

# Investor Relations

Active engagement with our investors is key to us, as it is they who, through trust, loyalty and confidence, give us strength in our journey of 'pushing the pace'.



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The Bank recognizes investors as one of the prime most stakeholders in its success journey. The long-standing trust, loyalty and confidence that our valued shareholders have placed on us has been an immense strength to us. The Bank takes conscious efforts to actively engage our shareholders in open dialogues and forums and keep them well-informed of significant developments of the Bank.

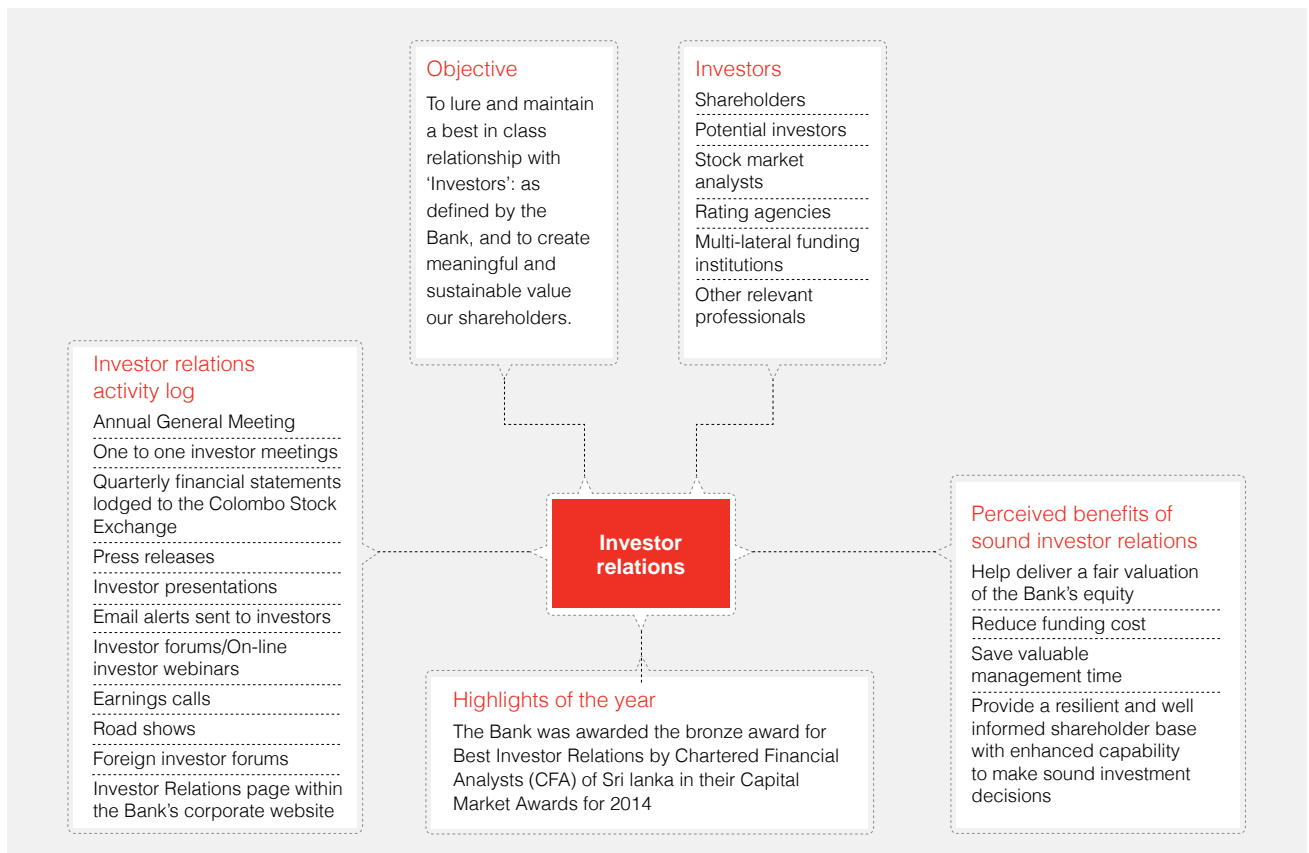
Considering the relevance and valid contribution made towards sound investor relations, our “Investor Relations” scope encompasses a range of other stakeholders in addition to shareholders. Investor engagement is done through a comprehensive range of investor relation activities, at certain instances with the aid of advance technological support, such that we are accessible to investors overseas as well.

2014 had an action packed schedule in the investor relations frontier, where we executed a number of interactive, comprehensive and open engagement activities. A highlight of the year was the Bank being recognized with a bronze award for best investor relations activities, by Chartered Financial Analysts (CFA) of Sri Lanka in their Capital Market Awards for 2014.



At the head table of the Investor Forum held in August 2014 (from left: Mr Rajendra Theagarajah - CEO of NDB, Mr Sunil G Wijesinha - Chairman of NDB, Mr Faizan Ozman - Group CFO of NDB and Mr Vajira Kulatilleke - CEO of NDB Capital Holdings PLC)

### Investor Relations at the Bank



## Investor Relations Activity Log - 2014

Activity	Description
Annual General Meeting	The Bank hosts its Annual General meeting as per the regulatory requirements for the same.
One to one investor meetings	There is high accessibility to the senior management of the Bank for local and foreign investors. The Bank hosted over twenty one-to-one meetings during the year in Colombo with foreign investors.
Quarterly/Annual Financial Statements lodged to the Colombo Stock Exchange	The Bank ensures timely lodging of quarterly and annual financials to the Colombo Stock Exchange (CSE), within the statutory deadlines for such lodgings.
Email alerts sent to investors on financial results released	Our investors are notified of financial results released, immediately after the results are lodged with the CSE, each quarter.  The notification is done via an email along with the quarterly financials and a performance commentary.  An investor presentation is also uploaded to the Bank's corporate website subsequently.
Quarterly and annual press releases on the financial performance of the Bank and the Group	A press release on the financial performance of the Bank and the Group is featured in three newspapers (in Sinhala, Tamil & English) subsequent to the release of quarterly and annual financial accounts to the CSE.
Investor Forums/On-line investor webinars	The Bank hosts an investor webinar and/or an investor forum as suitable for each quarter and financial year end, on the financial performance for the period under consideration. The Bank hosted two investor forums and three on-line investor webinars in Colombo during 2014.
Earnings calls	The Bank participates in earnings call as and when requested by individual investors. The Bank participated in one earnings call during the year.
Foreign Investor Forums	The Bank was one of the participants in Sri Lanka's first ever capital markets investor forum "Invest Sri Lanka – Investor Forum" held in New York in September 2014.
Investor Relations webpage within the Bank's corporate website	This webpage provides our target audience with a full spectrum of valuable information regarding the Bank's equity and debt securities and other important aspects.

## Shares of NDB Bank

### 1. Share Details

NDB Bank Shares	Quoted Ordinary Shares
Listed exchange	Colombo Stock Exchange (CSE) – Main Board
Featured stock indices	All Share Price Index (ASPI) S&P (SL) 20 Index Bank Finance and Insurance (BFI)
CSE Stock symbol	NDB.N0000
ISIN	LK0207N00007
Bloomberg newswire code	NDBB
Reuter's newswire code	NBLK

### 2. Share Performance 2014

#### 2.1 Performance of the Colombo Stock Exchange - 2014

During 2014, the All Share Price Index (ASPI) grew by a significant 23.4% and closed at 7,298.95 on the 31 December 2014 while the Standard & Poor's Sri Lanka 20 Index (S&P SL20) recorded a significant increase of 25.3% over the same period. Many milestones were achieved during the year with the S&P SL20 crossing the 4,000 mark for the first time since its inception, the ASPI crossing the 7,500 mark after a period of three and a half years and the market capitalization reaching LKR 3 trillion to close at LKR 3,104.9 million as at 31 December 2014. Additionally, the daily average turnover grew by approximately 71.0% over the year from LKR 828 million in 2013 to record LKR 1.415 billion in 2014.

The notable uptick in the market was mostly as a result of the dip in the treasury yields which reached an all-time low with the country's objective to encourage private sector credit growth. This initiative increased investor preference to the share market due to higher returns in comparison to deposit rates.

Furthermore, expected economic development in the country over the past five years with the cessation of the civil war has attracted many foreign investors to the country. Foreign purchases reached an all-time high of LKR 105,812.5 million as at 31 December 2014.

Approximately LKR 77.7 billion was raised through debt and equity Initial Public Offerings (IPOs), rights issues, and private placements indicating that the primary market was commendably active during the year. During the course of 2014 there have been five Equity IPOs, one Equity Introduction, and 20 Debt offerings. The total raised from the five IPOs touched a three year high, with the total funds collected amounting to LKR 2,693.8 million.

Furthermore, the country's market is performing positively in comparison to global markets; ranking among the top six best performing markets internationally and within the five best performing markets in the region, in lieu of the ASPI's 23.4% growth figure recorded for the year.

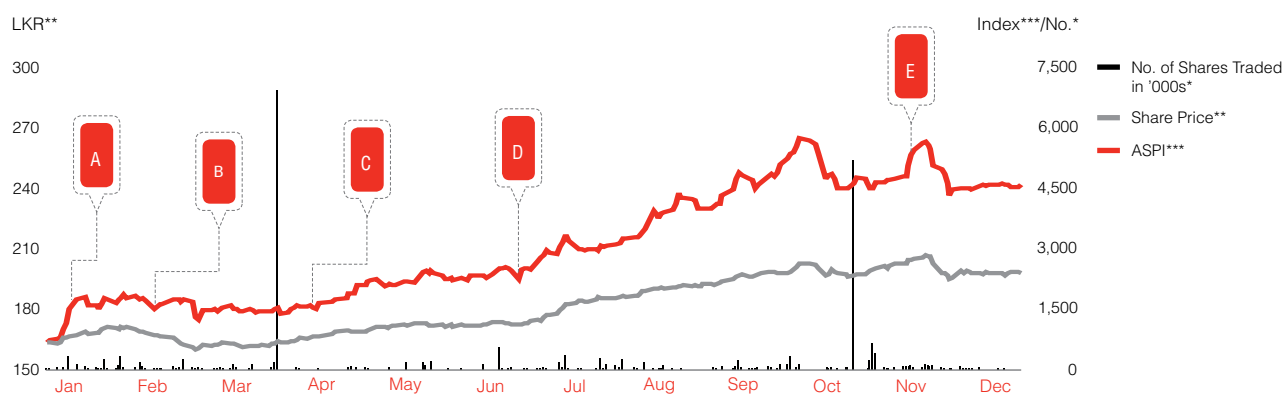
## 2.2 NDB Bank Share Performance - 2014

The NDB Bank share price surged by 55.8% during the year to close at LKR 250 as at 31 December 2014 from LKR 160.50 in the previous year, outperforming the ASPI by almost two times. During the year, the share reached a high of LKR 266 (in October 2014) and a low of LKR 160.50 (in January 2014). Additionally, 400,888 new shares were issued during the year through the Equity Linked Compensation Plan which did not have a significant impact on the market price.

The final dividend for 2013 of LKR 5.00 per share was announced in February 2014 and was paid in March 2014 while an interim dividend for 2014 of LKR 7.00 per share was announced in November 2014 and was paid in December 2014.

## Behaviour of the NDB Bank Share Price in Response to Key Events

### Share Price Movement



- A** Joint announcement made by DFCC Bank and National Development Bank PLC on the commencement of the preliminary discussions concerning the consolidation of banking business between the two banks
- B** Final dividend announcement (FY 2013)
- C** Divestment of Maldives Finance Leasing Company (Pvt) Ltd.
- D** Exit offer to purchase remaining ordinary shares of NDB Capital Holdings PLC before de-listing
- E** Interim dividend announcement (FY 2014)

### 3. Analysis of Ordinary Shareholders as at 31 December 2014 as per Rule 7.6 (x) of the Listing Rules of the Colombo Stock Exchange

#### 3.1 Distribution of Shareholders

Shareholding Range	As at 31 December 2014				As at 31 December 2013			
	No. of Shareholders	%	No. of Shares	%	No. of Shareholders	%	No. of Shares	%
1 – 1,000	5,039	62.88	1,693,820	1.03	5,212	67.73	1,760,740	1.07
1,001 – 10,000	2,536	31.64	8,047,949	4.87	2,048	26.61	6,352,964	3.86
10,001 – 100,000	351	4.38	9,678,179	5.86	346	4.50	10,076,661	6.12
100,001 – 1,000,000	59	0.74	18,393,531	11.14	61	0.80	20,039,880	12.17
Over 1,000,000	29	0.36	127,280,443	77.10	28	0.36	126,462,789	76.78
<b>Total</b>	<b>8,014</b>	<b>100.00</b>	<b>165,093,922</b>	<b>100.00</b>	<b>7,695</b>	<b>100.00</b>	<b>164,693,034</b>	<b>100.00</b>

#### 3.2 Resident/Non-Resident Shareholding

Shareholding	As at 31 December 2014				As at 31 December 2013			
	No. of Shareholders	%	No. of Shares	%	No. of Shareholders	%	No. of Shares	%
Resident	7,865	98.14	111,113,993	67.30	7,529	97.84	115,337,647	70.03
Non-resident	149	1.86	53,979,929	32.70	166	2.16	49,355,387	29.97
<b>Total</b>	<b>8,014</b>	<b>100.00</b>	<b>165,093,922</b>	<b>100.00</b>	<b>7,695</b>	<b>100.00</b>	<b>164,693,034</b>	<b>100.00</b>

#### 3.3 Individual/Institutional Shareholding

Shareholding	As at 31 December 2014				As at 31 December 2013			
	No. of Shareholders	%	No. of Shares	%	No. of Shareholders	%	No. of Shares	%
Individual	7,604	94.88	32,875,619	19.91	7,243	94.13	30,769,120	18.68
Institutional	410	5.12	132,218,303	80.09	452	5.87	133,923,914	81.32
<b>Total</b>	<b>8,014</b>	<b>100.00</b>	<b>165,093,922</b>	<b>100.00</b>	<b>7,695</b>	<b>100.00</b>	<b>164,693,034</b>	<b>100.00</b>

#### 4. 20 Largest Registered Shareholders of the Bank as at 31 December 2014 as per Rule No. 7.6 (iii) of the Listing Rules of the Colombo Stock Exchange

Twenty Largest Registered Shareholders as at 31 December 2014 Name	2014		2013*	
	No of Shares	%	No of Shares	%
1. Bank of Ceylon No. 1 Account	16,371,076	9.92	16,371,076	9.94
2. Employees' Provident Fund	16,010,248	9.70	16,010,248	9.72
3. Sri Lanka Insurance Corporation Ltd. - General Fund	9,388,488	5.69	9,388,488	5.70
4. HSBC International Nominees Ltd. - SNFE - NTAsian Discovery Master Fund	8,973,856	5.44	8,432,154	5.12
5. Dr. S Yaddehige	8,669,000	5.25	8,669,000	5.26
6. Sri Lanka Insurance Corporation Ltd. - Life Fund	7,805,426	4.73	7,805,426	4.74
7. HSBC International Nominees Ltd. - BPSS LUX - Aberdeen Global Asia Pacific Equity Fund	5,715,450	3.46	5,715,450	3.47
8. Employees' Trust Fund Board	5,303,700	3.21	5,303,700	3.22
9. BNY-CF Ruffer Investment Funds: CF Ruffer Pacific Fund	4,850,000	2.94	3,000,000	1.82
10. HSBC International Nominees Ltd. - MSNY - BAY Pond Partners L.P.	4,501,200	2.73	4,501,200	2.73
11. HSBC International Nominees Ltd. - BP2S London - Aberdeen Asia Pacific Equity Fund	4,294,800	2.60	0	0.00
12. Hatton National Bank PLC A/C No. 01	4,282,200	2.59	4,282,200	2.60
13. Asian Alliance Insurance PLC - Account Number 03/Life Shareholders' Fund	3,450,977	2.09	3,450,977	2.10
14. Mr. A K Pathirage	2,970,000	1.80	2,970,000	1.80
15. Asian Alliance Insurance PLC - General Fund Account No. 01	2,540,977	1.54	2,540,977	1.54
16. Asiri Hospital Holdings PLC	2,411,583	1.46	2,411,583	1.46
17. Asian Alliance Insurance PLC - A/C 02 (Life Fund)	2,159,746	1.31	2,159,746	1.31
18. HSBC International Nominees Ltd. - MSNY - BAY Pond Investors (Bermuda) LP	2,045,200	1.24	2,045,200	1.24
19. DFCC Bank A/C 1	2,000,000	1.21	2,000,000	1.21
20. HSBC International Nominees Ltd. - BP2S London - Aberdeen Asia Smaller Companies Investment Trust	1,683,000	1.02	1,683,000	1.02
<b>Total</b>	<b>115,426,927</b>	<b>69.92</b>	<b>108,740,425</b>	<b>66.03</b>

\*Comparative shareholdings as at 31 December 2013 is of the twenty largest shareholders as at 31 December 2013.

#### 5. Public Shareholding

	2014	2013
Percentage of shares held by the public*	90.25%	75.62%
Number of public shareholders**	7,982	-

\*The increase in the public holding percentage as at 31 December 2014 is largely owing to the change in the definition of the 'public holding' in the Listing Rules of the Colombo Stock Exchange with effect from the year 2014.

\*\* As per the Listing Rules of the Colombo Stock Exchange applicable in the year 2013 there was no requirement to disclose the number of public shareholders as at the end of the said year.

#### 6. Directors' Interest in Shares of the Bank

Name	As at 31 December 2014 No. of Shares	As at 31 December 2013 No. of Shares
Sunil G Wijesinha	880	880
Ashok Pathirage	3,993,000*	3,993,000*
Rajendra Theagarajah	126	126
Trevine Jayasekera	-	-
Kimarli Fernando	-	-
Anura Siriwardana	-	-
Sarath Wikramanayake	-	-
G D Chandra Ekanayake	-	-
Sujeewa Rajapakse	-	-
Indrani Sugathadasa	-	-

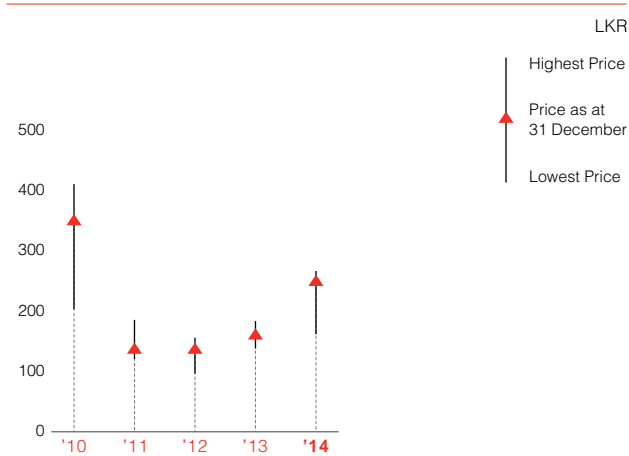
\*Includes shares held in slash account

## 7. Information on Share Trading

### 7.1 Share Price Movement Trend over the Past Five Years

Year	2014	2013	2012	2011	2010
Highest price	266.00	182.50	155.00	186.00	410.00
Lowest price	160.50	138.00	96.00	120.00	202.00
Price as at 31 December	250.00	160.50	137.90	138.10	349.50
Total number of shares in issue	165,093,922	164,693,034	164,201,902	164,201,902	82,100,951

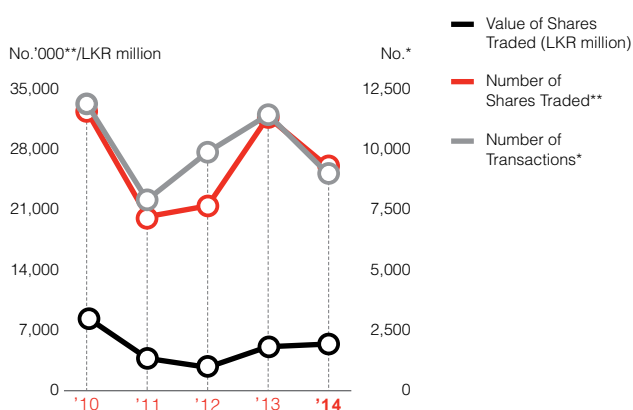
#### Share Price Movement Trend over the Past Five Years



### 7.2 Information on Share Trading

Year	2014	2013	2012	2011	2010
(a) Number of transactions	8,917	11,406	9,854	7,906	11,862
(b) Number of shares traded	25,871,855	31,631,020	21,406,492	20,108,047	32,390,146
(c) Value of shares traded (LKR million)	5,452	5,112	2,676	3,737	8,514

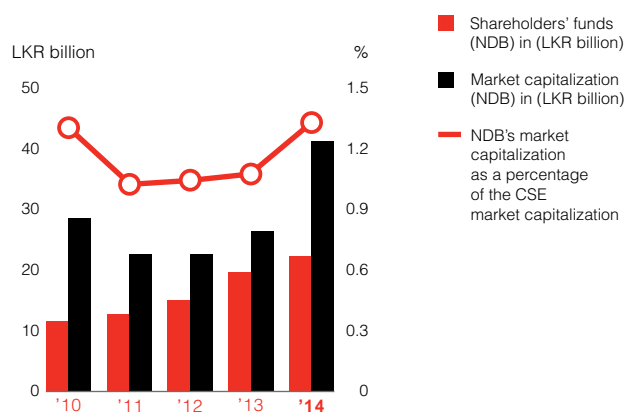
#### Information on Share Trading



### 7.3 Information on Market Capitalization, Shareholder Funds and Beta Measurement of the NDB Share

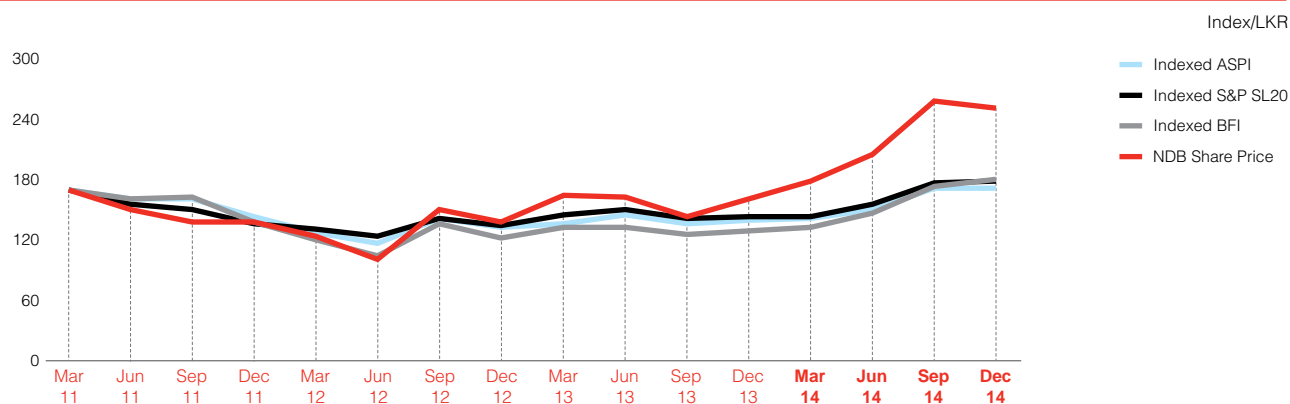
Year	2014	2013	2012	2011	2010
Shareholder funds (NDB) in LKR million	27,876	24,514	24,883	16,925	15,281
Market capitalization (NDB) in LKR million	41,273	26,433	22,643	22,676	28,694
Market capitalization (CSE) in LKR million	3,104,864	2,422,985	2,167,581	2,213,873	2,210,452
NDB's market capitalization as a percentage of CSE market capitalization	1.33%	1.09%	1.04 %	1.02%	1.30%
Market capitalization rank of NDB	16	20	22	23	20
Beta values against ASPI	1.30	0.97	0.73	0.86	1.18
Beta values against S&P SL20	1.23	1.22	1.01	0.92	1.00

#### Information on Market Capitalization



### 7.4 NDB Share Performance in Comparison with Selected Indices

#### NDB Share Price Movement in Comparison to CSE Indices



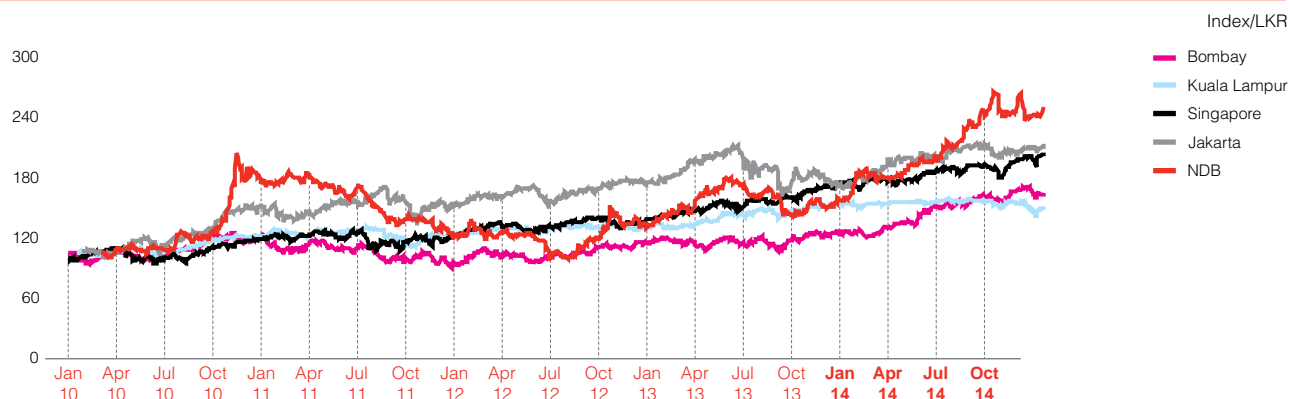
ASPI : All Share Price Index

S&amp;P SL20: Standard &amp; Poors Sri Lanka 20 Index

BFI: Bank Finance &amp; Insurance Index



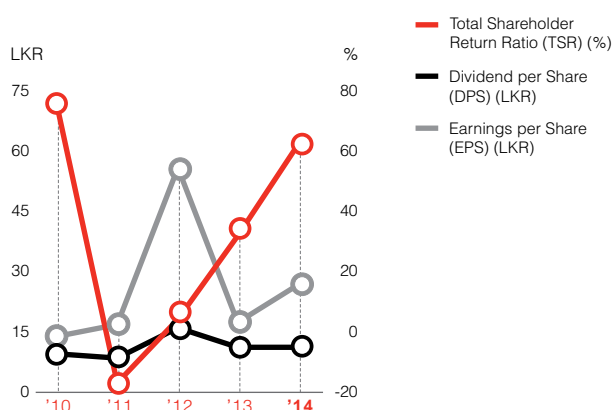
### NDB Share Price Movement in Comparison to Key Regional Indices



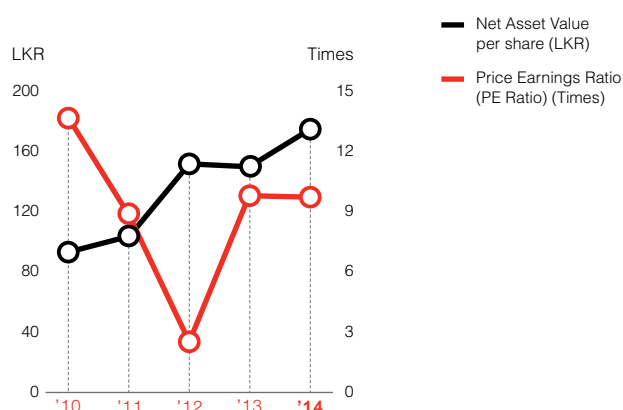
### 7.5 Key Shareholder Metrics Behaviour over the Past Five Years

Year	2014	2013	2012	2011	2010
Return on equity (%)	15.78	10.70	42.35	15.69	14.72
Earnings per share (EPS) (LKR)	25.14	16.48	55.31	15.79	12.82
Dividend per share (DPS) (LKR)	11.00	10.00	15.00	7.50	8.50
Dividend yield (%)	4.40	6.23	10.88	5.43	4.86
Dividend payout ratio (%)	44.00	62.0	79.0	49.0	33.0
Net asset value per share (LKR)	169.35	148.85	151.54	103.08	93.06
Price earnings ratio (PE ratio) (Times)	9.94	9.74	2.49	8.75	13.63
Price to book value (Times)	1.44	1.08	0.91	1.34	1.88
Total shareholder return ratio (TSR) (%)	63.23	30.89	2.75	(18.68)	75.49

#### Shareholder Returns

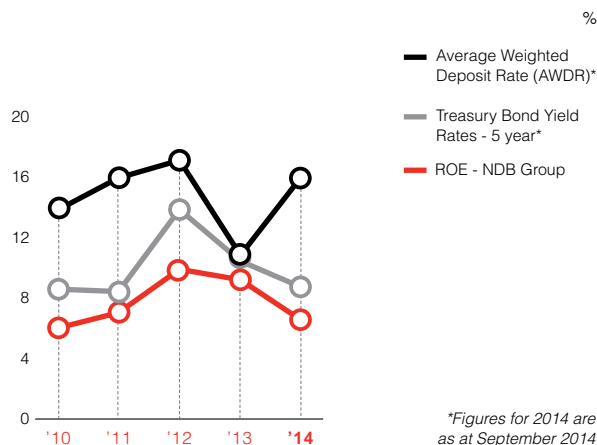


#### Net Asset Value per Share & PE Ratio



## 7.6 Return on Equity Compared with Market Interest Rates

### NDB Group ROE vs Market Interest Rates



## 7.7 Equity-Linked Compensation Plan (ELCP)

On 30 March 2010, shareholders of the Bank approved an Equity Linked Compensation Plan (ELCP), to enable the management staff in the rank of Assistant Vice-President and above of the Bank to take part in the voting ordinary share capital of the Bank, subject to certain limits, terms and conditions. As per the ELCP, the eligible members of the staff have exercised share options amounting to 400,888 shares during the year ended 31 December 2014. Accordingly, the said share issue resulted in the increase of the stated capital of the Bank from LKR 1,172.9 million to LKR 1,225.16 million and the number of shares in issue from 164,693,034 to 165,093,922 as at 31 December 2014.

## 7.8 Employee Share Option Schemes (ESOS)

The Colombo Stock Exchange (CSE), by Listing Rule 5.6 has amended the rules relating to Employee Share Option Schemes (ESOS) and Employee Share Purchase Schemes (ESPS) by mandating that such schemes should result in the shares being offered to eligible employees for 'purchase' or 'subscription' in the case of ESOS and 'acquisition' in the case of ESPS, specifically prohibiting open ended schemes. In compliance with this ruling and the Transitional Provisions thereto, the Board of Directors of National Development Bank PLC (NDB) approved the dissolution of the NDB ESOP Trust and the distribution of the ESOP shares amounting to 4,133,726 to the eligible employees of NDB.

## Debentures of NDB

### 8. Types of Debentures

#### 8.1 Listed Debenture - NDB.B000

In December 2013, the Bank issued by way of a public offer, one hundred million (100,000,000) rated, unsecured, subordinated, redeemable debentures (RUSRD) of the par value of rupees one hundred (LKR 100/-) each aggregating to the value of rupees ten thousand million (LKR 100,000,000,000/-).

The proceeds of these debentures were utilized to support the Bank's Tier II capital.

### 8.1 (a) Key Features of the RUSRD-NDB.B000

Type of Debentures	Debenture Code	ISIN	Nominal Interest Rate per Annum	Annual Effective Rate per Annum	Redemption (from the Date of Allotment)	Interest Payment Frequency	Interest Payment Dates
Type A	NDB/BC/19/12/18A13	LK0207D20998	13.00%	13.42%	60 months (5 years)	Semi-Annually	30 June & 31 December
Type B	NDB/BC/19/12/18B13.4	LK0207D21012	13.40%	13.40%	60 months (5 years)	Annually	31 December
Type C	NDB/BC/19/12/23C13.9	LK0207D21038	13.90%	13.90%	120 months (10 years)	Annually	31 December
Type D	NDB/BC/19/12/25D14	LK0207D21053	14.00%	14.00%	144 months (12 years)	Annually	31 December

### 8.1 (b) Trading Details of the RUSRD-NDB.B000 for the year ended 31 December 2014

Type of Debenture	CSE Listing	Interest payable frequency	Balance as at 31 December 2014 LKR million	Market Value			Interest Rate		Interest rate of Comparable Security %	Interest Yield %	Yield To Maturity %	
				Highest LKR	Lowest LKR	Quarter End LKR	Coupon Rate %	Effective Annual Yield %				
<b>Fixed Rate</b>												
A - Dec. 2013/Dec. 2018	Listed	Semi Annually	1,243	119.53	100.00	119.53	13.00	13.42	9.78	7.25	7%	
B - Dec. 2013/Dec. 2018	Listed	Annually	1,529	112.26	111.28	112.26	13.40	13.40	9.78	9.58	10%	
C - Dec. 2013/Dec. 2023	Listed	Annually	3,638	118.1	112.5	117.38	13.90	13.90	11.00	10.78	10.78	
D - Dec. 2013/Dec. 2025	Listed	Annually	3,590	119.95	119.23	119.95	14.00	14.00	11.39	10.90	10.9	
Total Debentures			10,000									

### 8.2 Unlisted - Privately Placed Debentures

In 2011, the Bank privately placed rated subordinated unsecured unlisted debentures having an aggregate face value of LKR 400,000,000/-. The proceeds of these debentures were utilized for re-lending purposes. The details of the said debentures are as follows:

#### 8.2. (a) Key Features of the Unlisted - Privately Placed Debentures

Date	Amount LKR	Number of Debentures	Value LKR	Redemption	Rate of interest
30 June 2011	1,000/- each	110,000	110,000,000	30 June 2016	03 month gross TBR* + 1.00% per annum
22 July 2011	1,000/- each	290,000	290,000,000	30 June 2016	03 month gross TBR* + 1.00% per annum

\*Treasury Bill Rate.

#### 8.2. (b) Other Information of the Unlisted - Privately Placed Debentures

Type of Debenture	CSE Listing	Interest payable frequency	Balance as at 31 December 2014 LKR million	Coupon Rate %	Effective Annual Yield %	Interest rate of Comparable Security %
<b>Floating Rate</b>						
2011- 2016 (3 month TB* rate (gross)+1% p.a.)	Unlisted	Quarterly	400	11.43	11.93	7.78
Total Debentures			400			

\* Three months Treasury Bill rate before deducting 10% Withholding tax as published by the Central Bank of Sri Lanka has been used.

## 9. Information on Debentures of the Bank (as per Rule No. 7.6 x (i) of the Listing Rules of the Colombo Stock Exchange)

	2014	2013
Debt Equity Ratio (Times)	10.43	8.99
Interest cover (Times)	1.58	1.49
Liquidity Assets Ratio (%) – Domestic Banking Unit	23.85	26.22
Liquidity Assets Ratio (%) – Foreign Currency Banking Unit	25.18	26.06

## 10. Directors' Interest in Debentures (NDB.B0000) as at 31 December 2014

Name	As at 31 December 2014 No of Debentures	As at 31 December 2013 No of Debentures
Sunil G Wijesinha	10,000	10,000
Ashok Pathirage	–	–
Rajendra Theagarajah	–	–
Trevine Jayasekera	–	–
Kimarli Fernando	–	–
Anura Siriwardana	–	–
Sarath Wikramanayake	–	–
G D Chandra Ekanayake	–	–
Sujeewa Rajapakse	–	–
Indrani Sugathadasa	–	–

## Bank's Credit Ratings

### 11. Ratings Summary of the Bank - 2014

<b>11.1</b>	Rating entity	Fitch Ratings
	Date of report	23 June 2014
	National long-term rating	AA- (Ika)/Stable outlook
	Outstanding subordinated debentures	A+ (Ika)
	Long-term foreign currency & local currency issuer default ratings (IDR)	B+/Stable outlook
	Short-term foreign currency IDR	B
	Viability rating	b+
	Support rating	4
	Support rating floor	B
<b>11.2</b>	Rating entity	Standard & Poor's Ratings Services
	Date of report	27 June 2014
	Counterparty Credit Rating	B+/Stable/B
	Counterparty Credit Ratings History (26 June 2013)	B+/Stable/B

There have been no changes to the ratings issued in 2014 in comparison to ratings issued in the prior year. Please refer our Investor Relations web page within the NDB Corporate website on <http://www.ndbbank.com> to read full rating reports of Fitch Ratings and Standard and Poor's Rating Services.

## Other Information

### 12. Financial Statements in USD

#### 12.1 Statement of Profit or Loss

For the year ended 31 December	BANK			GROUP		
	2014 US\$ '000	2013 US\$ '000	Change %	2014 US\$ '000	2013 US\$ '000	Change %
Gross income	190,870	229,672		200,372	195,960	
Interest income	160,381	159,250	1	161,737	160,503	1
Interest expenses	101,698	106,597	(5)	101,228	106,309	(5)
<b>Net interest income</b>	<b>58,683</b>	<b>52,653</b>	<b>11</b>	<b>60,509</b>	<b>54,194</b>	<b>12</b>
Fee and commission income	14,270	12,476	14	19,606	18,674	5
Net gains/(losses) from trading	6,958	7,383	(6)	6,958	7,383	(6)
Net gain/(loss) from financial investments	5,479	2,446	124	10,173	7,086	44
Other operating income	3,782	47,666	(92)	1,897	1,928	(2)
<b>Total operating income</b>	<b>89,172</b>	<b>122,623</b>	<b>(27)</b>	<b>99,143</b>	<b>89,264</b>	<b>11</b>
<b>Impairment for loans and receivables and other losses</b>	<b>4,328</b>	<b>9,570</b>	<b>(55)</b>	<b>4,043</b>	<b>9,745</b>	<b>(59)</b>
<b>Net operating income</b>	<b>84,844</b>	<b>113,053</b>	<b>(25)</b>	<b>95,100</b>	<b>79,519</b>	<b>20</b>
<b>Less: Operating expenses</b>						
Personnel expenses	21,966	18,466	19	24,257	20,562	18
Other expenses	18,630	19,748	(6)	20,938	22,442	(7)
<b>Total operating expenses</b>	<b>40,596</b>	<b>38,214</b>	<b>6</b>	<b>45,195</b>	<b>43,004</b>	<b>5</b>
<b>Operating profit before tax on financial services</b>	<b>44,248</b>	<b>74,839</b>	<b>(41)</b>	<b>49,905</b>	<b>36,515</b>	<b>37</b>
Tax on financial services	(7,870)	(7,037)	12	(7,870)	(7,037)	12
<b>Operating profit after tax on financial services</b>	<b>36,378</b>	<b>67,802</b>	<b>(46)</b>	<b>42,035</b>	<b>29,478</b>	<b>43</b>
Share of associate companies' profits/(losses)	–	–	–	744	380	96
<b>Profit before taxation</b>	<b>36,378</b>	<b>67,802</b>	<b>(46)</b>	<b>42,779</b>	<b>29,858</b>	<b>43</b>
Taxation	(10,242)	(8,106)	26	(10,313)	(8,895)	16
<b>Profit for the year</b>	<b>26,136</b>	<b>59,696</b>	<b>(56)</b>	<b>32,466</b>	<b>20,963</b>	<b>55</b>
Profit attributable to:						
<b>Equity holders of the parent</b>	<b>26,136</b>	<b>59,696</b>	<b>(56)</b>	<b>31,610</b>	<b>20,420</b>	<b>55</b>
<b>Non-controlling interests</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>856</b>	<b>543</b>	<b>58</b>
	<b>26,136</b>	<b>59,696</b>	<b>(56)</b>	<b>32,466</b>	<b>20,963</b>	<b>55</b>

## 12.2 Statement of Comprehensive Income

For the year ended 31 December	BANK			GROUP		
	2014 US\$ '000	2013 US\$ '000	Change %	2014 US\$ '000	2013 US\$ '000	Change %
Profit for the year	26,136	59,696	(56)	32,466	20,963	55
<b>Other comprehensive income/(expenses) to be reclassified to profit or loss in subsequent periods</b>						
Exchange differences on translation of foreign operations	–	–	–	4	(86)	100
Net gains and losses on available-for-sale investments	(268)	1,147	(123)	(168)	1,620	(110)
Gains and losses on cash flow hedges	3,042	–	100	3,042	–	100
<b>Other comprehensive income/(expenses) not to be reclassified to profit or loss in subsequent periods</b>						
Revaluation of freehold land & buildings	8,290	–	100	8,290	–	100
Actuarial losses on defined benefit plans	(1,068)	(276)	286	(1,068)	(274)	289
<b>Total other comprehensive income</b>	<b>9,996</b>	<b>871</b>	<b>1,048</b>	<b>10,100</b>	<b>1,259</b>	<b>702</b>
Less: Tax expenses relating to components of other comprehensive income	(1,377)	(295)	367	(1,377)	(429)	224
<b>Other comprehensive income for the year, net of taxes</b>	<b>8,619</b>	<b>576</b>	<b>1,396</b>	<b>8,723</b>	<b>830</b>	<b>949</b>
<b>Total comprehensive income for the year</b>	<b>34,755</b>	<b>60,270</b>	<b>(42)</b>	<b>41,189</b>	<b>21,793</b>	<b>89</b>
<b>Attributable to:</b>						
<b>Equity holders of the parent</b>	<b>34,755</b>	<b>60,270</b>	<b>(42)</b>	<b>40,331</b>	<b>21,250</b>	<b>90</b>
<b>Non-controlling interest</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>858</b>	<b>534</b>	<b>61</b>
	<b>34,755</b>	<b>60,270</b>	<b>(42)</b>	<b>41,189</b>	<b>21,793</b>	<b>89</b>

### 12.3 Statement of Financial Position

As at 31 December	Note	BANK			GROUP		
		2014 US\$ '000	2013 US\$ '000	Change %	2014 US\$ '000	2013 US\$ '000	Change %
<b>Assets</b>							
Cash and cash equivalents		23,536	19,970	18	24,822	20,407	22
Balances with Central Bank		51,104	40,834	25	51,104	40,834	25
Placements with banks		20,636	1,000	1,964	20,636	1,000	1,964
Derivative financial instruments		14,434	8,792	64	14,434	8,792	64
Financial assets held-for-trading		21,117	81,994	(74)	45,706	108,559	(58)
Loans and receivables to banks		2,359	4,907	(52)	2,359	4,907	(52)
Loans and receivables to other customers		1,328,091	1,046,436	27	1,328,551	1,046,896	27
Financial investments - loans and receivables		290,390	121,128	140	293,279	128,426	128
Financial investments - available-for-sale		129,343	45,755	183	136,906	47,170	190
Financial investments - held-to-maturity		68,013	134,625	(49)	77,084	141,190	(45)
Investments held for sale		140	–	100	252	–	100
Investments in subsidiary companies		15,165	15,584	(3)	–	–	–
Investments in associate companies		–	474	(100)	–	587	(100)
Investment property		–	–	–	11,719	10,583	11
Intangible assets		1,919	1,992	(4)	2,252	2,269	(1)
Property, plant & equipment		14,613	6,676	119	17,078	8,998	90
Other assets		11,021	9,097	21	14,224	11,157	28
<b>Total assets</b>		<b>1,991,881</b>	<b>1,539,263</b>	<b>29</b>	<b>2,040,406</b>	<b>1,581,775</b>	<b>29</b>
<b>Liabilities</b>							
Due to banks		53,293	79,947	(33)	53,293	79,947	(33)
Derivative financial instruments		5,028	6,251	(20)	5,028	6,251	(20)
Due to other customers		1,151,052	992,964	16	1,148,485	989,842	16
Debt securities issued and other borrowed funds		469,715	186,775	151	469,491	186,545	152
Tax liabilities		6,268	2,035	208	6,112	2,296	166
Deferred tax liabilities		4,696	2,390	97	4,624	2,481	86
Employee benefit liabilities		1,873	1,300	44	2,199	1,643	34
Other liabilities		46,828	28,189	66	48,309	29,448	64
Subordinated term debts		84,529	89,351	(5)	84,529	89,351	(5)
<b>Total liabilities</b>		<b>1,823,282</b>	<b>1,389,202</b>	<b>31</b>	<b>1,822,070</b>	<b>1,387,805</b>	<b>31</b>
<b>Equity</b>							
Stated capital		9,289	8,971	4	8,683	7,218	20
Statutory reserve fund		7,663	7,331	5	7,663	7,331	5
Retained earnings		141,209	119,719	18	183,820	158,561	16
Other reserves		10,438	14,040	(26)	11,174	14,377	(22)
<b>Total equity to equity holders of the Bank</b>		<b>168,599</b>	<b>150,061</b>	<b>0</b>	<b>211,340</b>	<b>187,486</b>	<b>18</b>
Non-controlling interests		–	–	–	6,996	6,484	8
<b>Total equity</b>		<b>168,599</b>	<b>150,061</b>	<b>12</b>	<b>218,336</b>	<b>193,971</b>	<b>13</b>
<b>Total liabilities and total equity</b>		<b>1,991,881</b>	<b>1,539,263</b>	<b>29</b>	<b>2,040,406</b>	<b>1,581,775</b>	<b>29</b>
<b>Commitments and contingencies</b>		<b>1,752,416</b>	<b>1,355,260</b>	<b>29</b>	<b>1,752,455</b>	<b>1,355,260</b>	<b>29</b>

#### USD Accounts

The Statement of profit or loss, Statement of Comprehensive Income and the Statement of Financial Position given in USD are solely for the shareholders, investors and any other users of financial information and do not form part of the audited Financial Statements.

### 13. Interim Financial Performance

#### 13.1 Statement of Profit or Loss

<b>BANK</b> LKR '000	Quarter 4 31.12.2014	Quarter 3 30.09.2014	Quarter 2 30.06.2014	Quarter 1 31.03.2014	Quarter 4 31.12.2013	Quarter 3 30.09.2013	Quarter 2 30.06.2013	Quarter 1 31.03.2013
Net interest income	1,893,935	2,011,647	1,973,188	1,795,831	1,811,582	1,811,528	1,793,005	1,575,021
Other operating income	889,176	909,803	898,997	1,289,390	831,892	779,357	747,425	6,517,490
<b>Total operating income</b>	<b>2,783,111</b>	<b>2,921,450</b>	<b>2,872,185</b>	<b>3,085,221</b>	<b>2,643,474</b>	<b>2,590,885</b>	<b>2,540,430</b>	<b>8,092,511</b>
Impairment for loans and receivables and other losses	242,428	101,449	193,633	28,493	1,012,095	77,202	98,735	50,171
<b>Net operating income</b>	<b>2,540,683</b>	<b>2,820,001</b>	<b>2,678,552</b>	<b>3,056,728</b>	<b>1,631,379</b>	<b>2,513,683</b>	<b>2,441,695</b>	<b>8,042,340</b>
Total operating expenses	1,393,055	1,378,336	1,229,405	1,308,396	1,330,607	1,281,566	1,177,257	1,154,773
<b>Profit from operations</b>	<b>1,147,628</b>	<b>1,441,665</b>	<b>1,449,147</b>	<b>1,748,332</b>	<b>300,772</b>	<b>1,232,117</b>	<b>1,264,438</b>	<b>6,887,567</b>
Share of associate companies' profit	-	-	-	-	-	-	-	-
<b>Profit before taxation</b>	<b>1,147,628</b>	<b>1,441,665</b>	<b>1,449,147</b>	<b>1,748,332</b>	<b>300,772</b>	<b>1,232,117</b>	<b>1,264,438</b>	<b>6,887,567</b>
Taxation	(547,209)	(502,867)	(769,134)	(549,500)	(131,775)	(538,804)	(672,704)	(618,375)
<b>Profit for the period</b>	<b>600,419</b>	<b>938,798</b>	<b>680,013</b>	<b>1,198,832</b>	<b>168,997</b>	<b>693,313</b>	<b>591,734</b>	<b>6,269,192</b>
<b>Profit attributable to:</b>								
Equity holders of the parent	600,419	938,798	680,013	1,198,832	168,997	693,313	591,734	6,269,192
Non-controlling interests	-	-	-	-	-	-	-	-
	600,419	938,798	680,013	1,198,832	168,997	693,313	591,734	6,269,192
<b>Basic earnings per share (in LKR)</b>	<b>3.64</b>	<b>5.69</b>	<b>4.02</b>	<b>5.78</b>	<b>1.03</b>	<b>4.21</b>	<b>3.60</b>	<b>38.18</b>
<b>Diluted earnings per share (in LKR)</b>	<b>3.63</b>	<b>5.68</b>	<b>4.01</b>	<b>5.78</b>	<b>1.03</b>	<b>4.21</b>	<b>3.60</b>	<b>38.18</b>



## INVESTOR RELATIONS

GROUP LKR '000	Quarter 4	Quarter 3	Quarter 2	Quarter 1	Quarter 4	Quarter 3	Quarter 2	Quarter 1
	31.12.2014	30.09.2014	30.06.2014	31.03.2014	31.12.2013	30.09.2013	30.06.2013	31.03.2013
Net interest income	1,952,090	2,064,925	2,033,432	1,862,959	1,782,679	1,858,010	1,836,605	1,608,231
Other operating income	1,341,065	1,309,395	1,035,734	1,366,455	1,443,552	1,067,697	1,089,447	865,197
<b>Total operating income</b>	<b>3,293,155</b>	<b>3,374,320</b>	<b>3,069,166</b>	<b>3,229,414</b>	<b>3,226,231</b>	<b>2,925,707</b>	<b>2,926,052</b>	<b>2,473,427</b>
Impairment charges for loans and other losses	222,964	85,776	94,385	125,584	1,055,348	83,201	98,735	23,480
<b>Net operating income</b>	<b>3,070,191</b>	<b>3,288,544</b>	<b>2,974,781</b>	<b>3,103,830</b>	<b>2,170,883</b>	<b>2,842,506</b>	<b>2,827,317</b>	<b>2,449,948</b>
Total operating expenses	1,605,584	1,522,422	1,349,455	1,433,155	1,524,781	1,408,122	1,309,853	1,322,364
<b>Profit from operations</b>	<b>1,464,607</b>	<b>1,766,122</b>	<b>1,625,326</b>	<b>1,670,675</b>	<b>646,102</b>	<b>1,434,384</b>	<b>1,517,464</b>	<b>1,127,584</b>
Share of associate companies' profit	-	-	-	97,274	9,562	28,980	8,210	2,468
<b>Profit before taxation</b>	<b>1,464,607</b>	<b>1,766,122</b>	<b>1,625,326</b>	<b>1,767,949</b>	<b>655,664</b>	<b>1,463,364</b>	<b>1,525,674</b>	<b>1,130,051</b>
Taxation	(527,635)	(514,722)	(772,596)	(563,080)	(155,537)	(558,259)	(718,646)	(630,088)
<b>Profit for the period</b>	<b>936,972</b>	<b>1,251,400</b>	<b>852,730</b>	<b>1,204,869</b>	<b>500,127</b>	<b>905,105</b>	<b>807,028</b>	<b>499,964</b>
<b>Profit attributable to:</b>								
Equity holders of the parent	857,660	1,242,340	843,045	1,190,885	445,319	891,961	797,753	506,888
Non-controlling interest	79,312	9,060	9,685	13,984	54,808	13,144	9,275	(6,924)
	<b>936,972</b>	<b>1,251,400</b>	<b>852,730</b>	<b>1,204,869</b>	<b>500,127</b>	<b>905,105</b>	<b>807,028</b>	<b>499,964</b>
<b>Basic earnings per share (in LKR)</b>	<b>5.68</b>	<b>7.75</b>	<b>5.24</b>	<b>7.41</b>	<b>2.78</b>	<b>5.42</b>	<b>4.98</b>	<b>1.06</b>
<b>Diluted earnings per share (in LKR)</b>	<b>5.34</b>	<b>7.62</b>	<b>5.24</b>	<b>7.41</b>	<b>2.77</b>	<b>5.41</b>	<b>4.99</b>	<b>1.07</b>

## 13.2 Statement of Financial Position

BANK LKR '000	As at	As at	As at	As at	As at	As at	As at	As at
	31.12.2014	30.09.2014	30.06.2014	31.03.2014	31.12.2013	30.09.2013	30.06.2013	31.03.2013
Cash and cash equivalents	12,566,872	19,509,158	9,162,267	8,361,127	8,080,826	8,746,703	15,224,455	16,863,330
Net loans and receivables	175,486,347	164,951,727	153,743,532	145,414,432	153,300,614	138,392,710	129,713,266	124,412,209
Investments	69,137,785	64,784,042	66,953,926	50,778,802	36,361,300	33,490,390	31,097,184	28,680,784
Other assets	5,538,140	5,603,313	3,522,678	2,884,388	3,393,034	2,595,732	4,257,589	3,484,992
<b>Total</b>	<b>262,729,144</b>	<b>254,848,240</b>	<b>233,382,403</b>	<b>207,438,749</b>	<b>201,135,774</b>	<b>183,225,534</b>	<b>180,292,494</b>	<b>173,441,316</b>
Customer deposits	151,823,715	150,515,133	139,500,487	135,282,343	129,830,029	118,489,102	117,639,980	110,091,898
Borrowings	80,134,243	74,010,835	66,633,874	47,287,695	46,556,578	39,878,258	36,845,563	36,879,823
Other liabilities	8,532,996	7,408,478	6,660,594	4,964,604	5,093,626	4,682,789	6,404,693	7,721,034
Shareholders Funds	22,238,190	22,913,794	20,587,448	19,904,106	19,655,542	20,175,384	19,402,258	18,748,561
<b>Total</b>	<b>262,729,144</b>	<b>254,848,240</b>	<b>233,382,403</b>	<b>207,438,749</b>	<b>201,135,774</b>	<b>183,225,533</b>	<b>180,292,494</b>	<b>173,441,316</b>
<b>Net asset value</b>	<b>134.70</b>	<b>138.84</b>	<b>124.77</b>	<b>120.84</b>	<b>119.13</b>	<b>122.50</b>	<b>118.16</b>	<b>114.18</b>

GROUP LKR '000	As at 31.12.2014	As at 30.09.2014	As at 30.06.2014	As at 31.03.2014	As at 31.12.2013	As at 30.09.2013	As at 30.06.2013	As at 31.03.2013
Cash and cash equivalents	12,736,516	19,593,374	9,356,993	8,464,024	8,138,013	8,794,081	15,285,968	17,108,941
Net loans and receivables	175,547,049	164,945,855	153,767,778	145,472,939	137,523,341	138,663,070	130,152,065	125,004,814
Investments	72,970,512	68,607,489	70,575,810	54,259,369	55,690,627	36,401,141	33,578,308	30,834,571
Other assets	7,875,528	7,690,060	5,474,132	4,856,066	5,465,140	4,448,933	6,200,663	5,315,740
<b>Total</b>	<b>269,129,605</b>	<b>260,836,778</b>	<b>239,174,713</b>	<b>213,052,398</b>	<b>206,817,121</b>	<b>188,307,225</b>	<b>185,217,004</b>	<b>178,264,066</b>
Customer deposits	151,485,202	150,211,397	139,226,384	134,984,443	129,421,813	118,094,538	117,290,318	109,742,736
Borrowings	80,104,583	74,026,906	66,605,559	47,257,695	46,526,578	39,841,559	36,800,553	36,850,288
Other liabilities	8,741,401	7,536,486	6,926,198	5,219,171	5,507,076	4,819,685	6,560,392	7,940,684
Shareholders' funds	27,875,773	28,218,815	25,582,366	24,730,358	24,513,808	24,757,448	23,785,039	22,926,435
Non-controlling interests	922,646	843,174	834,206	860,731	847,846	793,995	780,702	803,923
<b>Total</b>	<b>269,129,605</b>	<b>260,836,778</b>	<b>239,174,713</b>	<b>213,052,398</b>	<b>206,817,121</b>	<b>188,307,225</b>	<b>185,217,004</b>	<b>178,264,066</b>
<b>Net asset value</b>	<b>169.35</b>	<b>175.92</b>	<b>159.51</b>	<b>154.00</b>	<b>148.85</b>	<b>150.32</b>	<b>144.85</b>	<b>139.62</b>

## 14. Ten Years at a Glance (Group Performance)

### 14.1 Statement of Profit or Loss

LKR million	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Income</b>										
Net interest income	2,693	2,853	3,522	3,787	4,233	4,163	4,910	5,896	7,012	7,913
Other operating income	2,081	2,133	1,474	1,662	2,560	2,785	3,012	9,042	4,537	5,053
<b>Total operating income</b>	<b>4,774</b>	<b>4,986</b>	<b>4,997</b>	<b>5,449</b>	<b>6,793</b>	<b>6,948</b>	<b>7,922</b>	<b>14,938</b>	<b>11,549</b>	<b>12,966</b>
Impairment for loans & receivables and other losses	153	13	65	116	373	(172)	(88)	51	1,261	529
<b>Net operating income</b>	<b>4,621</b>	<b>4,972</b>	<b>4,932</b>	<b>5,333</b>	<b>6,420</b>	<b>7,119</b>	<b>8,010</b>	<b>14,887</b>	<b>10,288</b>	<b>12,437</b>
<b>Less Operating Expenses</b>										
Personnel costs	1,132	830	949	1,151	1,300	1,567	2,118	2,333	2,660	3,172
Other operating costs	1,645	929	1,104	1,237	1,370	1,496	1,863	2,163	2,904	2,738
<b>Total operating expenses</b>	<b>2,777</b>	<b>1,760</b>	<b>2,053</b>	<b>2,388</b>	<b>2,670</b>	<b>3,063</b>	<b>3,981</b>	<b>4,496</b>	<b>5,564</b>	<b>5,910</b>
<b>Operating Profit before Share of associate Companies profit before tax</b>	<b>1,844</b>	<b>3,213</b>	<b>2,879</b>	<b>2,945</b>	<b>3,750</b>	<b>4,056</b>	<b>4,030</b>	<b>10,391</b>	<b>4,724</b>	<b>6,527</b>
Share of associate Companies profit	22	214	179	172	526	295	331	439	49	97
<b>Profit before taxation</b>	<b>1,866</b>	<b>3,427</b>	<b>3,058</b>	<b>3,118</b>	<b>4,276</b>	<b>4,351</b>	<b>4,361</b>	<b>10,830</b>	<b>4,773</b>	<b>6,624</b>
Taxation	(593)	(1,220)	(1,421)	(1,409)	(2,154)	(2,175)	(1,597)	(1,898)	(2,061)	(2,378)
<b>Profit after taxation</b>	<b>1,273</b>	<b>2,207</b>	<b>1,637</b>	<b>1,708</b>	<b>2,121</b>	<b>2,176</b>	<b>2,764</b>	<b>8,932</b>	<b>2,712</b>	<b>4,246</b>
Minority interest	(237)	(176)	(115)	(103)	(37)	(73)	(235)	(78)	(70)	(112)
<b>Profit attributable to equity holders of the parent</b>	<b>1,036</b>	<b>2,030</b>	<b>1,521</b>	<b>1,605</b>	<b>2,085</b>	<b>2,103</b>	<b>2,528</b>	<b>8,854</b>	<b>2,642</b>	<b>4,134</b>

## 14.2 Statement of Financial Position

LKR million	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Assets</b>										
Liquid assets	2,917	6,042	7,748	5,883	8,243	5,586	7,651	13,269	8,139	12,737
Investments	19,078	12,170	14,701	18,509	32,128	20,021	27,359	32,499	55,614	72,971
Loans and receivables	36,976	42,418	49,818	54,589	54,107	78,452	102,019	124,311	137,523	175,547
Investments in associate companies	241	1,179	1,210	1,393	1,724	1,763	1,797	33	77	–
Property, plant & equipment	1,162	691	804	781	806	918	1,504	1,541	1,473	2,550
Investment property	1,041	1,200	1,200	1,200	1,200	1,200	1,296	1,296	1,384	1,546
Other assets	3,006	1,276	661	925	1,075	691	962	1,154	2,608	3,780
Goodwill	873	–	–	–	4	4	–	–	–	–
<b>Total Assets</b>	<b>65,295</b>	<b>64,977</b>	<b>76,143</b>	<b>83,280</b>	<b>99,286</b>	<b>108,635</b>	<b>142,588</b>	<b>174,103</b>	<b>206,818</b>	<b>269,130</b>
<b>Liabilities</b>										
Borrowings	27,799	29,204	34,147	34,993	29,561	28,631	38,973	36,630	47,344	80,104
Deposits with customers	13,954	21,161	25,624	31,091	49,948	60,533	82,094	107,394	129,423	151,485
Non-life insurance reserves	859	–	–	–	–	–	–	–	–	–
Long-term insurance fund	9,238	–	–	–	–	–	–	–	–	–
Taxation	220	640	522	352	560	633	397	713	625	1,416
Other liabilities	2,855	2,091	2,750	3,614	4,334	2,826	3,286	3,657	4,062	7,326
<b>Total Liabilities</b>	<b>54,925</b>	<b>53,096</b>	<b>63,043</b>	<b>70,050</b>	<b>84,403</b>	<b>92,623</b>	<b>124,750</b>	<b>148,394</b>	<b>181,454</b>	<b>240,331</b>
<b>Shareholders' Funds</b>										
Stated capital	760	1,033	1,033	1,033	1,033	864	864	864	944	1,145
Statutory reserves	546	819	819	819	819	879	879	879	959	1,011
Other reserves	–	–	–	–	–	–	387	924	1,880	1,474
Retained earnings	7,850	8,715	9,833	10,811	12,345	13,552	14,796	22,216	20,733	24,246
Total shareholders' funds	9,155	10,567	11,685	12,662	14,197	15,295	16,926	24,883	24,516	27,876
Minority interest	1,215	1,314	1,415	568	687	717	913	826	848	923
Total funds employed	10,370	11,881	13,100	13,230	14,883	16,012	17,838	25,709	25,364	28,799
Total liabilities & funds employed	65,295	64,977	76,143	83,280	99,286	108,635	142,588	174,103	206,818	269,130

## 14.3 Share Information

Market price per share (LKR)	215.00	201.00	170.00	86.00	206.00	174.50	138.10	138.10	161.50	250.00
Basic earnings per share (LKR)	11.20	12.40	9.30	9.80	12.75	12.81	15.79	55.31	16.48	25.14
Interim dividends per share (LKR)	–	–	–	–	–	4.00	3.50	5.00	5.00	7.00
Final dividends per share (LKR)	6.00	4.00	6.00	6.75	8.00	4.50	4.00	10.00	5.00	4.00
Total dividends per share	6.00	4.00	6.00	6.75	8.00	8.50	7.50	15.00	10.00	11.00
Dividend cover (Times)	3.21	6.20	3.72	3.27	3.77	2.19	2.05	3.69	1.65	2.29
Price earnings ratio (Times)	9.95	8.10	9.14	4.39	8.08	13.63	8.97	2.56	9.74	9.94
Book value per share (LKR)	79.80	64.54	71.38	77.35	86.72	93.15	103.08	151.54	148.85	169.35

## 15. Compliance Report in Terms of Section 7.6 - Contents of the Annual Report in Terms of the Listing Rules of the Colombo Stock Exchange

Tabulated below is how we complied with the Contents of the Annual Report as specified in Section 7.6 of the Listing Rules issued by the Colombo Stock Exchange. The table provides the disclosure requirements of Section 7.6, the compliance level of the Bank and where you will find the respective disclosures within this Annual Report.

Rule No: Disclosure Requirement	Cross Reference within the Report (page/s)
7.6 (i) Names of persons, who during the financial year, were Directors of the Entity	102 and 103
7.6 (ii) Principal activities of the Entity and its subsidiaries during the year and any changes therein	20 and 277
7.6 (iii) The names and the number of shares held by the 20 largest holders of voting shares and the percentage of such shares held	228
7.6 (iv) The Public Holding percentage	228
7.6 (v) A statement of each Director's holding and Chief Executive Officer's holding in shares of the Entity at the beginning and end of the financial year	228
7.6 (vi) Information pertaining to material foreseeable risk factors of the Entity	176 to 222
7.6 (vii) Details of material issues pertaining to employees and industrial relations of the Entity	82 to 91 and 93 to 98
7.6 (viii) Extents, locations, valuations and the number of buildings of the Entity's land holdings and investment properties	313 to 319
7.6 (ix) Number of shares representing the Entity's stated capital	331 to 332
7.6 (x) A distribution schedule of the number of holders in each class of equity securities, and the percentage of their total holdings	227
7.6 (xi) Ratios and Market Price Information <ul style="list-style-type: none"> <li>• Equity: Dividend per share, Dividend payout, Net asset value per share, Market value per share (highest and lowest values recorded during the financial year and value as at the end of financial year);</li> <li>• Debt: Interest rate of comparable Government Security, debt/equity ratio, quick assets ratio, market prices and yield during the year.</li> <li>• Any changes in the credit rating (for the entity or any other instruments issued by the entity), if applicable.</li> </ul>	229 and 231 233 and 234 234
7.6 (xii) Significant changes in the Entity's or its subsidiaries fixed assets and the market value of land, if the value differs substantially from the book value	313 to 319
7.6 (xiii) Details of the funds raised either through a public issue, Rights Issue or private placement; <ul style="list-style-type: none"> <li>• A statement as to the manner in which the proceeds of such issue has been utilized.</li> <li>• If any shares or debentures have been issued, the number, class and consideration received and the reason for the issue; and</li> <li>• Any material change in the use of funds raised through an issue of Securities.</li> </ul>	331 253 253
7.6 (xiv) Employee share option scheme details Employee share purchase schemes	332
7.6 (xv) Disclosures pertaining to Corporate Governance practices in terms of Rules 7.10.3, 7.10.5 c. and 7.10.6 c. of Section 7 of the Rules.	The Bank is exempted from Section 7.10 of the CSE Listing Rules thus not applicable
7.6 (xvi) Related party transactions exceeding 10% of the Equity or 5% of the total assets of the Entity as per Audited Financial Statements, whichever is lower	Not applicable

## 16. Shareholder Enquires and Communications

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