

15^{YEARS}

DELIGHTING

OUR STAKEHOLDERS



HNB Assurance PLC

**Condensed Consolidated Interim Financial Statements
30th September 2017**

Statement of Financial Position

As at,	Note	Group		Company	
		Unaudited 30th Sep 2017 Rs. '000	Audited 31st Dec 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Audited 31st Dec 2016 Rs. '000
Assets					
Property, Plant and Equipment		166,235	161,362	116,005	112,151
Intangible Assets		57,230	60,882	57,230	60,882
Deferred Tax Assets		46,439	52,922	-	-
Financial Investments	3	14,442,277	11,544,575	12,110,571	9,642,596
Investment in Subsidiary		-	-	1,150,000	1,150,000
Loans to Life Policyholders		149,136	119,941	149,136	119,941
Reinsurance Receivables		696,925	494,726	69,415	54,814
Premium Receivables		670,923	623,294	8,534	6,805
Other Assets		928,317	770,674	629,699	575,676
Insurance Contract - Deferred Expenses		111,368	74,951	-	-
Cash and Cash Equivalents		336,180	625,527	195,939	476,572
Total Assets		17,605,030	14,528,854	14,486,529	12,199,437
Equity and Liabilities					
Equity Attributable to the Equity Holders of Parent					
Stated Capital		1,171,875	1,171,875	1,171,875	1,171,875
Retained Earnings		1,753,594	1,721,675	1,804,765	1,897,936
Available for Sale Reserve		35,314	(7,152)	22,449	(1,465)
Other Reserves		1,790	1,790	(1,886)	(1,886)
Life Policyholders' Available for Sale Reserve Fund	5	206,895	(191,131)	206,895	(191,131)
Total Equity		3,169,468	2,697,057	3,204,098	2,875,329
Liabilities					
Insurance Contract Liabilities - Life Insurance	6	10,651,782	8,747,856	10,651,782	8,747,856
Insurance Contract Liabilities - General Insurance	7	2,507,017	1,921,567	-	-
Employee Defined Benefit Liabilities		106,165	90,433	60,109	50,883
Current Tax Liabilities		28,076	3,300	-	-
Reinsurance Creditors		294,696	287,895	115,311	39,395
Bank Overdraft		73,414	-	15,895	-
Other Liabilities		774,412	780,746	439,334	485,974
Total Liabilities		14,435,562	11,831,797	11,282,431	9,324,108
Total Equity and Liabilities		17,605,030	14,528,854	14,486,529	12,199,437

These Condensed Consolidated Interim Financial Statements are in compliance with the requirements of the Companies Act, No. 07 of 2007.

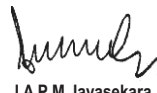


Indika Perera
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Condensed Consolidated Interim Financial Statements.
Signed on behalf of the Board;



Rose Cooray
Chairperson



J A P M Jayasekara
Director

Colombo, Sri Lanka
23rd October 2017.

Statement of Profit or Loss and Other Comprehensive Income

Group			Group		Company		Change	
Year Ended	31 st Dec 2016		Unaudited	Unaudited	Unaudited	Unaudited	Group	Company
(Audited)	For the Nine Months Ended 30th September,	Note	2017	2016	2017	2016	%	%
Rs. '000			Rs. '000	Rs. '000	Rs. '000	Rs. '000		
6,656,694	Gross Written Premium	8	5,805,626	4,857,718	2,918,895	2,601,465	20	12
(877,713)	Premium Ceded to Reinsurers		(785,479)	(603,382)	(138,134)	(115,786)	30	19
5,778,981	Net Written Premium		5,020,147	4,254,336	2,780,761	2,485,679	18	12
(181,102)	Net Change in Reserves for Unearned Premium		(333,050)	(140,652)	-	-	137	-
5,597,879	Net Earned Premium		4,687,097	4,113,684	2,780,761	2,485,679	14	12
	Other Revenue							
1,180,085	Interest and Dividend Income	9	1,165,886	843,666	982,574	703,834	38	40
(29,119)	Net Realised Gains/(Losses)		16,623	(21,052)	12,616	(14,532)	179	187
(6,461)	Net Fair Value Gains		14,323	2,619	12,197	950	447	1,184
128,798	Fee and Commission Income		116,316	100,346	50,538	51,479	16	(2)
25,024	Other Income		31,453	12,970	18,811	4,600	143	309
1,298,327	Total Other Revenue		1,344,601	938,549	1,076,736	746,331	43	44
6,896,206	Net Income		6,031,698	5,052,233	3,857,497	3,232,010	19	19
	Net Benefits, Claims and Expenses							
(1,947,645)	Net Insurance Benefits and Claims		(1,663,376)	(1,446,107)	(403,832)	(269,488)	15	50
(1,708,285)	Change in Contract Liabilities - Life Fund		(1,923,840)	(1,615,387)	(1,923,840)	(1,615,387)	19	19
(1,572,964)	Other Operating and Administration Expenses		(1,348,002)	(1,146,170)	(748,874)	(646,191)	18	16
(922,886)	Underwriting and Net Acquisition Costs		(752,083)	(671,060)	(600,696)	(540,005)	12	11
(38,905)	Other Insurance Related Costs		(37,702)	(28,459)	(23,426)	(18,114)	32	29
(6,190,685)	Total Benefits, Claims and Other Expenses		(5,725,003)	(4,907,183)	(3,700,668)	(3,089,185)	17	20
705,521	Profit Before Taxation		306,695	145,050	156,829	142,825	111	10
(58,108)	Income Tax Expenses	10	(24,776)	(39,158)	-	(39,158)	(37)	(100)
647,413	Profit for the Period	11	281,919	105,892	156,829	103,667	166	51
	Other Comprehensive Income, Net of Related Tax							
	Items that are or may be reclassified to profit or loss							
(153,476)	- Net Change in fair value of Available For Sale financial assets		433,539	(4,708)	411,057	(5,849)	9,309	7,128
14,466	- Realised Gains/Losses transferred to Income Statement		13,436	6,975	10,883	4,184	93	160
	- Net Change in fair value of Available For Sale financial assets transferred to Life Policyholders' Available For Sale Reserve Fund		(398,026)	9,933	(398,026)	9,933	(4,107)	(4,107)
1,825	- Related Tax	10	(6,483)	4	-	-	(162,175)	-
2,883	Actuarial Gains on Defined Benefit Plans		-	-	-	-	-	-
479	Total Other Comprehensive Income for the period net of Related Tax		42,466	12,204	23,914	8,268	248	189
647,892	Total Comprehensive Income for the Period		324,385	118,096	180,743	111,935	175	61
	Profit Attributable to:							
647,413	Equity Holders of the Parent		281,919	105,892	-	-	166	-
	Total Comprehensive Income Attributable to:							
647,892	Equity Holders of the Parent		324,385	118,096	-	-	175	-
12.95	Basic Earnings Per Share (Rs.)	12	5.64	2.12	3.14	2.07	166	51

Statement of Changes in Equity - Group

For the Period Ended 30th September 2017,

	Number of Shares	Stated Capital	Retained Earnings	Available for Sale Reserve	Other Reserves	Life Policyholders' AFS Reserve Fund	Total Equity
	'000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Balance as at 01st January 2016	50,000	1,171,875	1,174,262	(4,748)	(1,093)	(66,350)	2,283,946
Total Comprehensive Income for the Period							
Profit for the period- Unaudited	-	-	105,892	-	-	-	105,892
Other Comprehensive Income for the Period, net of related tax							
Net Change in fair value of Available For Sale financial assets	-	-	-	2,271	-	-	2,271
Net Change in fair value of Available For Sale financial assets - transferred to Life Policyholders Available For Sale Reserve Fund	-	-	-	9,933	-	-	9,933
Total Other Comprehensive Income for the Period							
Total Comprehensive Income for the Period			105,892	12,204	-	-	118,096
Net Change in fair value of Available For Sale financial assets - transferred from Available For Sale Reserve	-	-	-	-	-	(9,933)	(9,933)
Transactions with owners recorded directly in equity							
Distributions to owners of the Parent Dividend to equity holders for 2015	-	-	(100,000)	-	-	-	(100,000)
Unaudited balance as at 30th September 2016	50,000	1,171,875	1,180,154	7,456	(1,093)	(66,283)	2,292,109
Total Other Comprehensive Income for the Period							
Profit for the period-Unaudited	-	-	54,152	-	-	-	54,152
Other Comprehensive Income for the Period, net of related tax							
Net Change in fair value of Available For Sale financial assets	-	-	-	(139,456)	-	-	(139,456)
Net Change in fair value of Available For Sale financial assets - transferred to Life Policyholders Available For Sale Reserve Fund	-	-	-	124,848	-	-	124,848
Actuarial Gains on Defined Benefit Plans	-	-	-	-	2,883	-	2,883
Total Other Comprehensive Income for the Period							
Total Comprehensive Income for the Period	-	-	54,152	(14,608)	2,883	-	(11,725)
Net Change in fair value of Available For Sale financial assets - transferred from Available For Sale Reserve	-	-	-	(14,608)	-	-	(14,608)
Audited balance as at 31st December 2016	50,000	1,171,875	1,216,715	(7,152)	1,790	(124,848)	2,897,057
Balance as at 01st January 2017	50,000	1,171,875	1,216,715	(7,152)	1,790	(191,131)	2,897,057
Total Comprehensive Income for the Period							
Profit for the period- Unaudited	-	-	281,919	-	-	-	281,919
Other Comprehensive Income for the Period, net of related tax							
Net Change in fair value of Available For Sale financial assets	-	-	-	440,492	-	-	440,492
Net Change in fair value of Available For Sale financial assets - transferred to Life Policyholders Available For Sale Reserve Fund	-	-	-	(398,026)	-	-	(398,026)
Total Other Comprehensive Income for the Period							
Total Comprehensive Income for the Period			281,919	42,466	-	-	324,385
Net Change in fair value of Available For Sale financial assets - transferred from Available For Sale Reserve	-	-	-	-	-	398,026	398,026
Transactions with owners recorded directly in equity							
Distributions to owners of the Parent Dividend paid to equity holders for 2016	-	-	(250,000)	-	-	-	(250,000)
Unaudited balance as at 30th September 2017	50,000	1,171,875	1,753,584	35,314	1,790	206,895	3,169,468

Stated Capital represents 50 Million Ordinary Shares as at 30th September 2017 (2016 - 50 Million Ordinary Shares).

Statement of Changes in Equity - Company

For the Period Ended 30th September 2017

	Number of Shares	Retained Earnings	Available for Sale Reserve	Other Reserves	Life Policyholders' Fund Reserve	Total Equity
	'000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Balance as at 01st January 2016	50,000	1,397,806	53	(2,039)	(56,350)	2,511,345
Total Comprehensive Income for the Period						
Profit for the period - Unaudited	-	103,667	-	-	-	103,667
Other Comprehensive Income for the Period net related of tax						
Net Change in fair value of Available For Sale financial assets	-	-	(1,665)	-	-	(1,665)
Net Change in fair value of Available For Sale financial assets	-	-	9,933	-	-	9,933
- transferred to Life Policyholders Available For Sale Reserve Fund	-	-	8,268	-	-	8,268
Total Other Comprehensive Income for the period	-	-	8,268	-	-	8,268
Total Comprehensive Income for the period	-	103,667	8,268	-	-	111,935
Net Change in fair value of Available For Sale financial assets	-	-	-	-	-	-
- transferred from Available For Sale Reserve	-	-	-	-	-	-
Transactions with owners recorded directly in equity						
Distributions to owners of the Company	-	(100,000)	-	-	(9,933)	(9,933)
Dividend paid to equity holders for 2015	-	(100,000)	-	-	-	(100,000)
Unaudited balance as at 30th September 2016	50,000	1,497,473	8,321	(2,039)	(66,283)	2,513,347
Total Comprehensive Income for the Period						
Profit for the period - Unaudited	-	496,463	-	-	-	496,463
Other Comprehensive Income for the Period net related of tax						
Net Change in fair value of Available For Sale financial assets	-	-	(134,634)	-	-	(134,634)
Net Change in fair value of Available For Sale financial assets	-	-	124,848	-	-	124,848
- transferred to Life Policyholders Available For Sale Reserve Fund	-	-	-	-	-	-
Actual Gains on Defined Benefit Plans	-	-	(9,786)	153	-	(9,633)
Total Other Comprehensive Income for the period	-	-	(9,786)	153	-	(9,633)
Total Comprehensive Income for the period	-	496,463	(9,786)	153	-	486,830
Net Change in fair value of Available For Sale financial assets	-	-	-	-	-	-
- transferred from Available For Sale Reserve	-	-	-	-	-	-
Audited balance as at 31st December 2016	50,000	1,897,936	(1,465)	(1,686)	(124,848)	(24,401)
Balance as at 01st January 2017	50,000	1,897,936	(1,465)	(1,686)	(191,131)	2,875,329
Total Comprehensive Income for the Period						
Profit for the period - Unaudited	-	156,829	-	-	-	156,829
Other Comprehensive Income for the Period net related of tax						
Net Change in fair value of Available For Sale financial assets	-	-	421,940	-	-	421,940
Net Change in fair value of Available For Sale financial assets	-	-	(398,026)	-	-	(398,026)
- transferred to Life Policyholders Available For Sale Reserve Fund	-	-	-	-	-	-
Total Other Comprehensive Income for the period	-	-	23,914	-	-	23,914
Total Comprehensive Income for the period	-	156,829	23,914	-	-	180,743
Net Change in fair value of Available For Sale financial assets	-	-	-	-	-	-
- transferred from Available For Sale Reserve	-	-	-	-	-	-
Transactions with owners recorded directly in equity						
Distributions to owners of the Company	-	(250,000)	-	-	-	(250,000)
Dividend paid to equity holders for 2016	-	(250,000)	-	-	-	(250,000)
Unaudited balance as at 30th September 2017	50,000	1,804,765	22,449	(1,886)	(206,895)	3,204,098

Stated Capital represents 50 Million Ordinary Shares as at 30th September 2017 (2016 - 50 Million Ordinary Shares).

Statement of Cash Flows

<i>For the Nine Months Ended 30th September ,</i>	Group		Company	
	Unaudited 2017	Unaudited 2016	Unaudited 2017	Unaudited 2016
	Note	Rs. '000	Rs. '000	Rs. '000
Cash Flow From Operating Activities				
Profit Before Taxation		306,695	145,050	156,829
<i>Adjustments for:</i>				
Interest Income		(1,158,477)	(831,175)	(976,490)
Dividend Income		(7,409)	(12,491)	(6,084)
Amortisation of Intangible Assets		13,958	15,012	13,958
Depreciation		39,841	34,022	27,971
Provision for Employee Benefits		19,918	16,745	11,537
Net Realised (Gain)/Losses		(16,623)	21,052	(12,616)
Net Fair Value (Gain)/Losses		(14,323)	(2,619)	(12,197)
(Gains)/Losses on Sale of Property, Plant and Equipment		(6,431)	363	(6,035)
		(822,851)	(614,041)	(498,045)
Change in Operating Assets	A	(456,297)	(639,046)	(100,109)
Change in Operating Liabilities	B	2,484,585	2,110,613	1,933,202
Cash Flows from Operating Activities		1,205,437	857,526	1,029,966
Gratuity Paid		(4,186)	(9,957)	(2,311)
Tax Paid		(12,294)	(3,161)	-
Net Cash Generated from Operating Activities		1,188,957	844,408	1,027,655
Cash Flows from Investing Activities				
Net Acquisition of Investment Securities		(2,266,225)	(1,587,879)	(1,891,973)
Interest Received		1,004,922	843,726	847,241
Dividend Received		8,175	13,165	6,645
Acquisition of Intangible Assets		(10,306)	(33,972)	(10,306)
Acquisition of Property, Plant and Equipment		(49,418)	(39,693)	(34,743)
Proceeds from the Sale of Property, Plant and Equipment		11,134	105	8,953
Net Cash Used in Investing Activities		(1,301,718)	(804,548)	(1,074,183)
Cash Flows from Financing Activities				
Dividend Paid		(250,000)	(100,000)	(250,000)
Net Cash Used in Financing Activities		(250,000)	(100,000)	(250,000)
Net Decrease in Cash and Cash Equivalents	C	(362,761)	(60,140)	(296,528)
Cash and Cash Equivalents at the beginning of the Period		625,527	386,929	476,572
Cash and Cash Equivalents at the end of the Period		262,766	326,789	180,044
Notes to the Cash Flow Statement				
A. Change in Operating Assets				
Increase in Deferred Expenses		(36,417)	(10,695)	-
Increase in Loans to Life Policyholders		(29,195)	(22,531)	(29,195)
Increase in Reinsurance Receivables		(202,199)	(421,982)	(14,601)
Increase in Premium Receivables		(47,629)	(80,791)	(1,729)
Increase in Other Assets		(140,857)	(103,047)	(54,584)
		(456,297)	(639,046)	(100,109)
B. Change in Operating Liabilities				
Increase/(Decrease) in Other Liabilities		(11,591)	58,506	(46,640)
Increase in Insurance Contract Liabilities - General Insurance		585,449	359,758	-
Increase in Insurance Contract Liabilities - Life Insurance		1,903,926	1,631,922	1,903,926
Increase in Reinsurance Creditors		6,801	60,427	75,916
		2,484,585	2,110,613	1,933,202
C. Increase in Cash and Cash Equivalents				
Net Cash and Cash Equivalents at the end of the period		262,766	326,789	180,044
Net Cash and Cash Equivalents at the beginning of the period		625,527	386,929	476,572
Net Decrease in Cash and Cash Equivalents		(362,761)	(60,140)	(296,528)

Statement of Profit or Loss and Other Comprehensive Income

	Note	Group		Company		Change	
		Unaudited	Unaudited	Unaudited	Unaudited	Group	Company
		2017 Rs. '000	2016 Rs. '000	2017 Rs. '000	2016 Rs. '000	%	%
<i>For the Three Months Ended 30th September,</i>							
Gross Written Premium	8	2,000,395	1,730,790	999,758	959,167	16	4
Premium Ceded to Reinsurers		(237,356)	(180,700)	(46,522)	(39,941)	31	16
Net Written Premium		1,763,039	1,550,090	953,236	919,226	14	4
Net Change in Reserves for Unearned Premium		(124,029)	(71,143)	-	-	74	-
Net Earned Premium		1,639,010	1,478,947	953,236	919,226	11	4
Other Revenue							
Interest and Dividend Income	9	422,475	316,753	355,962	266,238	33	34
Net Realised Gains/(Losses)		8,681	(11,866)	7,670	(9,308)	173	182
Net Fair Value (Losses)/Gains		(5,527)	20,307	(3,640)	16,395	(127)	(122)
Fee and Commission Income		27,441	24,075	9,945	11,546	14	(14)
Other Income		9,485	3,642	7,818	2,424	160	223
Total Other Revenue		462,555	352,912	377,755	287,295	31	31
Net Income		2,101,565	1,831,859	1,330,991	1,206,521	15	10
Net Benefits, Claims and Expenses							
Net Insurance Benefits and Claims		(624,374)	(519,839)	(167,800)	(130,739)	20	28
Change in Contract Liabilities - Life Fund		(686,818)	(591,679)	(686,818)	(591,679)	16	16
Other Operating and Administration Expenses		(448,380)	(403,644)	(255,707)	(239,692)	11	7
Underwriting and Net Acquisition Costs		(257,031)	(222,755)	(195,274)	(181,884)	15	7
Other Insurance Related Costs		(11,415)	(12,710)	(6,163)	(7,802)	(10)	(21)
Total Benefits, Claims and Other Expenses		(2,028,018)	(1,750,627)	(1,311,762)	(1,151,796)	16	14
Profit Before Taxation		73,547	81,232	19,229	54,725	(9)	(65)
Income Tax Expenses	10	32,192	(16,137)	37,595	(16,137)	299	333
Profit for the Period	11	105,739	65,095	56,824	38,588	62	47
Other Comprehensive Income, Net of Related Tax							
Items that are or may be reclassified to profit or loss							
- Net Change in fair value of Available For Sale financial assets		271,074	149,550	256,728	139,256	81	84
- Realised Gains/(Losses) transferred to Income Statement		7,200	10,137	6,435	7,353	(29)	(12)
- Net Change in fair value of Available For Sale financial assets transferred to Life Policyholder's Available For Reserve		(246,703)	(137,509)	(246,703)	(137,509)	79	79
- Related Tax	10	(8,436)	(1,873)	-	-	350	-
Total Other Comprehensive Income for the Period net of related tax		23,135	20,305	16,460	9,100	14	81
Total Comprehensive Income for the Period		128,874	85,400	73,284	47,688	51	54
Profit Attributable to:							
Equity Holders of the Parent		105,739	65,095	-	-	62	-
Total Comprehensive Income Attributable to:							
Equity Holders of the Parent		128,874	85,400	-	-	51	-
Basic Earnings Per Share (Rs.)	12	2.11	1.30	1.14	0.77	62	47

Operating Segment Information - Assets and Liabilities

As at,	Unaudited		Audited	
	30th September 2017		31st December 2016	
	Life Insurance Rs. '000	General Insurance Rs. '000	Life Insurance Rs. '000	General Insurance Rs. '000
Assets				
Property, Plant and Equipment	116,005	50,230	112,151	49,211
Intangible Assets	57,230	-	60,882	-
Deferred Tax Assets	-	46,439	-	52,922
Financial Investments	12,110,571	2,331,706	9,642,596	1,901,979
Investment in subsidiary	1,150,000	-	1,150,000	-
Loans to Life Policyholders	149,136	-	119,941	-
Reinsurance Receivables	69,415	627,510	54,814	439,912
Premium Receivables	8,534	662,389	6,805	616,489
Other Assets	629,699	305,301	575,676	208,118
Insurance Contract - Deferred Expenses	-	111,368	-	74,951
Cash and Cash Equivalents	195,939	140,241	476,572	148,955
Total Assets	14,486,529	4,275,184	12,199,437	3,492,537
Liabilities				
Insurance Contract Liabilities - Life Insurance	10,651,782	-	8,747,856	-
Insurance Contract Liabilities - General Insurance	-	2,507,017	-	1,921,567
Employee Defined Benefit Liabilities	60,109	46,056	50,883	39,550
Current Tax Liabilities	-	28,076	-	3,300
Reinsurance Creditors	115,311	179,385	39,395	248,500
Bank Overdraft	15,895	57,519	-	-
Other Liabilities	439,334	341,761	485,974	307,892
Total Liabilities	11,282,431	3,159,814	9,324,108	2,520,809

Operating Segment Information - Profitability

For the Nine Months ended,	Unaudited		Unaudited	
	30th September 2017		30th September 2016	
	Life Insurance Rs. '000	General Insurance Rs. '000	Life Insurance Rs. '000	General Insurance Rs. '000
Gross Written Premium	2,918,895	2,911,453	2,601,465	2,272,655
Premium Ceded to Reinsurers	(138,134)	(647,345)	(115,786)	(487,596)
Net Written Premium	2,780,761	2,264,108	2,485,679	1,785,059
Net Change in Reserves for Unearned Premium	-	(333,050)	-	(140,652)
Net Earned Premium	2,780,761	1,931,058	2,485,679	1,644,407
Other Revenue				
Interest and Dividend Income	982,574	183,312	703,834	139,832
Net Realised Gains/(Losses)	12,616	4,007	(14,532)	(6,520)
Net Fair Value Gains	12,197	2,126	950	1,669
Fees and Commission Income	50,538	75,553	51,479	55,165
Other Income	18,811	12,642	4,600	8,370
Total Other Revenue	1,076,736	277,640	746,331	198,517
Net Income	3,857,497	2,208,698	3,232,010	1,842,924
Net Benefits, Claims and Expenses				
Net Insurance Benefits and Claims	(403,832)	(1,259,544)	(269,488)	(1,177,253)
Change in Contract Liabilities - Life Fund	(1,923,840)	-	(1,615,387)	-
Other Operating and Administration Expenses	(748,874)	(633,625)	(646,191)	(522,046)
Underwriting and Net Acquisition Cost	(600,696)	(151,387)	(540,005)	(131,055)
Other Insurance Related Cost	(23,426)	(14,276)	(18,114)	(10,345)
Total Benefits, Claims and other Expenses	(3,700,668)	(2,058,832)	(3,089,185)	(1,840,699)
Profit Before Taxation	156,829	149,866	142,825	2,225
Income Tax Expense	-	(24,776)	(39,158)	-
Profit for the Period	156,829	125,090	103,667	2,225

Notes to the Condensed Consolidated Interim Financial Statements

1 CORPORATE INFORMATION

HNB Assurance PLC ("the Company") is a Listed Company incorporated on 23rd August 2001 with limited liability and domiciled in Sri Lanka. The registered office of the Company is situated at No. 479, T B Jayah Mawatha, Colombo 10 and the principal place of business is situated at No. 30, Iceland Business Centre, Sri Uttaranda Mawatha, Colombo 03. The Ordinary Shares of the Company are listed on the Colombo Stock Exchange (CSE).

The Group's controlling entity and ultimate parent undertaking is Hatton National Bank PLC which is incorporated in Sri Lanka.

b). Approval of financial statements

The Condensed Consolidated Interim Financial Statements were authorised for issue by the Board of Directors on 23rd October 2017.

Figures in these Condensed Consolidated Interim Financial Statements for the period ended 30th September 2017 are provisional and unaudited.

2 BASIS OF PREPARATION

These Condensed Consolidated Interim Financial Statements of the Group and Company have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting and comply with the requirements of the Companies Act, No. 7 of 2007 and the Regulation of Insurance Industry Act, No. 43 of 2000.

The same accounting policies and methods of computation as stated in the Audited Financial Statements - 2016 have been followed in preparation of these Condensed Consolidated Interim Financial Statements.

New SLFRSs and interpretations issued but not yet effective have not been early adopted during the period.

Comparative information has been re-valued/re-classified where necessary, to conform to the current period recognition, measurement and presentations.

3 FINANCIAL INVESTMENTS

As at,	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	30th Sep 2017	31st Dec 2016	30th Sep 2017	31st Dec 2016
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Held to maturity financial assets, at amortised cost	175,006	174,025	175,006	174,025
Loans and Receivables	8,073,129	5,344,482	6,356,050	4,253,239
Available for sale financial assets	6,061,222	5,869,558	5,465,316	5,095,600
Financial assets at fair value through profit or loss	132,920	156,510	114,199	119,732
Total Financial Investment	14,442,277	11,544,575	12,110,571	9,642,596

4 THE ACCOUNTING POLICY FOR CONSOLIDATION OF SUBSIDIARY

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies and unrealised losses are eliminated. Amounts reported by subsidiary company are adjusted to conform with the Group's accounting policies when necessary.

5 LIFE POLICYHOLDERS' AVAILABLE FOR SALE RESERVE FUND

Life Policyholders' Available For Sale Reserve Fund includes the fair value changes recorded in Other Comprehensive Income in respect of Life Insurance related assets.

- 5a) Unrealised gains and losses of Available For Sale financial assets of Life Insurance are included under Life Policyholders' Available For Sale Reserve Fund in Equity.

Notes to the Condensed Consolidated Interim Financial Statements

6 INSURANCE CONTRACT LIABILITIES - LIFE INSURANCE

As at,	Group		Company	
	Unaudited 30th Sep 2017 Rs. '000	Audited 31st Dec 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Audited 31st Dec 2016 Rs. '000
Life Insurance Fund (Note 6 a)	10,558,234	8,634,394	10,558,234	8,634,394
Claims Outstanding	93,548	113,462	93,548	113,462
Total Insurance Contract Liability	10,651,782	8,747,856	10,651,782	8,747,856

6 a) Life Insurance Fund

The movement in the Life Insurance Fund is as follows:

Balance as at the beginning of the period	8,634,394	6,926,109	8,634,394	6,926,109
Change in Contract Liabilities Life Fund				
Increase in Life Insurance Fund Before				
Surplus Distribution to Shareholders	1,923,840	2,169,427	1,923,840	2,169,427
Surplus Distributed to Shareholders	-	(461,142)	-	(461,142)
Increase in Life Insurance Fund	1,923,840	1,708,285	1,923,840	1,708,285
Balance as at the end of the period	10,558,234	8,634,394	10,558,234	8,634,394

As required by the Insurance Board of Sri Lanka (IBSL), every registered insurer was required to apply Solvency Margin (Risk Based Capital) Rules with effect from 01st January 2016. According to the Risk Based Capital rules, all the Insurers are required to value the Life Insurance Policy Liabilities as per the Gross Premium Valuation (GPV) method and valuation rules and methodologies as stipulated by the IBSL. The change in the valuation method from NPV to GPV resulted a release in Policyholder Liabilities of the Company as of 01st January 2016. This resulted release in liabilities as at 01st January 2016 amounted to Rs. 1,849.7 Million for fund based life products and Rs.330.6 Million for other life products. The Company has kept the release in liabilities under the Long term Insurance fund of Life Policyholders as required by the IBSL.

6 b) Valuation of the Life Insurance Contract Liabilities for the period ended 30th June 2017 was carried out by the Consultant Actuary, Mr. Hassan Scott Odierno, FSA, for and on behalf of M/S Actuarial Partners Consulting Sdn Bhd and have ensured adequate provisions have been made in these Condensed Consolidated Interim Financial statements in line with the Actuarial Valuation.

6 c) Liability Adequacy Test

A Liability Adequacy Test ("LAT") for the Life Insurance Contract Liability was carried out by Mr. Hassan Scott Odierno, of M/S Actuarial Partners Consulting Sdn Bhd, as at 30th June 2017 as required by SLFRS 4 - Insurance Contracts.

7 INSURANCE CONTRACT LIABILITIES - GENERAL INSURANCE

As at,	Group		Company	
	Unaudited 30th Sep 2017 Rs. '000	Audited 31st Dec 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Audited 31st Dec 2016 Rs. '000
Reserves for Net Unearned Premium	1,601,125	1,278,861	-	-
Reserves for Title Insurance	30,397	19,611	-	-
Reserves for Gross Outstanding Claims	875,495	623,095	-	-
Total Insurance Contract Liabilities	2,507,017	1,921,567	-	-

Notes to the Condensed Consolidated Interim Financial Statements

7 a) Valuation of the IBNR/IBNER was carried by the Consultant Actuary, Mr. Mathew Maguire, FIAA, for and behalf of NMG Consulting as at 30th September 2017 and have ensured that adequate provisions have been made in these Condensed Consolidated Interim Financial Statements.

7 b) Liability Adequacy Test

A Liability Adequacy Test ("LAT") for the General Insurance Contract Liability was carried out by Mr. Mathew Maguire, FIAA, for and behalf of NMG Consulting as at 30th June 2017 as required by SLFRS 4 - Insurance Contracts. The valuation is based on internationally accepted actuarial methods and is performed semi-annually.

8 GROSS WRITTEN PREMIUM

Group		Group		Company	
Audited 31st Dec 2016 Rs. '000	<i>For the Nine Months Ended,</i>	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000
Life Insurance					
3,426,072	Individual Policies	2,855,337	2,493,075	2,855,337	2,493,075
128,006	Corporate Policies	63,558	108,390	63,558	108,390
(18,715)	Adjustment for Inter Company Premiums	(17,621)	(14,151)	-	-
3,535,363	Life Insurance Gross Written Premium	2,901,274	2,587,314	2,918,895	2,601,465
General Insurance					
461,583	Fire	420,893	354,420	-	-
2,229,050	Motor	2,162,476	1,647,195	-	-
42,051	Marine	40,928	29,713	-	-
408,875	Miscellaneous	287,156	241,327	-	-
(20,228)	Adjustment for Inter Company Premiums	(7,101)	(2,251)	-	-
3,121,331	General Insurance Gross Written Premium	2,904,352	2,270,404	-	-
6,656,694	Total Gross Written Premium	5,805,626	4,857,718	2,918,895	2,601,465

<i>For the Three Months Ended,</i>		Group		Company	
		Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000
Life Insurance					
	Individual Policies	991,259	913,517	991,259	913,517
	Corporate Policies	8,499	45,650	8,499	45,650
	Adjustment for Inter Company Premiums	(7,255)	(4,752)	-	-
	Life Insurance Gross Written Premium	992,503	954,415	999,758	959,167
General Insurance					
	Fire	125,591	104,395	-	-
	Motor	787,942	605,424	-	-
	Marine	15,017	9,928	-	-
	Miscellaneous	81,546	57,680	-	-
	Adjustment for Inter Company Premiums	(2,204)	(1,052)	-	-
	General Insurance Gross Written Premium	1,007,892	776,375	-	-
	Total Gross Written Premium	2,000,395	1,730,790	999,758	959,167

Notes to the Condensed Consolidated Interim Financial Statements

9 INTEREST AND DIVIDEND INCOME

Group		Group		Company	
Audited 31st Dec 2016 Rs. '000	For the Nine Months Ended,	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000
1,166,369	Interest Income	1,158,477	831,175	976,490	693,793
13,716	Dividend Income	7,409	12,491	6,084	10,041
1,180,085	Total	1,165,886	843,666	982,574	703,834

For the Three Months Ended,

Group		Group		Company	
		Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000
	Interest Income	419,359	312,581	353,303	262,963
	Dividend Income	3,116	4,172	2,659	3,275
	Total	422,475	316,753	355,962	266,238

10 INCOME TAX EXPENSES

Group		Group		Company	
Audited 31st Dec 2016 Rs. '000	For the Nine months ended,	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000
(3,300)	Current Tax Charge	(24,776)	-	-	-
(56,512)	Provision for Tax Credits	-	(39,158)	-	(39,158)
1,704	Deferred Income Tax - Profit or Loss	-	-	-	-
(58,108)	Total	(24,776)	(39,158)	-	(39,158)
1,825	Deferred Income Tax - Other Comprehensive Income	(6,483)	4	-	-
1,825	Total	(6,483)	4	-	-

For the Three Months Ended,

Group		Group		Company	
		Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000
	Current Tax Charge	(9,667)	-	-	-
	Provision for Tax Credits	41,859	(16,137)	37,595	(16,137)
	Deferred Income Tax - Profit or Loss	-	-	-	-
	Total	32,192	(16,137)	37,595	(16,137)
	Deferred Income Tax - Other Comprehensive Income	(8,436)	(1,873)	-	-
	Total	(8,436)	(1,873)	-	-

The Company and its subsidiary are liable to pay income tax at the rate of 28% (2016 - 28%) of its taxable profits in accordance with the provisions of the Inland Revenue Act, No. 10 of 2006 and subsequent amendments thereto.

11 PROFIT FOR THE PERIOD

Group		Group		Company	
Audited 31st Dec 2016 Rs. '000	For the Nine Months Ended,	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000
600,130	HNB Assurance PLC	156,829	103,667	156,829	103,667
47,283	HNB General Insurance Ltd	125,090	2,225	-	-
647,413	Total	281,919	105,892	156,829	103,667

Notes to the Condensed Consolidated Interim Financial Statements

For the Three Months Ended,	Group		Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	30th Sep 2017 Rs. '000	30th Sep 2016 Rs. '000	30th Sep 2017 Rs. '000	30th Sep 2016 Rs. '000
HNB Assurance PLC	56,824	38,588	56,824	38,588
HNB General Insurance Ltd	48,915	26,507	-	-
Total	105,739	65,095	56,824	38,588

12 BASIC EARNINGS PER SHARE (EPS)

Basic Earnings Per Share is calculated by dividing the net profit after tax for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the Period.

Group	Audited 31st Dec 2016	For the Nine Months Ended,	Group		Company	
			Unaudited 30th Sep 2017	Unaudited 30th Sep 2016	Unaudited 30th Sep 2017	Unaudited 30th Sep 2016
647,413	Profit for the Period (Rs. '000)		281,919	105,892	156,829	103,667
50,000	Weighted average number of shares ('000)		50,000	50,000	50,000	50,000
12.95	Basic Earnings Per Share (Rs.)		5.64	2.12	3.14	2.07

For the Three Months Ended,	Group		Company	
	Unaudited 30th Sep 2017	Unaudited 30th Sep 2016	Unaudited 30th Sep 2017	Unaudited 30th Sep 2016
Profit for the period (Rs. '000)	105,739	65,095	56,824	38,588
Weighted average number of shares ('000)	50,000	50,000	50,000	50,000
Basic Earnings Per Share (Rs.)	2.11	1.30	1.14	0.77

13 RELATED PARTY DISCLOSURES

a) Transactions with the parent and Ultimate Controlling Party - Hatton National Bank PLC

Nature of Transaction	Group		Company	
	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000
Insurance Premium	8,269	6,432	-	-
Claims Incurred	11,058	6,685	-	-
Investment Income	32,027	25,985	25,462	22,006
Administration Expenses	161,697	137,942	473,680	85,176
Rent and other Expenses	6,551	39,148	4,709	30,096
Dividend Paid	149,965	59,986	149,965	59,986

Nature of Transaction	Group		Company	
	Unaudited 30th Sep 2017 Rs. '000	Audited 31st Dec 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Audited 31st Dec 2016 Rs. '000
Balance as at,				
Investments Balance (Includes Deposits and Debentures)	391,723	416,312	338,341	329,123
Cash at Bank Balances	206,644	182,265	125,314	111,407

Notes to the Condensed Consolidated Interim Financial Statements

b) Transaction with the Subsidiary Company - HNB General Insurance Ltd.

Nature of Transaction <i>For the Nine Months Ended,</i>	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000
Insurance Premium	17,621	14,151
Insurance Expenses	7,101	2,251
Claims Received	10,160	633
Claims Paid	3,500	-
Administrations Expenses Reimbursement	181,384	152,789
Fund Management Fee	3,342	3,036
Profit Commission Expense	6,433	2,863

C) Transactions with / between Subsidiary Companies of the Ultimate Controlling Party

Name of the Company	Nature of Transaction	Group		Company	
		Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000
<i>For the Nine Months Ended,</i>					
HNB Grameen Finance Ltd	Insurance Premium	38,513	69,457	38,098	68,850
	Claims Incurred	83,563	39,798	83,355	39,587
	Administration Expenses	5,160	7,029	2,951	6,935
	Interest Income	3,103	-	3,103	-

Name of the Company	Nature of Transaction	Group		Company	
		Unaudited 30th Sep 2017 Rs. '000	Audited 31st Dec 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Audited 31st Dec 2016 Rs. '000
<i>As at,</i>					
HNB Grameen Finance Ltd	Investment in Term Deposits	50,103	-	50,103	-

d) Transactions with other Related Entities

Name of the Company	Nature of Transaction	Group		Company	
		Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000
ACUITY Partners (Pvt) Ltd	Insurance Premium	11	791	-	426
ACUITY Stock Brokers (Pvt) Ltd	Insurance Premium	38	5	-	-
	Claims incurred	-	288	-	222
ACUITY Securities Ltd	Investment Income from REPO	48,870	33,432	37,008	25,160

Name of the Company	Nature of Transaction	Group		Company	
		Unaudited 30th Sep 2017 Rs. '000	Audited 31st Dec 2016 Rs. '000	Unaudited 30th Sep 2017 Rs. '000	Audited 31st Dec 2016 Rs. '000
<i>As at,</i>					
ACUITY Securities Ltd	Investment In REPO	661,348	606,967	366,760	525,558

e) Transactions with Key Management Personnel of the Group or its Parent Hatton National Bank PLC

Nature of Transaction <i>For the Nine Months Ended,</i>	Unaudited 30th Sep 2017 Rs. '000	Unaudited 30th Sep 2016 Rs. '000
Director Fee	9,075	9,175
Short-term and Post employment benefits	35,868	41,871
Insurance Premium	1,541	1,323
Claims Paid	34	106

Notes to the Condensed Consolidated Interim Financial Statements

Mr. N H T I Perera a Director of HNB Assurance PLC and HNB General Insurance Ltd has tendered his resignation from being a Director of HNB Assurance PLC w.e.f. 27th April 2017 and HNB General Insurance Limited w.e.f. 26th April 2017.

Mr. Deepthi Lokurachchi has been appointed as the Managing Director of HNB Assurance PLC and HNB General Insurance Ltd w.e.f. 26th May 2017.

Mr. Rajive Dissanayake has been appointed to the Board of HNB Assurance PLC and HNB General Insurance Ltd w.e.f. 27th June 2017.

The nature of the related party transactions in the current period was similar to those reported in the Audited Financial Statements – 2016 except for the above changes.

14 EVENTS OCCURRING AFTER THE REPORTING DATE

There have been no material events occurring after the reporting date that require adjustments to or disclosure in the Condensed Consolidated Interim Financial Statements.

15 CAPITAL COMMITMENTS

- a) As at the end of the financial period, no material capital expenditure approved by the Board of Directors and contracted for which no provision has been made in the Condensed Consolidated Interim Financial Statements. (2016 - Nil).
- b) Future commitments on operating leases

As at,	Group	
	Unaudited 30th Sep 2017 Rs. '000	Audited 31st Dec 2016 Rs. '000
Less than one year	125,106	123,052
Between one and five years	308,121	373,522
More than five years	2,713	4,402
Total Operating Lease Commitments	435,940	500,976

17 CONTINGENCIES

- a) The Inland Revenue Department has taken the view that reinsurance claims for the year of assessment 2010/11 on General insurance business is liable for Value Added Tax (VAT). Accordingly the Company has received a VAT Assessment on Reinsurance Claims amounted to Rs. 13.3 Million for the year of Assessment 2010/2011. This has been a common assessment to most of the Insurance Companies who are in the General Insurance business, issued by Inland Revenue Department (IRD). However the Companies in the insurance industry are of the strong view that they are not liable to pay VAT on Reinsurance claims. The Company has filed due responses in consultation with Tax Consultants and has made an appeal to the Tax Appeals Commission and an appeal hearing was held on the 16th June 2016. The Tax Appeals Commission requested HNBA and the IRD to submit a written appeal in order to grant the final decision. The Company submitted the written appeal on 21st of July 2016 through the tax consultants and are yet to receive a response from the Tax Appeals Commission. The Company has obtained a Bank Guarantee of Rs 3.3 Million against the appeal made. As such the Company is of the strong view that no additional Tax liabilities will arise due to this Assessment. No further response has been received on this matter as of the date of authorising these Consolidated Financial Statements. VAT on Reinsurance Claims and Commissions has been exempted by the Inland Revenue Department w.e.f. 1st January 2011. This is an indication that realisation of this liability is remote.
- b) The Company has received an official communication from IRD stating that the Company is liable for VAT and NBT on Financial Service (FS). The IRD is of the view that HNBA liability has arisen based on section 25C of VAT Act No 14 of 2002 with the application of attributable method. Accordingly, it stated that the Company has registered to pay VAT and NBT on FS w.e.f 01st January 2014. However, Companies who are in Insurance Industry and our Tax Consultants are of the view that insurance companies are not liable for VAT and NBT on FS, as the Companies are in the insurance business and do not engage in the business of financial service directly. Therefore, the Company has requested the IRD to cancel the registration on VAT and NBT on FS which is the stance of the entire insurance industry. As such we expect no liability to materialise in respect of the same.
- c) The Company has received a Tax Intimation letter on Life Insurance Taxation for Y/A 2011/2012. However, no Assessment has been issued yet on this intimation. We have filed a response highlighting our view, which was done in consultation with Tax Consultants. However, as per the request of the IRD, we participated in the hearing held at their premises on 25th July 2016 and we were asked to provide a written submission. We made the written submission through our Tax Consultants on 15th August 2016 to IRD. Based on the hearing held and written submission, IRD sent a letter of determination on 20th December 2016 and determine to confirm the assessment. However the Company opposed with the said determination hence the Company submitted a letter of intention to appeal in the Tax Appeals Commission with the consultation of Tax consultants. On 08th February 2017 Company received the reasons for determination from IRD and through our tax consultant we filed a written appeal on 09th March 2017, and the appeal hearing is to be held on 07th December 2017. Even if this tax intimation would materialised against the Company, the Tax Loss recorded will come down by Rs. 310 Million.

Notes to the Condensed Consolidated Interim Financial Statements

- d) The Company has received a Notice of Assessment for Life Insurance taxation for the year of assessment 2012/2013 and filed a petition of appeal through the Tax Consultants and the Company is of the strong view that no additional tax liability will arise due to this. Even in the event that this Assessment would materialise against the Company, no additional tax liability is required for the Company since the Company has accumulated tax losses. However, the accumulated tax loss of the Life Business will come down by Rs. 278 Million.
- e) The Company has received a Notice of Assessment for Life Insurance taxation for the year of assessment 2013/2014 and filed a petition of appeal through the Tax Consultants. In the event that this Assessment would materialise against the Company, there will be a tax liability of Rs 132 Million after utilising all available tax losses. However, the Company together with Tax Consultants are of the strong view that the liability raised in this assessment would not materialise.
- f) The Company has received a Notice of Assessment for Life Insurance taxation for the year of assessment 2014/2015 and filed a petition of appeal through the Tax Consultants. According to the basis of the IRD, in the event that this Assessment would materialise against the Company, there will be a tax liability of Rs 136 Million after utilising all available brought forward tax losses. However, the Company together with Tax Consultants are of the strong view that the liabilities raised in this assessment would not materialise.
- In the opinion of the Directors, and in consultation with the Company Lawyers, litigations currently pending against the Company would not have a material impact on the reported Interim Financial Results of the Company. All pending litigations for claims have been evaluated and adequate provisions have been made in these Financial Statements where necessary.

Share Information

Top 20 Shareholders

Name of the Shareholder	As at 30th September 2017	
	Shareholding	% on Issued Shares
1 Hatton National Bank PLC A/c No.1	29,993,000	59.99%
2 The Ceylon Guardian Investment Trust PLC A/c No.2	2,000,000	4.00%
3 Mercantile Merchant Bank Ltd	913,265	1.83%
4 Janashakthi General Insurance Limited	824,425	1.65%
5 Bank of Ceylon A/c Ceybank Century Growth Fund	674,264	1.35%
6 Mr. Mohamed Faizer Hashim	530,534	1.06%
7 Salamander Investments (Pvt) Ltd	475,000	0.95%
8 Mrs. Abiramipillai Kailasapillai	400,000	0.80%
9 Waldock Mackenzie Ltd/Mr.S.N.P.Palihena and Mrs. A.S. Palihena	400,000	0.80%
10 Mrs. Arunthathi Selliah	400,000	0.80%
11 Arunodhaya (Pvt) Ltd	400,000	0.80%
12 Arunodhaya Investments (Pvt) Ltd	400,000	0.80%
13 Arunodhaya Industries (Pvt) Ltd	400,000	0.80%
14 Union Assurance PLC A/c No.1	336,266	0.67%
15 J.B Cocoshell (Pvt) Ltd	248,629	0.50%
16 Corporate Holdings (Pvt) Ltd. A/c No.1	245,103	0.49%
17 Central Finance Company PLC A/c No.5	226,609	0.45%
18 Mr. Madduma Hetti Vidanage Upali Gunatilaka	206,998	0.41%
19 Mr. Vikas Sharda	203,000	0.41%
20 Mr. Kailasapillai Aravinthan	200,000	0.40%
	<u>39,477,093</u>	<u>78.96%</u>

Share Information (Contd.)

Public Shareholding

	As at 30th September 2017	
	No.	% on Issued Shares
Number of Shares	19,306,461	38.61%

Public Shareholding

	As at 30th September 2017	
	No.	% on Total No. of shareholders
Number of Shareholders	3,448	99.71%

Shareholdings of Directors

Name of the Director	No. of Shares as at 30th September 2017
Mrs. M A R C Cooray	18,035
Mr. S C Ratwatte	14,666
Mr. J A P M Jayasekara	83,057
Mr. K Balasundaram	10,000
Mr. D P N Rodrigo	180
Mrs. S N Wickramasinghe	52,500
Dr. S Selliah	100,000
Mr. A G R Dissanayake	Nil
Mr. D P Lokuarachchi - (Managing Director/Chief Executive Officer)	Nil

Number of Shares

No. of shares representing the Stated Capital	50,000,000
Class of Share	Ordinary
Voting Rights	One vote per Ordinary Share

Share Performance

	Rs.
Net Asset Value Per Share as at 30th September 2017 - Group	63.39
Net Asset Value Per Share as at 30th September 2017 - Company	64.08
Highest Price Per Share for the Interim Period	71.00
Lowest Price Per Share for the Interim Period	62.30
Last traded Price Per Share as at 30th September 2017	66.30