



Hatton National Bank PLC

Interim Financial Statements as at 30th June 2009

INCOME STATEMENT

	BANK						GROUP					
	For the Six Months Ended 30th June			For the Quarter Ended 30th June			For the Six Months Ended 30th June			For the Quarter Ended 30th June		
	2009	2008	% Increase/	2009	2008	% Increase/	2009	2008	% Increase/	2009	2008	% Increase/
	Rs. 000	Rs. 000	(Decrease)	Rs. 000	Rs. 000	(Decrease)	Rs. 000	Rs. 000	(Decrease)	Rs. 000	Rs. 000	(Decrease)
Income	19,808,338	17,618,318	12	10,129,264	9,154,860	11	20,667,050	18,438,929	12	10,583,975	9,500,861	11
Interest Income	17,784,442	15,340,470	16	8,942,550	7,759,770	15	17,866,254	15,638,208	14	8,981,497	7,919,888	13
Interest Income on Loans and Advances	14,928,314	13,634,958	9	7,330,585	6,850,836	7	14,730,858	13,454,792	9	7,230,876	6,760,945	7
Interest Income on Other Interest Earning Assets	2,856,128	1,705,512	67	1,611,965	908,934	77	3,135,396	2,183,416	44	1,750,621	1,158,943	51
Less: Interest Expense	10,695,056	9,329,069	15	5,313,085	4,780,312	11	10,834,449	9,688,637	12	5,375,481	4,970,274	8
Interest Expenses on Deposits	9,435,953	7,833,263	20	4,742,969	3,963,224	20	9,429,338	7,827,560	20	4,738,726	3,960,437	20
Interest Expenses on Other Interest Bearing Liabilities	1,259,103	1,495,806	(16)	570,116	817,088	(30)	1,405,111	1,861,077	(25)	636,755	1,009,837	(37)
Net Interest Income	7,089,386	6,011,401	18	3,629,465	2,979,458	22	7,031,805	5,949,571	18	3,606,016	2,949,614	22
Non-Interest Income	2,023,896	2,277,848	(11)	1,186,714	1,395,090	(15)	2,800,796	2,800,721	-	1,602,478	1,580,973	1
Foreign Exchange Income	477,224	579,806	(18)	261,460	294,999	(11)	477,946	579,733	(18)	261,883	294,927	(11)
Other Income	1,546,672	1,698,042	(9)	925,254	1,100,091	(16)	2,322,850	2,220,988	5	1,340,595	1,286,046	4
	9,113,282	8,289,249	10	4,816,179	4,374,548	10	9,832,601	8,750,292	12	5,208,494	4,530,587	15
Less: Non-Interest Expenses	5,096,913	4,483,394	14	2,570,728	2,295,596	12	5,859,546	5,156,997	14	2,968,824	2,671,224	11
Personnel Costs	1,934,709	1,733,434	12	1,001,629	910,854	10	2,101,367	1,838,448	14	1,090,456	965,965	13
Provision for Staff Retirement Benefits	410,391	245,540	67	206,629	124,058	67	414,555	247,593	67	209,081	125,084	67
Premises, Equipment & Establishment Expenses	1,339,341	1,145,565	17	696,197	592,024	18	1,247,585	1,072,818	16	654,026	556,366	18
Loss on Trading / Investment Securities	-	9,707	(100)	-	3,104	(100)	7	9,707	(100)	-	3,104	(100)
Amortization of Intangible Assets	83,569	32,789	155	42,241	16,415	157	88,092	36,986	138	44,658	18,624	140
Other Operating Expenses	1,328,903	1,316,359	1	624,032	649,141	(4)	2,007,940	1,951,445	3	970,603	1,002,081	(3)
Less: Provision for Bad & Doubtful Debts & Loans Written - Off	237,227	423,217	(44)	166,446	246,004	(33)	237,261	423,171	(44)	166,480	245,958	(32)
Provisions - General	(22,163)	177,628	(112)	25,404	85,165	(70)	(22,163)	177,628	(112)	25,404	85,165	(70)
Provisions - Specific	381,409	344,964	11	189,518	201,895	(6)	381,409	344,964	11	189,518	201,895	(6)
Recoveries (-)	(122,055)	(99,375)	23	(48,512)	(41,056)	18	(122,055)	(99,421)	23	(48,512)	(41,102)	18
Loans Written - Off	36	-	-	36	-	-	70	-	-	70	-	-
Less: Provision for Decline in Value of Investments (Net)	3,500	241,919	(99)	3,500	241,919	(99)	3,500	241,919	(99)	3,500	241,919	(99)
Operating Profit on Ordinary Activities before Taxes	3,775,642	3,140,719	20	2,075,505	1,591,029	30	3,732,294	2,928,205	27	2,069,690	1,371,486	51
Less: Value Added Tax on Financial Services	1,052,894	862,995	22	527,360	485,745	9	1,052,894	862,995	22	527,360	485,745	9
Operating Profit on Ordinary Activities before Corporate Tax	2,722,748	2,277,724	20	1,548,145	1,105,284	40	2,679,400	2,065,210	30	1,542,330	885,741	74
Share of Associate Companies Profit	-	-	-	-	-	-	4,184	11,442	(63)	6,774	6,218	9
Operating Profit before Corporate Tax	2,722,748	2,277,724	20	1,548,145	1,105,284	40	2,683,584	2,076,652	29	1,549,104	891,959	74
Less: Tax on Profits on Ordinary Activities	949,342	706,699	34	537,820	285,582	88	967,306	757,919	28	548,289	320,222	71
Operating Profit after Corporate Tax	1,773,406	1,571,025	13	1,010,325	819,702	23	1,716,278	1,318,733	30	1,000,815	571,737	75
Less: Minority Interest	-	-	-	-	-	-	8,057	9,852	(18)	4,376	4,207	4
Extraordinary Items (Net)	1,773,406	1,571,025	13	1,010,325	819,702	23	1,708,221	1,308,881	31	996,439	567,530	76
Operating Profit for the Period	1,773,406	1,571,025	13	1,010,325	819,702	23	1,708,221	1,308,881	31	996,439	567,530	76
Earnings per Ordinary Share (Rs.)	7.53	6.67	13	4.29	3.48	23	7.25	5.56	31	4.23	2.41	76

EXPLANATORY NOTES

- There are no changes in accounting policies and methods of computation since the publication of annual accounts for the year 2008.
- There are no changes in contingent liabilities and composition of assets and liabilities of a material nature during the period. All known expenditure items have been provided for.
- When required, comparative figures have been reclassified to conform to Central Bank of Sri Lanka publication requirements.
- The consolidated financial statements of the Bank cover the Bank and its subsidiaries HNB Assurance PLC, Sithma Development (Pvt) Ltd, Majan Exchange LLC & Commercial Interlink Services INC. (O/A of Delma Exchange Canada), the Group's interest in its associate companies Lanka Ventures PLC & Delma Exchange & the Group's interest in Joint venture Acuity Partners (Pvt) Ltd. Commercial Interlink Services LLC is a limited liability company incorporated in Canada. Commercial operations of this entity has not been commenced as at 30th June 2009.
- No options were allotted under Employee Share Option Plan during the six months ended 30th June 2009. Following options were outstanding in respect of Employee Share Option Plan.

Type of Share	Number of Options	Number of Options Exercised	Number of Options Expired	Number of Options Remaining	Option Exercise Price	Average Market Value
Voting	2,366,592	Nil	168,654	2,197,938	115.54	91.71
Non-voting	577,488	Nil	41,154	536,334	52.51	42.46

Since the average market values during the period were less than option exercise prices, as per SLAS 34 no diluted EPS was calculated. The outstanding options can be exercised within four years from the end of retention period (ending on 27th March 2009) or at retirement, resignation or death which ever occurs first.

SELECTED PERFORMANCE INDICATORS

	As at 30.06.2009		As at 31.12.2008	
	Bank	Group	Bank	Group
Regulatory Capital Adequacy				
Core Capital (Tier 1 Capital) Rs.Mn	15,515	16,232	15,600	16,315
Total Capital Base Rs.Mn	19,157	19,995	19,435	20,241
Core Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 5%)	8.78%	9.25%	8.50%	8.93%
Total Capital Adequacy Ratio, as % of Risk Weighted Assets (Minimum Requirement, 10%)	10.85%	11.40%	10.59%	11.08%

	As at 30.06.2009		As at 31.12.2008	
	Bank	Group	Bank	Group
Assets Quality (Quality of Loan Portfolio)				
Gross Non-Performing Advances Ratio, % (Net of Interest in Suspense)	8.73%	6.72%	8.73%	6.72%
Net Non-Performing Advances Ratio, % (Net of Interest in Suspense and provisions)	3.86%	2.27%	3.86%	2.27%

	As at 30.06.2009		As at 31.12.2008	
	Bank	Group	Bank	Group
Profitability (Annualised)				
Interest Margin, %	5.39%	5.24%	5.39%	5.24%
Return on Assets (before Tax), %	2.07%	1.98%	2.07%	1.98%
Return on Equity, %	16.84%	16.50%	16.84%	16.50%

	As at 30.06.2009		As at 31.12.2008	
	Bank	Group	Bank	Group
Regulatory Liquidity				
Statutory Liquid Assets, Rs. Mn	58,855	47,299	58,855	47,299
Domestic Banking Unit	6,624	5,838	6,624	5,838
Off-Shore Banking Unit				
Statutory Liquid Assets, Ratio % (Minimum Requirement 20%)	25.89%	21.89%	25.89%	21.89%
Domestic Banking Unit	22.67%	21.67%	22.67%	21.67%
Off-Shore Banking Unit				

BALANCE SHEET

	BANK			GROUP		
	As at 30th June-09 Rs.' 000	As at 31st Dec-08 Rs.' 000 (Audited)	% Increase/ (Decrease)	As at 30th June-09 Rs.' 000	As at 31st Dec-08 Rs.' 000 (Audited)	% Increase/ (Decrease)
ASSETS						
Cash in Hand	3,814,976	3,520,057	8	3,823,609	3,528,281	8
Statutory Deposit with Central Banks	11,130,972	11,847,323	(6)	11,145,900	11,861,998	(6)
Due from Banks and Other Financial Institutions	31,317,571	21,181,895	48	32,234,974	22,570,912	43
Investments - Trading Account	1,052,306	71,868	1,364	1,662,539	402,445	313
Government Securities	1,012,298	46,929	2,057	1,606,247	373,327	330
Other Securities	40,008	24,939	60	56,292	29,118	93
Investments - Held to Maturity	34,586,369	25,930,080	33	36,348,399	27,423,260	33
Government Securities	32,359,047	23,528,437	38	33,849,151	24,812,052	36
Other Securities	2,227,322	2,401,643	(7)	2,499,248	2,611,208	(4)
Less: Provision for Decline in Value of Investment	(17,863)	(14,363)	24	(17,863)	(14,363)	24
Investments in Associates and Subsidiaries	2,370,272	2,311,412	3	2,067,744	143,700	44
Investments in Joint Venture Company	250,000	250,000	-	-	-	-
Total Loans and Advances						
Total Performing Loans and Advances	158,171,913	170,810,584	(7)	156,255,013	168,980,395	(8)
Bills of Exchange	1,740,723	2,149,145	(19)	1,740,723	2,149,145	(19)
Overdrafts	31,608,377	36,212,154	(13)	30,688,696	35,372,080	(13)
Receivable on Leases	9,521,906	11,324,779	(16)	9,521,906	11,324,779	(16)
Other Loans	115,300,907	121,124,506	(5)	114,303,688	120,134,391	(5)
Total Non-Performing Loans and Advances	16,657,047	13,556,096	23	16,657,047	13,556,096	23
Bills of Exchange	420,242	106,906	293	420,242	106,906	293
Overdrafts	2,597,128	2,118,742	23	2,597,128	2,118,742	23
Receivable on Leases	994,008	656,074	52	994,008	656,074	52
Other Loans and Advances	12,645,669	10,674,374	18	12,645,669	10,674,374	18
Interest Receivable	-	-	-	-	-	-
Total Gross Loans						



Hatton National Bank PLC

Interim Financial Statements as at 30th June 2009

STATEMENT OF CHANGES IN EQUITY

BANK	Stated Capital			Capital Reserve	Repair & Renovation Reserve	Statutory Reserve Fund	Reserves	General Reserve	Income Statement	Total
	Ordinary Voting	Ordinary Non voting	Share Premium							
For the Period Ended 30.06.2009	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Balance as at 01.01.2009	1,893,294	462,000	2,704,096	3,004,250	6,700	982,707	8,482,353	3,045,538	20,580,939	
Final Dividend 2008	-	-	-	-	-	-	-	(706,588)	(706,588)	
Reversal of Deferred Tax Liability on Revaluation Reserve	-	-	-	1,405	-	-	-	-	1,405	
Transfer to General Reserve	-	-	-	-	(6,700)	-	6,700	-	-	
Net Profit for the Six Months	-	-	-	-	-	-	-	1,773,406	1,773,406	
Balance as at 30.06.2009	1,893,294	462,000	2,704,096	3,005,655	-	982,707	8,489,053	4,112,356	21,649,162	
For the Period Ended 30.06.2008	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Balance as at 01.01.2008	1,893,294	462,000	2,704,096	3,001,440	6,700	821,707	6,782,353	2,747,440	18,419,030	
Final Dividend 2007	-	-	-	-	-	-	-	(824,353)	(824,353)	
Reversal of Deferred Tax Liability on Revaluation Reserve	-	-	-	1,405	-	-	-	-	1,405	
Net Profit for the Six Months	-	-	-	-	-	-	-	1,571,025	1,571,025	
Balance as at 30.06.2008	1,893,294	462,000	2,704,096	3,002,845	6,700	821,707	6,782,353	3,494,112	19,167,107	

GROUP	Stated Capital			Capital Reserve	Repair & Renovation Reserve	Statutory Reserve Fund	Reserves	Exchange Equalisation Reserve	Income Statement	Minority Interest	Total
	Ordinary Voting	Ordinary Non voting	Share Premium								
For the Period Ended 30.06.2009	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Balance as at 01.01.2009	1,893,294	462,000	2,704,096	5,771,072	6,700	982,707	8,482,353	2,459	2,616,620	347,816	23,269,117
Final Dividend 2008	-	-	-	-	-	-	-	-	(706,588)	(18,750)	(725,338)
Reversal of Deferred Tax Liability on Revaluation Reserve	-	-	-	1,405	-	-	-	-	-	-	1,405
Exchange Gain on Translation of Financial Statements of Foreign Operations	-	-	-	-	-	-	-	910	-	1,366	2,276
Transfer to General Reserve	-	-	-	-	(6,700)	-	6,700	-	-	-	-
Net Profit for the Six Months	-	-	-	-	-	-	-	-	1,708,221	8,057	1,716,278
Balance as at 30.06.2009	1,893,294	462,000	2,704,096	5,772,477	-	982,707	8,489,053	3,369	3,618,253	338,489	24,263,738
For the Period Ended 30.06.2008	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Balance as at 01.01.2008	1,893,294	462,000	2,704,096	5,768,262	6,700	821,707	6,782,353	-	2,861,252	219,659	21,519,323
Final Dividend 2007	-	-	-	-	-	-	-	-	(824,353)	(15,002)	(839,355)
Reversal of Deferred Tax Liability on Revaluation Reserve	-	-	-	1,405	-	-	-	-	-	-	1,405
Net Profit for the Six Months	-	-	-	-	-	-	-	-	1,308,881	9,852	1,318,733
Balance as at 30.06.2008	1,893,294	462,000	2,704,096	5,769,667	6,700	821,707	6,782,353	-	3,345,780	214,509	22,000,106

LISTED DEBENTURE INFORMATION

6 Months Ended 30th June	Market Value						Yield as at Last Trade Done		
	Highest	2009 Lowest	Last Traded Price	Highest	2008 Lowest	Last Traded Price	6 Months Ended 30th June	2009 Rs.	2008 Rs.
HNB DEBENTURES 2002							HNB DEBENTURES 2002		
7 year Fixed Rate (14.00% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	7 year Fixed Rate (14.00% p.a.)	N/T	N/T
7 year Floating Rate (TB + 1.10% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	7 year Floating Rate (TB + 1.10% p.a.)	N/T	N/T
10 year Fixed Rate (14.20% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	10 year Fixed Rate (14.20% p.a.)	N/T	N/T
10 year Floating Rate (TB + 1.25% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	10 year Floating Rate (TB + 1.25% p.a.)	N/T	N/T
HNB DEBENTURES 2006							HNB DEBENTURES 2006		
6 year Floating Rate (TB + 2.25% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	6 year Floating Rate (TB + 2.25% p.a.)	N/T	N/T
7 year Floating Rate (TB + 2.25% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	7 year Floating Rate (TB + 2.25% p.a.)	N/T	N/T
8 year Floating Rate (TB + 2.25% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	8 year Floating Rate (TB + 2.25% p.a.)	N/T	N/T
15 year Fixed Rate (11.00% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	15 year Fixed Rate (11.00% p.a.)	N/T	N/T
18 year Fixed Rate (11.25% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	18 year Fixed Rate (11.25% p.a.)	N/T	N/T
HNB DEBENTURES 2007							HNB DEBENTURES 2007		
10 year Fixed Rate (16.00% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	10 year Fixed Rate (16.00% p.a.)	N/T	N/T
15 year Floating Rate (16.75% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	15 year Floating Rate (16.75% p.a.)	N/T	N/T

N/T - Not Traded as at 30th June

6 Months Ended 30th June	Yield to Maturity of Last Trade Done (% p.a.)	
	2009	2008
HNB DEBENTURES 2002		
7 year Fixed Rate (14.00% p.a.)	N/T	N/T
7 year Floating Rate (TB + 1.10% p.a.)**	N/A	N/A
10 year Fixed Rate (14.20% p.a.)	N/T	N/T
10 year Floating Rate (TB + 1.25% p.a.)**	N/A	N/A
HNB DEBENTURES 2006		
6 year Floating Rate (TB + 2.25% p.a.)**	N/A	N/A
7 year Floating Rate (TB + 2.25% p.a.)**	N/A	N/A
8 year Floating Rate (TB + 2.25% p.a.)**	N/A	N/A
15 year Fixed Rate (11.00% p.a.)	N/T	N/T
18 year Fixed Rate (11.25% p.a.)	N/T	N/T
HNB DEBENTURES 2007		
10 year Fixed Rate (16.00% p.a.)	N/T	N/T
15 year Floating Rate (16.75% p.a.)**	N/A	N/A

** The yield to maturity calculation is not applicable for floating rate debentures.
N/T - Not Traded as at 30th June

RATIOS OF DEBT

	As at 30.06.2009	As at 31.12.2008
Debt Equity Ratio %	12.83	13.39
Interest Cover (Times)	13.9	7.6
Yield of Comparable Govt. Security for the following HNB Debentures (% p.a.)		
2002 series 7 year maturity	12.34	18.54
2002 series 10 year maturity	17.33	17.70
2006 series 6 year maturity	13.24	17.70
2006 series 7 year maturity	13.10	16.87
2006 series 8 year maturity	13.10	N/T
2006 series 15 year maturity	N/T	N/T
2006 series 18 year maturity	N/T	N/T
2007 series 10 year maturity	N/T	N/T
2007 series 15 year maturity	N/T	N/T

N/T - Not Traded as at 30th June

20 LARGEST SHAREHOLDERS (VOTING) - AS AT 30.06.2009

	Name	No. of Shares	% on Total Capital
1	Deutsche Bank Trust Company Americas	35,329,400	14.99
2	Brown & Company Ltd.	17,158,690	7.28
3	CBD Exports Ltd.	15,384,600	6.53
4	Milford Exports (Ceylon) Ltd.	15,373,050	6.52
5	Stassen Exports Ltd.	13,324,850	5.65
6	Panchalingam Associates (Pvt) Ltd.	12,232,942	5.19
7	Sri Lanka Insurance Corporation Ltd. - Life Fund	11,533,832	4.89
8	Standard Finance Ltd.	11,240,720	4.77
9	Sonetto Holdings Ltd.	8,445,206	3.58
10	Distilleries Company of Sri Lanka Ltd.	5,961,708	2.53
11	Bank of Ceylon No.1 Account	1,017,500	0.43
12	Mr.Sinnathamby Visuvanathan	897,664	0.38
13	Employees Trust Fund Board	455,846	0.19
14	Freudenberg Shipping Agencies Ltd.	383,700	0.16
15	Mrs.Pushpa Narhari Bhatt	344,960	0.14
16	Ms.Ponweera Arachchige Pemawathie	336,788	0.14
17	N Vaitilingam & Co Ltd.	324,600	0.13
18	Mr.Somapala Bope Hewage (Estate)	322,200	0.13
19	The Ceylon Chamber of Commerce Account No.2	224,600	0.09
20	Eagle Insurance Company Ltd. A/c No.3	218,200	0.09

CASH FLOW STATEMENT

For the Six Months Ended 30th June	BANK		GROUP	
	2009 Rs.'000	2008 Rs.'000	2009 Rs.'000	2008 Rs.'000
Cash Flows from Operating Activities				
Interest & Commission Receipts	17,599,888	16,127,929	17,629,530	16,177,908
Interest Payments	(10,672,663)	(9,284,819)	(10,812,056)	(9,644,387)
Receipts from Other Operating Activities	711,992	767,396	1,479,392	1,513,914
Cash Payments to Employees	(2,345,100)	(1,978,974)	(2,515,922)	(2,086,041)
Cash Payments to Suppliers	(1,061,494)	(917,236)	(901,855)	(769,007)
Cash Payments to Other Operating Activities	(2,381,797)	(2,178,721)	(2,704,294)	(2,826,443)
Operating Profit before Changes in Operating Assets & Liabilities	1,850,826	2,535,575	2,174,795	2,365,944
(Increase) / Decrease in Operating Assets				
Deposits Held for Regulatory or Monetary Control Purpose	716,351	(176,927)	716,098	(176,927)
Funds Advanced to Customers	9,872,068	(3,000,054)	9,958,779	(2,782,865)
Other Short Term Assets	(2,260,481)	(1,225,410)	(2,668,460)	(1,455,580)
	8,327,938	(4,402,391)	8,006,417	(4,415,372)
Increase / (Decrease) in Operating Liabilities				
Deposits from Customers	10,687,930	405,449	10,702,645	(64,562)
Negotiable Certificate of Deposit	712,019	73,167	712,019	73,167
Other Liabilities	5,114,888	204,934	5,340,646	468,372
	16,514,837	683,550	16,755,310	476,977
Net Cash Generated from / (Used in) Operating Activities before Income Tax	26,693,601	(1,183,266)	26,936,522	(1,572,451)
Income Taxes Paid	(433,955)	(55,065)	(453,375)	(142,562)
Net Cash Generated from / (Used in) Operating Activities	26,259,646	(1,238,331)	26,483,147	(1,715,013)
Cash Flows from Investing Activities				
Dividend Income	173,781	383,570	148,475	136,113
Proceeds from Sale (Purchase) of Dealing Securities	(964,289)	259,281	(1,209,476)	(2,056,116)
Net Proceeds from Sale (Purchase) of Investment Securities	(7,357,795)	(2,662,804)	(7,574,444)	(4,638,198)
Purchase of Property, Plant & Equipment	(535,621)	(369,785)	(595,468)	(212,084)
Purchase of Intangible Assets	(33,784)	-	(51,453)	(2,382)
Investment in Subsidiary / Associate Company	(240)	(56,121)	(240)	(56,121)
Proceeds from Sale of Property, Plant & Equipment	14,116	470	14,892	511
Net Cash Flows Generated from / (Used in) Investing Activities	(8,703,832)	(2,445,389)	(9,267,714)	(5,076,277)
Cash Flows from Financing Activities				
Increase / (Decrease) in Debentures	-	89,705	-	89,705
Increase / (Decrease) of Long Term Borrowings	(6,483,948)	3,819,983	(6,595,998)	4,638,149
Dividends Paid	(641,271)	(741,735)	(660,045)	(756,735)
Net Cash Generated from / (Used in) Financing Activities	(7,125,219)	3,167,953	(7,256,043)	3,971,119
Net Increase / (Decrease) in Cash and Cash Equivalents	10,430,595	(515,767)	9,959,390	(2,820,171)
Cash and Cash Equivalents at the Beginning of the Period	24,701,952	22,608,706	26,099,193	25,134,527
Cash and Cash Equivalents at the End of the Period	35,132,547	22,092,939	36,058,583	22,314,356

DIRECTORS' HOLDING AND CHIEF EXECUTIVE OFFICER'S HOLDING IN SHARES

	As at 30th June -09	As at 31st Dec-08
Mr. Rienze T. Wijetilleke	7,806	7,806
Mr. Rajendra Theagarajah *	18,644	18,644
Mr. D. H. S. Jayawardena	10,010	10,010
Mr. M. V. Theagarajah	289,948	289,948
Mr. R. K. Obeyesekere	10,010	10,010
Ms. Pamela C. Cooray	46,599	46,599
Mr. Ranjeevan Seevaratnam	500	500

* Chief Executive Officer

20 LARGEST SHAREHOLDERS (NON-VOTING) - AS AT 30.06.2009

	Name	No. of Shares	% on Total Capital
1	Legalinc Trustee Services (Pvt) Ltd.	9,133,274	3.87
2	Nawaloka Developments (Pvt) Ltd.	1,405,600	0.59
3	Employees Trust Fund Board - Standard Chartered Bank	1,008,030	0.42
4	Mr.Weerahenidige Kingsley Valentine Mazonod Fernando & Mrs.Kurukulasuriya Weerasinghe Shirani Helen Fernando	806,800	0.34
5	DFCC Bank A		