	6 070 702	15 105 701	(50)	6 540 700	10,000,010	(50)
Government Securities Investments-Held-to-Maturity	6,270,703	15,195,791	(59)	6,549,788	16,033,313	(59)
Government Securities	12,322,586	8,891,704	39	12,942,447	9,460,776	37
Other Securities	1,749,106	1,905,796	(8)	1,749,106	1,905,796	(8)
Investments in Subsidiaries	678,710	678,710	-		-	-
Total Loans and Advances Total Performing Loans and Advances						
Bills of Exchange	648,777	479,155	35	648,777	479,155	35
Overdrafts	14,064,059	10,334,396	36	14,064,059	10,334,396	36
Lease Rentals Receivable within One Year	4,053,144	3,092,713	31	4,053,144	3,092,713	31
Lease Rentals Receivable after One Year	9,523,464	5,153,565	85	9,523,464	5,153,565	85
Other Loans	32,977,875	24,871,208	33 39	33,924,480	25,501,094	33 40
Total Non-performing Loans and Advances	61,267,319	43,931,037	39	62,213,924	44,560,923	40
Bills of Exchange	2,814	3,319	-	2,814	3,319	-
Overdrafts	615,714	639,014	(4)	615,714	639,014	(4)
Lease Rentals Receivable	484,588	1,020,872	(53)	484,588	1,020,872	(53)
Other Loans Interest Receivable	1,126,948 96,417	1,064,189 310,513	6 (69)	1,126,948 96,417	1,064,189 310.513	6 (69)
Interest Receivable	2,326,481	3,037,907	(23)	2,326,481	3,037,907	(23)
Total Gross Loans and Advances	63,593,800	46,968,944	35	64,540,405	47,598,830	36
Less:						
Interest In Suspense	(540,487)	(783,368)	(31)	(540,487)	(783,368)	(31)
Specific Loan Loss Provisions	(694,965)	(853,420)	(19)	(694,965)	(853,420)	(19)
General Loan Loss Provisions Net Loans and Advances	(257,609) 62,100,739	(310,802) 45,021,354	(17)	(253,064) 63,051,889	(295,470) 45,666,572	(14)
Other Assets	1,494,202	1,160,715	29	1,551,971	1,197,874	30
Deferred Assets	62,430	113,544	(45)	62,430	113,544	(45)
Intangible Assets	599,568	679,057	(12)	679,200	758,318	(10)
Property, Plant and Equipment	1,364,795	1,254,019	9	1,888,323	1,788,444	6
Total on Balance Sheet Assets	100,821,640	82,416,846	22	102,005,552	83,247,872	23
On-Balance Sheet Liabilities						
Total Deposits						
Demand Deposits	6,952,725	6,675,693	4	6,894,040	6,636,493	4
Savings Deposits	9,367,874	7,061,789	33	9,367,874	7,061,789	33
Time Deposits Margin Deposits	50,177,028 481,175	34,616,274 342,183	45 41	50,177,028 481,175	34,616,274 342,183	45 41
Wargiii Deposits	66,978,802	48,695,939	38	66,920,117	48,656,739	38
Total Borrowings	,,	,,		,,	,,	
Borrowings from the Central Bank						
of Sri Lanka		421	(100)		421	(100)
Borrowings from Banks and Financial Institutions in Sri Lanka	520,449	611,500	(15)	520,449	611.500	(15)
Borrowings from Banks and Financial Institutions Abroad	705,791	499,902	41	705,791	499,902	41
Securities Sold Under Repurchase Agreements	14,297,692	16,967,745	(16)	14,017,181	16,967,745	(17)
Subordinated Term Debt	3,506,625	1,806,275	94	3,506,625	1,806,275	94
Other Borrowings	1,119,133	1,708,203	(34)	1,719,133	2,089,113	(18)
	20,149,690	21,594,046	(7)	20,469,179	21,974,956	(7)
Deferred Taxation	395,638	273,530	45	395.638	273,530	45
Current Taxation	203,843	549,739	(63)	205,615	537,155	(62)
Other Liabilities	5,318,697	5,172,073	3	5,404,154	5,001,061	8
Total on -Balance Sheet Liabilities	93,046,670	76,285,327	22	93,394,703	76,443,441	22
Equity Capital and Reserves						
Stated Capital (230,607,283 Ordinary Shares						
as at 31.12.2011 & 209,643,340 as at 31.12.2010)	5,101,369	4,367,631	17	5,101,369	4,367,631	17
Reserve Funds	472,365	155,696	203	493,003	155,696	217
Total Other Reserves	2,201,236	1,608,192	37	3,016,477	2,281,104	32
Total On Balance Sheet Liabilities and	7,774,970	6,131,519	27	8,610,849	6,804,431	27
Equity Capital and Reserves	100,821,640	82,416,846	22	102,005,552	83,247,872	23
	100,521,010	52, 110,010		,300,002	20,241,012	
Off-Balance Sheet Items and Contra Accounts						
Contingencies	41,582,815	29,491,635	41	41,582,815	29,491,635	41
Commitments and Contra Accounts	43,835,632	34,046,351	29	43,356,374	33,750,207	28
	85,418,447	63,537,986	34	84,939,189	63,241,842	34
Memorandum Information						
Number of Employees	1817	1577		1853	1608	
Number of Branches	48	40		48	40	
Number of Leasing Centers	1	1		1	1	
Number of Personal Banking Centers	7	6		7	6	
CERTIFICATION :						
I certify that the above financial statements comply with th	e requirments of the Co	ompanies Act No: 7	of 2007.			
'						
(Sad) Aiith Akmaamana						

BALANCE SHEET

(Sgd.) **Ajith Akmeemana** Chief Financial Officer

We , the undersigned being the Chairman ,Director and Director / Chief Executive Officer of Nations Trust Bank PLC., certify jointly that, (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.) J.R.F Peiris February, 23, 2012 - Colombo

(Sgd.) A.K Gunaratne

(Sgd.) Saliya Rajakaruna

OAOII	FLOW STAT	30130		.n
Year ended 31st December	2011	2010	GROI 2011	JP 2010
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash Flows from Operating Activities Interest Received	9,609,090	9,751,952	9,875,986	9.992.097
Fees and Commission Received	.,,	., . ,	-,,	-,
	529,934	425,351	621,917	499,192
Interest Paid	(4,997,943)	(5,706,060)	(4,999,541)	(5,711,904)
Foreign Exchange Income Received	343,419	248,599	343,419	248,599
Receipts from Other Operating Activities	1,388,742	1,184,701	1,430,691	1,150,557
Gratuity Payments made	(7,420)	(9,895)	(8,341)	(9,895)
Payments to Employees and Suppliers	(4,016,058)	(4,288,963)	(4,079,770)	(4,376,151)
Net Cashflow from Operating Activities before Income Tax (A)	2,849,764	1,605,685	3,184,361	1,792,495
ncome Tax paid Operating Profit before Changes in Operating	(542,441)	(460,349)	(600,087)	(538,005)
Assets and Liabilities	2,307,323	1,145,336	2,584,274	1,254,490
	,,.	, ,,,,,	,	, , , , ,
(Increase)/Decrease in Operating Assets	2 520 670	(2.100.100)	0.440.470	(040,407)
nvestments in Treasury Bills ,Bonds & Reverse Repurchases	2,529,679	(3,122,180)	2,413,173	(940,437)
nvestments and other placements	175,767	224,571	175,767	224,571
Corporate Debt Securities	230,376	447,680	263,684	447,680
Bills of Exchange	(194,450)	(364,818)	(194,450)	(364,818)
Loans and Advances including leases	(17,049,823)	(9,096,778)	(17,380,816)	(8,549,906)
Other Assets	(305,064)	(327,113)	(114,905)	(344,339)
	(14,613,515)	(12,238,638)	(14,837,547)	(9,527,249)
ncrease/(Decrease) in Operating Liabilities				
Customer Deposits	17,745,910	4,388,941	17,687,226	4,388,941
Securities sold under Repurchase Agreements	(2,670,054)	6,926,986	(2,750,468)	4,783,772
Other Liabilities	169,454	1,282,774	219,203	2,322,585
	15,245,310	12,598,701	15,155,961	11,495,298
Net Cash Flow from Operating Activities	2,939,118	1,505,399	2,902,688	3,222,539
Cash Flows from Investing Activities				
Purchase of Intangible Assets	(54,706)	(104,072)	(54,706)	(104,072)
Proceeds from sale of Property, Plant & Equipment	7.297	3,594	8,528	3,596
	, .			
Purchase of Property, Plant & Equipment	(319,300)	(109,390)	(321,239)	(109,750)
Dark Flores (1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-	(366,709)	(209,868)	(367,417)	(210,226)
Cash Flows from Financing Activities		4 000 000		
ssuance of Ordinary Share Capital - Warrants	733,738	1,257,860	733,738	1,257,860
ncrease / (Decrease) in Refinance Activities	(422)	(5,431)	(422)	(5,431)
ncrease / (Decrease) in Call & Other Borrowings	(517,048)	(1,699,188)	(517,048)	(3,422,080)
Net Issue / (Redemption) of Debentures	1,835,000	(165,000)	1,835,000	(165,000)
Dividend Paid	(461,215)	(314,465)	(461,215)	(314,465)
	1,590,053	(926,224)	1,590,053	(2,649,116)
Net Increase in Cash and Cash Equivalents	4,162,462	369,307	4,125,324	363,197
Cash and Cash Equivalents at the beginning of the year	3,446,951	3,077,644	3,484,131	3,083,773
Cash and Cash Equivalents at the end of the year	7,609,413	3,446,951	7,609,455	3,446,970
Reconciliation of Cash and Cash Equivalents				
Cash in Hand, Balances with Banks & Due to Banks	1,676,416	1,023,845	1,676,458	1,023,864
Balance with the Central Bank of Sri Lanka	4,284,336	2,416,235	4,284,336	2,416,235
Money at Call and Short Notice	1,648,661	6,871	1,648,661	6,871
	7,609,413	3,446,951	7,609,455	3,446,970
A. Reconciliation of Operating Profit				
Profit before taxation	1.964.033	1,853,623	2,209,882	2,028,568
Depreciation	317,817	335,929	329,658	347,617
(Profit) / Loss on disposal of Property, Plant & Equipment	(5,269)	(205)	(5,876)	(205)
Provision/(Reversal) for Doubtful Debts	(218,996)	209,062	(208,209)	202,807
Provision for Gratuity	55,321	44,941	56,905	46,691
(Increase) / Decrease in Interest Receivable	204,462	(78,977)	229,034	(122,988)
ncrease / (Decrease) in Interest Payable	438,142	(189,599)	436,797	(161,926)
Other Non cash items	101,674	(559,194)	144,511	(538,174)
Gratuity Payments Made	(7,420)	(9,895)	(8,341)	(9,895)
	2,849,764	1,605,685	3,184,361	1,792,495

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