



Condensed Consolidated Interim Financial Statements
30th September 2014



Take on
tomorrow

Statements of Financial Position

| | Note | Group | | Company | |
|---|------|--------------------------------------|--------------------------------------|-------------------------------------|------------------------------------|
| | | Unaudited as at 30th Sep. 2014 | Unaudited as at 31st Dec. 2013 | Unaudited as at 30th Sep 2014 | Audited as at 31st Dec. 2013 |
| | | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 |
| Assets | | | | | |
| Intangible Assets | | 47,707 | 53,807 | 47,707 | 53,807 |
| Property, Plant and Equipment | | 131,815 | 137,009 | 131,815 | 137,009 |
| Deferred Tax Assets | | - | 2 | - | 2 |
| Financial Investments | 3 | 7,931,304 | 6,656,438 | 7,825,496 | 6,656,438 |
| Investment in Subsidiary | 4 | - | - | 100,000 | - |
| Loans to Life Policyholders | | 68,397 | 53,656 | 68,397 | 53,656 |
| Reinsurance Receivables | | 140,080 | 105,390 | 140,080 | 105,390 |
| Premium Receivables | | 333,104 | 301,182 | 333,104 | 301,182 |
| Other Assets | | 680,040 | 575,180 | 680,086 | 575,180 |
| Insurance Contract - Deferred Expenses | | 52,089 | 32,912 | 52,089 | 32,912 |
| Cash and Cash Equivalents | | 111,846 | 144,087 | 110,225 | 144,087 |
| Total Assets | | 9,496,382 | 8,059,663 | 9,488,999 | 8,059,663 |
| Liabilities and Equity | | | | | |
| Equity | | | | | |
| Stated Capital | | 1,171,875 | 1,171,875 | 1,171,875 | 1,171,875 |
| Retained Earnings | | 937,063 | 941,820 | 931,381 | 941,820 |
| Available for Sale Reserve | | 2,180 | 1,427 | 2,067 | 1,427 |
| Other Reserves | | 2,172 | 2,172 | 2,172 | 2,172 |
| Life Policyholder Reserve Fund | 5 | 122,296 | (4,182) | 122,296 | (4,182) |
| Total Equity | | 2,235,586 | 2,113,112 | 2,229,791 | 2,113,112 |
| Liabilities | | | | | |
| Insurance Contract Liabilities - Life | 6 | 5,424,651 | 4,348,490 | 5,424,651 | 4,348,490 |
| Insurance Contract Liabilities - Non-Life | 7 | 1,226,019 | 1,011,102 | 1,226,019 | 1,011,102 |
| Employee Benefits | | 69,623 | 56,637 | 69,623 | 56,637 |
| Current Tax Liabilities | | 54,985 | 35,143 | 53,397 | 35,143 |
| Deferred Tax Liabilities | | 6,745 | - | 6,745 | - |
| Reinsurance Creditors | | 106,391 | 100,881 | 106,391 | 100,881 |
| Other Liabilities | | 372,383 | 394,298 | 372,383 | 394,298 |
| Total Liabilities | | 7,260,797 | 5,946,551 | 7,259,209 | 5,946,551 |
| Total Equity and Liabilities | | 9,496,382 | 8,059,663 | 9,488,999 | 8,059,663 |

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

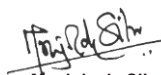


Vipula Dharmapala
Chief Financial Officer

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



Dr. Ranees Jayamaha
Chairperson



Manjula de Silva
Managing Director / Chief Executive Officer

Statements of Comprehensive Income - Group

| Year Ended 31 st Dec 2013 (Audited) Rs. '000 | <i>For the Nine Months Ended 30th September,</i> | Note | 2014 Rs. '000 Unaudited | 2013 Rs. '000 Unaudited | Change % |
|--|--|------|-------------------------------|-------------------------------|-------------|
| 3,877,730 | Gross Written Premium | 8 | 3,451,448 | 2,876,025 | 20 |
| (526,005) | Premium Ceded to Reinsurers | | (435,849) | (401,465) | 9 |
| 3,351,725 | Net Written Premium | | 3,015,599 | 2,474,560 | 22 |
| (82,544) | Net Change in Reserves for Unearned Premium | | (196,624) | (49,616) | 296 |
| 3,269,181 | Net Earned Premium | | 2,818,975 | 2,424,944 | 16 |
| | Other Revenue | | | | |
| 785,177 | Interest and Dividend Income | 9 | 618,065 | 587,120 | 5 |
| 53,411 | Net Realised Gains | | 22,233 | 9,938 | 124 |
| 13,099 | Net Fair Value Gains / (Losses) | | 90,794 | 3,187 | 2,749 |
| 72,900 | Fee and Commission Income | | 98,263 | 58,655 | 68 |
| 12,830 | Other Income | | 7,320 | 6,755 | 8 |
| 937,417 | | | 836,675 | 665,655 | 26 |
| 4,206,598 | Net Income | | 3,655,650 | 3,090,599 | 18 |
| | Net Benefits, Claims and Expenses | | | | |
| (1,558,659) | Net Insurance Benefits and Claims Paid | | (1,098,732) | (1,211,015) | (9) |
| (9,549) | Net Change in Insurance Claims Outstanding | | (30,499) | (4,792) | 536 |
| (724,829) | Change in Contract Liabilities - Life Fund | | (1,060,778) | (619,096) | 71 |
| (1,084,148) | Other Operating and Administration Expenses | | (907,728) | (772,116) | 18 |
| (381,259) | Underwriting and Net Acquisition Costs | | (349,017) | (284,185) | 23 |
| (23,061) | Other Insurance Related Costs | | (24,064) | (15,584) | 54 |
| (3,781,505) | Total Benefits, Claims and other Expenses | | (3,470,818) | (2,906,788) | 19 |
| 425,093 | Profit Before Taxation | | 184,832 | 183,811 | 1 |
| (35,970) | Income Tax Expenses | 10 | (26,589) | (28,833) | (8) |
| 389,123 | Profit for the Period | 11 | 158,243 | 154,978 | 2 |
| | Other Comprehensive Income | | | | |
| | <u>Investments classified as Available for Sale</u> | | | | |
| 38,065 | - Net Change in fair value of available-for-sale financial assets | | 130,269 | (3,414) | 3,916 |
| (45,838) | - Realized (Gains) / Loss transferred to Income Statement | | (3,038) | - | (100) |
| 2,991 | - Net Change in fair value of available-for-sale financial assets (transferred to) / from Life Policyholders Reserve | | (126,478) | (939) | (13,369) |
| 2,172 | Remeasurement of Defined Benefit Plans | | - | - | - |
| (2,610) | Total Other Comprehensive Income for the Period | | 753 | (4,353) | 117 |
| 386,513 | Total Comprehensive Income for the Period | | 158,996 | 150,625 | 6 |
| | Profit Attributable to: | | | | |
| 389,123 | Equity Holders of the Company | | 158,243 | 154,978 | 2 |
| | Total Comprehensive Income Attributable to: | | | | |
| 386,513 | Equity Holders of the Company | | 158,996 | 150,625 | 6 |
| 7.78 | Basic Earnings Per Share (Rs.) | 12 | 3.16 | 3.10 | 2 |

Statements of Comprehensive Income - Company

| Year Ended 31 st Dec 2013 (Audited) Rs. '000 | <i>For the Nine Months Ended 30th September,</i> | Note | 2014 Rs. '000 Unaudited | 2013 Rs. '000 Unaudited | Change % |
|--|--|------|-------------------------------|-------------------------------|-------------|
| 3,877,730 | Gross Written Premium | 8 | 3,451,448 | 2,876,025 | 20 |
| (526,005) | Premium Ceded to Reinsurers | | (435,849) | (401,465) | 9 |
| 3,351,725 | Net Written Premium | | 3,015,599 | 2,474,560 | 22 |
| (82,544) | Net Change in Reserves for Unearned Premium | | (196,624) | (49,616) | 296 |
| 3,269,181 | Net Earned Premium | | 2,818,975 | 2,424,944 | 16 |
| | Other Revenue | | | | |
| 785,177 | Interest and Dividend Income | 9 | 613,327 | 587,120 | 4 |
| 53,411 | Net Realised Gains | | 19,195 | 9,938 | 93 |
| 13,099 | Net Fair Value Gains / (Losses) | | 90,794 | 3,187 | 2,749 |
| 72,900 | Fee and Commission Income | | 98,263 | 58,655 | 68 |
| 12,830 | Other Income | | 7,320 | 6,755 | 8 |
| 937,417 | | | 828,899 | 665,655 | 25 |
| 4,206,598 | Net Income | | 3,647,874 | 3,090,599 | 18 |
| | Net Benefits, Claims and Expenses | | | | |
| (1,558,659) | Net Insurance Benefits and Claims Paid | | (1,098,732) | (1,211,015) | (9) |
| (9,549) | Net Change in Insurance Claims Outstanding | | (30,499) | (4,792) | 536 |
| (724,829) | Change in Contract Liabilities - Life Fund | | (1,060,778) | (619,096) | 71 |
| (1,084,148) | Other Operating and Administration Expenses | | (907,722) | (772,116) | 18 |
| (381,259) | Underwriting and Net Acquisition Costs | | (349,017) | (284,183) | 23 |
| (23,061) | Other Insurance Related Costs | | (24,064) | (15,586) | 54 |
| (3,781,505) | Total Benefits, Claims and other Expenses | | (3,470,812) | (2,906,788) | 19 |
| 425,093 | Profit Before Taxation | | 177,062 | 183,811 | (4) |
| (35,970) | Income Tax Expenses | 10 | (25,001) | (28,833) | (13) |
| 389,123 | Profit for the Period | 11 | 152,061 | 154,978 | (2) |
| | Other Comprehensive Income | | | | |
| | <u>Investments classified as Available for Sale</u> | | | | |
| 38,065 | - Net Change in fair value of available-for-sale financial assets | | 127,118 | (3,414) | 3,823 |
| (45,838) | - Realized (Gains) / Loss transferred to Income Statement | | - | - | - |
| 2,991 | - Net Change in fair value of available-for-sale financial assets (transferred to) / from Life Policyholders Reserve | | (126,478) | (939) | (13,369) |
| 2,172 | Remeasurement of Defined Benefit Plans | | - | - | - |
| (2,610) | Total Other Comprehensive Income for the Period | | 640 | (4,353) | 115 |
| 386,513 | Total Comprehensive Income for the Period | | 152,701 | 150,625 | 1 |
| | Profit Attributable to: | | | | |
| 389,123 | Equity Holders of the Company | | 152,061 | 154,978 | (2) |
| | Total Comprehensive Income Attributable to: | | | | |
| 386,513 | Equity Holders of the Company | | 152,701 | 150,625 | 1 |
| 7.78 | Basic Earnings Per Share (Rs.) | | | | |

Statement of Changes In Equity - Group

For the Period Ended 30th September 2014

| | Number of Shares '000 | Stated Capital Rs. '000 | Revenue Reserves Rs. '000 | Available for Sale Reserve Rs. '000 | Other Reserves Rs. '000 | Policyholders' Fund Rs. '000 | Total Equity Rs. '000 |
|---|-----------------------------|-------------------------------|---------------------------------|--|-------------------------------|------------------------------------|-----------------------------|
| Audited balance as at 31st December 2012 | 50,000 | 1,171,875 | 890,197 | 6,209 | - | (1,191) | 1,887,090 |
| Total Comprehensive Income for the Period | | | | | | | |
| Profit for the Period - Unaudited | - | - | 154,978 | - | - | - | 154,978 |
| Other Comprehensive Income for the year | | | | | | | |
| Net Change in fair value of available-for-sale financial assets | - | - | - | (3,414) | - | - | (3,414) |
| Net Change in fair value of available-for-sale financial assets - Transferred to/from Profit or Loss - Life Fund | - | - | - | (839) | - | - | (839) |
| Total Other Comprehensive Income for the Period | | | | | | | |
| Total Comprehensive Income for the Period | | | | | | | |
| 154,978 | - | - | 154,978 | (4,353) | - | 939 | 151,564 |
| Transactions with owners recorded directly in equity | | | | | | | |
| Distributions to owners of the Company | | | | | | | |
| Dividend paid to equity holders for 2012 | - | - | (137,500) | - | - | - | (137,500) |
| Unaudited Balance as at 30th September 2013 | 50,000 | 1,171,875 | 707,675 | 1,856 | - | (252) | 1,887,154 |
| Total Comprehensive Income for the Period | | | | | | | |
| Profit for the Period - Unaudited | - | - | 234,145 | - | - | - | 234,145 |
| Other Comprehensive Income for the period | | | | | | | |
| Net Change in fair value of available-for-sale financial assets | - | - | - | (4,359) | - | - | (4,359) |
| Net Change in fair value of available-for-sale financial assets - Transferred to/from Profit or Loss - Life Fund | - | - | - | 3,930 | - | (3,930) | - |
| Actuarial Gains/(Losses) on Defined Benefit Plans | - | - | - | - | 2,172 | - | 2,172 |
| Total Other Comprehensive Income for the year | | | | | | | |
| (429) | - | - | - | (429) | 2,172 | (3,930) | (2,187) |
| Unaudited balance as at 31st December 2013 | 50,000 | 1,171,875 | 941,820 | 1,427 | 2,172 | (4,182) | 2,113,112 |
| Total Comprehensive Income for the Period | | | | | | | |
| Profit for the Period - Unaudited | - | - | 158,243 | - | - | - | 158,243 |
| Share Issue Transaction cost | - | - | (500) | - | - | - | (500) |
| Other Comprehensive Income for the Period | | | | | | | |
| Net Change in fair value of available-for-sale financial assets | - | - | - | 127,231 | - | - | 127,231 |
| Net Change in fair value of available-for-sale financial assets - Transferred to/from Profit or Loss - Life Fund | - | - | - | (126,478) | - | - | (126,478) |
| Total Other Comprehensive Income for the Period | | | | | | | |
| 157,743 | - | - | 157,743 | 753 | - | 126,478 | 127,231 |
| Total Comprehensive Income for the Period | | | | | | | |
| 157,743 | - | - | 157,743 | 753 | - | 126,478 | 284,974 |
| Transactions with owners recorded directly in equity | | | | | | | |
| Distributions to owners of the Company | | | | | | | |
| Dividend paid to equity holders for 2013 | - | - | (162,500) | - | - | - | (162,500) |
| Unaudited balance as at 30th September 2014 | 50,000 | 1,171,875 | 937,063 | 2,180 | 2,172 | 122,296 | 2,235,586 |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

Stated Capital represents 50 Million Ordinary Shares (as at 31st December 2013 - 50 Million Ordinary Shares)

Note A

Dividend declared and paid during the period was not taken for calculation of Dividend Per Share in 2014 as it represents the dividend for 2013.

Statement of Changes In Equity - Company

For the Period Ended 30th September 2014

| | Number of Shares | Stated Capital | Revenue Reserves | Available for Sale Reserve | Other Reserves | Life Policyholders' Reserve Fund | Total Equity |
|---|---------------------|-------------------|---------------------|----------------------------------|-------------------|---|-----------------|
| | '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 |
| Audited balance as at 31st December 2012 | 50,000 | 1,171,875 | 690,197 | 6,209 | - | (1,191) | 1,867,090 |
| Total Comprehensive Income for the Period | | | | | | | |
| Profit for the Period - Unaudited | - | - | 154,978 | - | - | - | 154,978 |
| Other Comprehensive Income for the year | | | | | | | |
| Net Change in fair value of available-for-sale financial assets | - | - | - | (3,414) | - | - | (3,414) |
| Net Change in fair value of available-for-sale financial assets - Transferred to/from Profit or Loss - Life Fund | - | - | - | (939) | - | 939 | - |
| Total Other Comprehensive Income for the Period | - | - | 154,978 | (4,353) | - | 939 | (3,414) |
| Total Comprehensive Income for the Period | - | - | 154,978 | (4,353) | - | 939 | 151,564 |
| Transactions with owners recorded directly in equity | | | | | | | |
| Distributions to owners of the Company | | | | | | | |
| Dividend paid to equity holders for 2012 | - | - | (137,500) | - | - | - | (137,500) |
| Unaudited Balance as at 30th September 2013 | 50,000 | 1,171,875 | 707,675 | 1,856 | - | (232) | 1,881,154 |
| Total Comprehensive Income for the Period | | | | | | | |
| Profit for the Period - Unaudited | - | - | 234,145 | - | - | - | 234,145 |
| Other Comprehensive Income for the period | | | | | | | |
| Net Change in fair value of available-for-sale financial assets | - | - | - | (4,359) | - | - | (4,359) |
| Net Change in fair value of available-for-sale financial assets - Transferred to/from Profit or Loss - Life Fund | - | - | - | 3,930 | - | (3,930) | - |
| Actuarial Gains/(Losses) on Defined Benefit Plans | - | - | - | - | 2,172 | - | 2,172 |
| Total Other Comprehensive Income for the year | - | - | - | (429) | 2,172 | (3,930) | (2,187) |
| Audited balance as at 31st December 2013 | 50,000 | 1,171,875 | 941,820 | 1,427 | 2,172 | (4,182) | 2,113,112 |
| Total Comprehensive Income for the Period | | | | | | | |
| Profit for the Period - Unaudited | - | - | 152,061 | - | - | - | 152,061 |
| Other Comprehensive Income for the Period | | | | | | | |
| Net Change in fair value of available-for-sale financial assets | - | - | - | 127,118 | - | - | 127,118 |
| Net Change in fair value of available-for-sale financial assets - Transferred to/from Profit or Loss - Life Fund | - | - | - | (126,478) | - | 126,478 | - |
| Total Other Comprehensive Income for the Period | - | - | 152,061 | 640 | - | 126,478 | 127,118 |
| Total Comprehensive Income for the Period | - | - | 152,061 | 640 | - | 126,478 | 279,179 |
| Transactions with owners recorded directly in equity | | | | | | | |
| Distributions to owners of the Company | | | | | | | |
| Dividend paid to equity holders for 2013 | - | - | (162,500) | - | - | - | (162,500) |
| Unaudited balance as at 30th September 2014 | 50,000 | 1,171,875 | 931,381 | 2,067 | 2,172 | 122,296 | 2,229,791 |

Stated Capital represents 50 Million Ordinary Shares (as at 31st December 2013 - 50 Million Ordinary Shares)

Note A

Dividend declared and paid during the period was not taken for calculation of Dividend Per Share in 2014 as it represents the dividend for 2013.

Cash Flow Statement

| | Note | Group | | Company | |
|---|------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | Unaudited 2014 Rs. '000 | Unaudited 2013 Rs. '000 | Unaudited 2014 Rs. '000 | Unaudited 2013 Rs. '000 |
| For the period ended 30th September, | | | | | |
| Cash Flow From Operating Activities | | | | | |
| Profit Before Taxation | | 184,832 | 183,811 | 177,062 | 183,811 |
| Adjustments for: | | | | | |
| Interest Income | | (606,692) | (570,325) | (598,916) | (570,325) |
| Dividend Income | | (12,767) | (16,795) | (12,767) | (16,795) |
| Amortisation of Intangible Assets | | 12,064 | 11,946 | 12,064 | 11,946 |
| Depreciation | | 30,855 | 26,648 | 30,855 | 26,648 |
| Provision for Employee Benefits | | 16,706 | 10,471 | 16,706 | 10,471 |
| Net Fair Value Gains | | (50,152) | (15,047) | (50,152) | (15,047) |
| Net (Gain)/Loss on Investments at Fair Value Through Profit or Loss | | (61,479) | 3,298 | (61,479) | 3,298 |
| Net Gain on Sale of Available For Sale securities | | - | (1,377) | - | (1,377) |
| Net (Gain)/Loss on Sale of Property, Plant and Equipment | | (38) | (3,267) | (38) | (3,267) |
| | | <u>(486,672)</u> | <u>(370,637)</u> | <u>(486,666)</u> | <u>(370,637)</u> |
| Change in Operating Assets | A | (218,517) | (126,958) | (218,063) | (126,958) |
| Change in Operating Liabilities | B | 1,286,766 | 630,279 | 1,286,766 | 630,279 |
| Cash Flows from Operating Activities | | 581,577 | 132,684 | 582,037 | 132,684 |
| Gratuity Paid | | (3,720) | (1,714) | (3,720) | (1,714) |
| Net Cash Generated from Operating Activities | | <u>577,857</u> | <u>130,970</u> | <u>578,317</u> | <u>130,970</u> |
| Cash Flows from Investing Activities | | | | | |
| Net Acquisition of Investment Securities | | (1,044,395) | (634,837) | (939,154) | (634,837) |
| Investment in Subsidiary | | - | - | (100,000) | - |
| Interest Received | | 615,084 | 613,518 | 607,762 | 613,518 |
| Dividend Received | | 12,767 | 16,795 | 12,767 | 16,795 |
| Acquisition of Intangible Assets | | (5,964) | - | (5,964) | - |
| Acquisition of Property, Plant and Equipment | | (25,122) | (43,265) | (25,122) | (43,265) |
| Proceeds from the Sale of Property, Plant and Equipment | | 33 | 3,731 | 33 | 3,731 |
| Net Cash Generated from (Used in) Investing Activities | | <u>(447,597)</u> | <u>(44,058)</u> | <u>(449,678)</u> | <u>(44,058)</u> |
| Cash Flows from Financing Activities | | | | | |
| Dividend Paid | | (162,500) | (137,500) | (162,500) | (137,500) |
| Net Cash Used in Financing Activities | | <u>(162,500)</u> | <u>(137,500)</u> | <u>(162,500)</u> | <u>(137,500)</u> |
| Net Decrease in Cash and Cash Equivalents | C | (32,241) | (50,586) | (33,862) | (50,586) |
| Cash and Cash Equivalents at the beginning of the Period | | 144,087 | 209,271 | 144,087 | 209,271 |
| Cash and Cash Equivalents at the end of the Period | | <u>111,846</u> | <u>158,685</u> | <u>110,225</u> | <u>158,685</u> |
| Notes to the Cash Flow Statement | | | | | |
| A. Change in Operating Assets | | | | | |
| Increase in Deferred Expenses | | (19,177) | (7,227) | (19,177) | (7,227) |
| Increase in Loans to Life Policyholders | | (14,741) | (16,227) | (14,741) | (16,227) |
| (Increase)/Decrease in Reinsurance Receivables | | (24,381) | 15,260 | (24,381) | 15,260 |
| Increase in Premium Receivables | | (31,922) | (11,185) | (31,922) | (11,185) |
| Increase in Other Assets | | (128,296) | (107,579) | (127,842) | (107,579) |
| | | <u>(218,517)</u> | <u>(126,958)</u> | <u>(218,063)</u> | <u>(126,958)</u> |
| B. Change in Operating Liabilities | | | | | |
| Increase /(Decrease) Other Liabilities | | 15,868 | (83,548) | 15,868 | (83,548) |
| Increase in Insurance Contract Liabilities - Non Life | | 204,610 | 59,378 | 204,610 | 59,378 |
| Increase in life Insurance Fund | | 1,060,778 | 619,096 | 1,060,778 | 619,096 |
| Increase in Reinsurance Creditors | | 5,510 | 35,353 | 5,510 | 35,354 |
| | | <u>1,286,766</u> | <u>630,280</u> | <u>1,286,766</u> | <u>630,280</u> |
| C. Decrease in Cash and Cash Equivalents | | | | | |
| Net Cash and Cash Equivalents at the end of the Period | | 111,846 | 158,685 | 110,225 | 158,685 |
| Net Cash and Cash Equivalents at 1st January | | 144,087 | 209,271 | 144,087 | 209,271 |
| Net Decrease in Cash and Cash Equivalents | | <u>(32,241)</u> | <u>(50,586)</u> | <u>(33,862)</u> | <u>(50,586)</u> |

Statements of Comprehensive Income

For the Three Months Ended 30th September ,

| | Note | Group | | | Company | | |
|---|------|-------------------------------|-------------------------------|-------------|-------------------------------|-------------------------------|-------------|
| | | Unaudited 2014 Rs. '000 | Unaudited 2013 Rs. '000 | Change % | Unaudited 2014 Rs. '000 | Unaudited 2013 Rs. '000 | Change % |
| Gross Written Premium | 8 | 1,196,657 | 1,057,403 | 13 | 1,196,657 | 1,057,403 | 13 |
| Premium Ceded to Reinsurers | | (146,074) | (129,802) | 13 | (146,074) | (129,802) | 13 |
| Net Written Premium | | 1,050,583 | 927,601 | 13 | 1,050,583 | 927,601 | 13 |
| Net Change in Reserves for Unearned Premium | | (59,099) | (10,685) | 453 | (59,099) | (10,685) | 453 |
| Net Earned Premium | | 991,484 | 916,916 | 8 | 991,484 | 916,916 | 8 |
| Other Revenue | | | | | | | |
| Interest and Dividend Income | 9 | 211,650 | 199,679 | 6 | 209,104 | 199,679 | 5 |
| Net Realised Gains | | 15,392 | 8,040 | 91 | 12,354 | 8,040 | 54 |
| Net Fair Value Gains / (Losses) | | 58,139 | (20,911) | (378) | 58,139 | (20,911) | (378) |
| Fee and Commission Income | | 26,798 | 10,465 | 156 | 26,798 | 10,465 | 156 |
| Other Income | | 3,024 | 3,587 | (16) | 3,024 | 3,587 | (16) |
| | | 315,003 | 200,860 | 57 | 309,419 | 200,860 | 54 |
| Net Income | | 1,306,487 | 1,117,776 | 17 | 1,300,903 | 1,117,776 | 16 |
| Net Benefits, Claims and Expenses | | | | | | | |
| Net Insurance Benefits and Claims Paid | | (419,074) | (585,187) | (28) | (419,074) | (585,187) | (28) |
| Net Change in Insurance Claims Outstanding | | (1,244) | 9,684 | (113) | (1,244) | 9,684 | (113) |
| Change in Contract Liabilities - Life Fund | | (373,052) | (129,961) | 187 | (373,052) | (129,961) | 187 |
| Other Operating and Administration Expenses | | (326,492) | (256,472) | 27 | (326,491) | (256,472) | 27 |
| Underwriting and Net Acquisition Costs | | (119,894) | (93,349) | 28 | (119,894) | (93,349) | 28 |
| Other Insurance Related Costs | | (8,760) | (5,983) | 46 | (8,760) | (5,983) | 46 |
| Total Benefits, Claims and other Expenses | | (1,248,516) | (1,061,268) | 18 | (1,248,515) | (1,061,268) | 18 |
| Profit Before Taxation | | 57,971 | 56,508 | 3 | 52,388 | 56,508 | (7) |
| Income Tax Expenses | 10 | (7,744) | (6,325) | 22 | (6,768) | (6,325) | 7 |
| Profit for the Period | 11 | 50,227 | 50,183 | 0 | 45,620 | 50,183 | (9) |
| Other Comprehensive Income | | | | | | | |
| <u>Investments classified as Available for Sale</u> | | | | | | | |
| - Net Change in fair value of available-for-sale financial assets | | 107,355 | (13,558) | 892 | 104,604 | (13,558) | 872 |
| - Realized (Gains) / Loss transferred to Income Statement | | (3,038) | - | (100) | - | - | - |
| - Net Change in fair value of available-for-sale financial assets(transferred to)/from Life Policyholders Reserve | | (102,956) | 7,405 | (1,490) | (102,956) | 7,405 | (1,490) |
| Total Other Comprehensive Income for the Period | | 1,361 | (6,153) | 122 | 1,648 | (6,153) | 127 |
| Total Comprehensive Income for the Period | | 51,588 | 44,030 | 17 | 47,268 | 44,030 | 7 |
| Profit Attributable to: | | | | | | | |
| Equity Holders of the Company | | 50,227 | 50,183 | 0 | 45,620 | 50,183 | (9) |
| Total Comprehensive Income Attributable to: | | | | | | | |
| Equity Holders of the Company | | 51,588 | 44,030 | 17 | 47,268 | 44,030 | 7 |
| Basic Earnings Per Share (Rs.) | 12 | 1.00 | 1.00 | 0 | | | |

Statement Of Financial Position Of The Life Insurance Fund - Supplemental

| | Note | as at 30 th Sep 2014 Unaudited Rs. '000 | as at 31 st Dec 2013 Audited Rs. '000 |
|---------------------------------------|-------|---|---|
| Assets | | | |
| Financial Investments | 3 (a) | 5,453,332 | 4,270,218 |
| Loans to Life Policyholders | | 68,397 | 53,656 |
| Reinsurance Receivables | | 34,030 | 23,626 |
| Premium Receivables | | 8,540 | 6,710 |
| Other Assets | | 197,511 | 169,034 |
| Cash and Cash Equivalents | | 59,476 | 74,705 |
| Total Assets | | 5,821,286 | 4,597,949 |
| Equity | | | |
| Life Policyholder Reserve Fund | 5 | 122,296 | (4,182) |
| Other Reserves | | 928 | 928 |
| Total Equity | | 123,224 | (3,254) |
| Liabilities | | | |
| Insurance Contract Liabilities - Life | 6 | 5,424,651 | 4,348,490 |
| Employee Benefits | | 12,410 | 6,747 |
| Reinsurance Creditors | | 37,286 | 24,849 |
| Other Liabilities | | 223,715 | 221,117 |
| Total Liabilities | | 5,698,062 | 4,601,203 |
| Total Equity and Liabilities | | 5,821,286 | 4,597,949 |

Notes to the Condensed Consolidated Interim Financial Statements

1 Figures in these Condensed Consolidated Interim Financial Statements for the period ended 30th September 2014 are provisional and unaudited.

2 These Condensed Interim Financial Statements of the Company have been prepared in accordance with new Sri Lanka Accounting Standards (SLAS) prefixed both SLFRS (corresponding to IFRS) and LKAS (corresponding to IAS), promulgated by the Institute of Chartered Accountants of Sri Lanka (ICASL) 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 - 2013 have been followed in preparation of these Condensed Consolidated Interim Financial Statements except for the change in accounting policy as explained in Note number 4.

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

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

3 INVESTMENTS

| | GROUP | | COMPANY | |
|---|--|---|--|---|
| | As at 30th Sep. 2014 Unaudited Rs. '000 | As at 31st Dec 2013 Unaudited Rs. '000 | As at 30th Sep. 2014 Unaudited Rs. '000 | As at 31st Dec 2013 Audited Rs. '000 |
| | Held-to-maturity financial assets, at amortised cost | 764,742 | 931,680 | 764,742 |
| Loans & Receivables | 4,916,843 | 4,745,790 | 4,830,455 | 4,745,790 |
| Available-for-sale financial assets | 1,754,059 | 644,889 | 1,734,639 | 644,889 |
| Financial assets at fair value through profit or loss | 495,660 | 334,079 | 495,660 | 334,079 |
| | 7,931,304 | 6,656,438 | 7,825,496 | 6,656,438 |

Notes to the Condensed Consolidated Interim Financial Statements

3 a) INVESTMENTS - GROUP/COMPANY

| | LONG TERM INSURANCE | |
|---|---------------------|------------------|
| | As at | As at |
| | 30th Sep 2014 | 31st Dec 2013 |
| | Unaudited | Audited |
| | Rs. '000 | Rs. '000 |
| Held-to-maturity financial assets, at amortised cost | 517,640 | 630,292 |
| Loans & Receivables | 3,018,583 | 2,930,948 |
| Available-for-sale financial assets | 1,630,550 | 512,930 |
| Financial assets at fair value through profit or loss | 286,559 | 196,048 |
| | <u>5,453,332</u> | <u>4,270,218</u> |

4 INVESTMENT IN SUBSIDIARY

The Company has incorporated a fully owned subsidiary, HNB General Insurance Ltd., on 30th January 2014 in order to transfer the General Insurance (Non – Life Insurance) business w.e.f. 1st January 2015 in line with the requirement to segregate Life and General Insurance (Non – Life Insurance) business as required by the RII (Amendment) Act No. 03 of 2011.

HNB Assurance PLC invested Rs. 100 Million in line with the regulatory requirements in the said subsidiary company on 20th March 2014. The subsidiary company, HNB General Insurance Ltd., does not have any commercial operations as at the reporting date except for the investments made using the Stated Capital.

4.1 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 has been adjusted to conform with the group's accounting policies when necessary.

5 LIFE POLICYHOLDER RESERVE FUND

Life Policyholder Reserve Fund includes the initial impact of the implementation of new accounting standards w.e.f. 1st January 2012 and the Other Comprehensive Income in respect of Life Insurance related assets.

6 INSURANCE CONTRACT LIABILITIES - LIFE

6 a) Insurance Contract Liabilities - Life

| | As at | As at |
|----------------------------------|------------------|------------------|
| | 30th Sep 2014 | 31st Dec 2013 |
| | Unaudited | Audited |
| | Rs. '000 | Rs. '000 |
| Life Insurance Fund (Note 6.a.1) | 5,332,514 | 4,271,736 |
| Claims Outstanding | 92,137 | 76,754 |
| | <u>5,424,651</u> | <u>4,348,490</u> |

6 a.1) Life Insurance Fund

The movement in the Life Insurance Fund is as follows:

| | | |
|---|------------------|------------------|
| Balance as at the beginning of the Period | 4,271,736 | 3,546,907 |
| <i>Change in Contract Liabilities Life Fund</i> | | |
| Increase in Life Insurance Fund Before Surplus Distribution to Shareholders | 1,060,778 | 906,318 |
| Surplus Distributed to Shareholders | - | (181,489) |
| Increase in Life Insurance Fund | <u>1,060,778</u> | <u>724,829</u> |
| Balance as at the end of the period | <u>5,332,514</u> | <u>4,271,736</u> |

Notes to the Condensed Consolidated Interim Financial Statements

6 b) Pending valuation of the Insurance Contract Liabilities - Life Fund by the Consultant Actuary for the period ended 30th September 2014. However, the valuation of the Insurance Contract Liabilities - Life Fund has been carried out by the Consultant Actuary for the period ended 30th June 2014 and adequate provisions have been made in these Condensed Consolidated Interim Financial Statements.

6 c) Liability Adequacy Test

The Company has not carried out a Liability Adequacy Test (LAT) in respect of Insurance Contract Liability of Life Fund as required by SLFRS 4 - Insurance Contracts as at 30th September 2014. As stated in the Annual Report 2013, LAT will be performed semi-annually.

6 d) As disclosed in note 5, unrealised gains and losses of Available for Sale finance assets of Life Insurance is included under Life Policyholders Reserve Fund in Equity.

7 INSURANCE CONTRACT LIABILITIES - NON-LIFE

7 a) Insurance Contract Liabilities - Non Life (Group / Company)

| | As at 30th Sep. 2014 Unaudited Rs. '000 | As at 31st Dec 2013 Audited Rs. '000 |
|---------------------------------------|--|---|
| Reserves for Net Unearned Premium | 943,670 | 753,237 |
| Reserves for Title Insurance | 16,573 | 22,370 |
| Reserves for Gross Outstanding Claims | 265,776 | 235,495 |
| Total | <u>1,226,019</u> | <u>1,011,102</u> |

7 b) Pending valuation of the Insurance Contract Liabilities - Non Life Fund by the Consultant Actuary for the period ended 30th September 2014. However, the valuation of the Insurance Contract Liabilities - Non Life Fund has been carried out by the Consultant Actuary for the period ended 30th June 2014 and adequate provisions have been made in these Interim Financial Statements.

7 c) Liability Adequacy Test

The Company has not carried out a Liability Adequacy Test (LAT) in respect of Insurance Contract Liability of Non Life Fund as required by SLFRS 4 - Insurance Contracts as at 30th September 2014. As stated in the Annual Report 2013, LAT will be performed semi-annually.

8 GROSS WRITTEN PREMIUM - GROUP / COMPANY

| 31st Dec 2013 Audited Rs. '000 | For the Nine Months Ended | | For the Three Months Ended | |
|--------------------------------------|---|---|---|---|
| | 30th Sep. 2014 Unaudited Rs. '000 | 30th Sep. 2013 Unaudited Rs. '000 | 30th Sep. 2014 Unaudited Rs. '000 | 30th Sep. 2013 Unaudited Rs. '000 |
| Non Life Insurance | | | | |
| 317,718 | 263,839 | 242,611 | 84,104 | 70,160 |
| 1,286,666 | 1,193,474 | 933,203 | 457,539 | 328,453 |
| 23,311 | 22,091 | 21,378 | 10,216 | 10,638 |
| 235,488 | 229,031 | 181,049 | 35,710 | 42,578 |
| <u>1,863,183</u> | <u>1,708,435</u> | <u>1,378,241</u> | <u>587,569</u> | <u>451,829</u> |
| Life Insurance | | | | |
| 1,983,698 | 1,720,218 | 1,477,005 | 602,497 | 600,024 |
| 30,849 | 22,795 | 20,779 | 6,591 | 5,550 |
| <u>2,014,547</u> | <u>1,743,013</u> | <u>1,497,784</u> | <u>609,088</u> | <u>605,574</u> |
| <u>3,877,730</u> | <u>3,451,448</u> | <u>2,876,025</u> | <u>1,196,657</u> | <u>1,057,403</u> |

Notes to the Condensed Consolidated Interim Financial Statements

9 INTEREST AND DIVIDEND INCOME - GROUP

| 31st Dec 2013 Unaudited Rs. '000 | | For the Nine Months Ended | | For the Three Months Ended | |
|--|-----------------|---|---|---|---|
| | | 30th Sep. 2014 Unaudited Rs. '000 | 30th Sep. 2013 Unaudited Rs. '000 | 30th Sep. 2014 Unaudited Rs. '000 | 30th Sep. 2013 Unaudited Rs. '000 |
| | | 766,566 | Interest Income | 605,298 | 570,325 |
| 18,611 | Dividend Income | 12,767 | 16,795 | 3,370 | 4,247 |
| 785,177 | Total | 618,065 | 587,120 | 211,650 | 199,679 |

9.a INTEREST AND DIVIDEND INCOME - COMPANY

| 31st Dec 2013 Audited Rs. '000 | | For the Nine Months Ended | | For the Three Months Ended | |
|--------------------------------------|-----------------|---|---|---|---|
| | | 30th Sep. 2014 Unaudited Rs. '000 | 30th Sep. 2013 Unaudited Rs. '000 | 30th Sep. 2014 Unaudited Rs. '000 | 30th Sep. 2013 Unaudited Rs. '000 |
| | | 766,566 | Interest Income | 600,560 | 570,325 |
| 18,611 | Dividend Income | 12,767 | 16,795 | 3,370 | 4,247 |
| 785,177 | Total | 613,327 | 587,120 | 209,104 | 199,679 |

10 INCOME TAX EXPENSES

The Company and the Group is liable to pay income tax at the rate of 28% (2013 - 28%) of its taxable profits in accordance with the provisions of the Inland Revenue Act, No. 10 of 2006 and subsequent amendments thereto.

11 SEGMENTAL PROFIT AFTER TAX - GROUP

| 31st Dec 2013 Unaudited Rs. '000 | Insurance Segment | For the Nine Months Ended | | For the Three Months Ended | |
|--|-------------------|---|---|---|---|
| | | 30th Sep. 2014 Unaudited Rs. '000 | 30th Sep. 2013 Unaudited Rs. '000 | 30th Sep. 2014 Unaudited Rs. '000 | 30th Sep. 2013 Unaudited Rs. '000 |
| | | 207,634 | Non- Life Insurance | 158,243 | 154,978 |
| 181,489 | Life Insurance* | - | - | - | - |
| 389,123 | Total | 158,243 | 154,978 | 50,227 | 50,183 |

11.a SEGMENTAL PROFIT AFTER TAX - COMPANY

| 31st Dec 2013 Audited Rs. '000 | Insurance Segment | For the Nine Months Ended | | For the Three Months Ended | |
|--------------------------------------|-------------------|---|---|---|---|
| | | 30th Sep. 2014 Unaudited Rs. '000 | 30th Sep. 2013 Unaudited Rs. '000 | 30th Sep. 2014 Unaudited Rs. '000 | 30th Sep. 2013 Unaudited Rs. '000 |
| | | 207,634 | Non- Life Insurance | 152,061 | 154,978 |
| 181,489 | Life Insurance* | - | - | - | - |
| 389,123 | Total | 152,061 | 154,978 | 45,620 | 50,183 |

*Company has not recognised a profit for the Life Insurance business for the period ended 30th September 2014. According to the Life Insurance Business practice, a profit will be recognised at the end of each year based on the recommendation made by the Life Insurance Consultant Actuary after the year end valuation of the Life Insurance Fund.

12 BASIC EARNINGS PER SHARE (EPS) - GROUP

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.

| 31st Dec 2013 Unaudited | Insurance Segment | For the Nine Months Ended | | For the Three Months Ended | |
|----------------------------|--|-----------------------------|----------------------------------|-----------------------------|-----------------------------|
| | | 30th Sep. 2014 Unaudited | 30th Sep. 2013 Unaudited | 30th Sep. 2014 Unaudited | 30th Sep. 2013 Unaudited |
| | | 389,123 | Profit for the period (Rs. '000) | 158,243 | 154,978 |
| 50,000 | Weighted average number of shares ('000) | 50,000 | 50,000 | 50,000 | 50,000 |
| 7.78 | Basic Earnings Per Share (Rs.) | 3.16 | 3.10 | 1.00 | 1.00 |

Notes to the Condensed Consolidated Interim Financial Statements

13 RELATED PARTY DISCLOSURE

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

| | | 30th Sep. 2014 Rs. '000 Unaudited | 30th Sep. 2013 Rs. '000 Unaudited |
|--|----------|--|---|
| Insurance Premium | Non Life | 5,456 | 7,494 |
| | Life | 10,976 | 10,002 |
| Investment Income | Non Life | 5,008 | 4,343 |
| | Life | 15,841 | 9,903 |
| Administration Expenses | Non Life | 68,837 | 69,526 |
| | Life | 45,862 | 31,284 |
| Claims Incurred | Non Life | 6,843 | 4,880 |
| Rent and other Expenses | | 37,793 | 36,603 |
| Dividend Paid | | 97,477 | 82,481 |
| Nature of Transaction | | As at 30th Sep. 2014 Rs. '000 Unaudited | As at 31st Dec 2013 Rs. '000 Audited |
| Investments Balance (Includes Deposits and Debentures) | Non Life | 112,322 | 118,788 |
| | Life | 103,839 | 99,553 |
| Cash at Bank Balances | Non Life | 42,801 | 74,959 |
| | Life | 107,836 | 97,095 |

b) Transactions with Key Management Personnel of the Company or its Parent Hatton National Bank PLC

Mr. J E P A de Silva, a Director of HNB Assurance PLC has resigned from the Board w.e.f. 21st May 2014. However, he will continue to be a Key Management Person, since he has been appointed as a Director of the Subsidiary Company (HNB General Insurance Ltd.) w.e.f. 2nd June 2014.

Also Dr. Sivakumar Selliah was appointed to the Board w.e.f. 17th June 2014. Accordingly, he has been considered as Key Management Person of the Company w.e.f. 17th June 2014.

The nature of the related party transactions in the current period was similar to those reported in the Audited Financial Statements - 2013 except for the above change.

14 EVENTS OCCURRING AFTER THE REPORTING DATE

M/s PricewaterhouseCoopers have tendered their resignation from being the External Auditor of HNB Assurance PLC and its fully own subsidiary, HNB General Insurance Ltd. At a meeting held on 31st October 2014, this resignation was accepted by the Board of HNB Assurance PLC with effect from 31st October 2014. Further M/s Ernst & Young, Chartered Accountants have been appointed as the External Auditor of the both Companies for the financial year ending 31st December 2014, with effect from 31st October 2014.

There have been no material events occurring after the Reporting date that require adjustments to or disclosure in the Condensed Consolidated Interim Financial Statements other than those disclosed above

Notes to the Condensed Consolidated Interim Financial Statements

15 CAPITAL COMMITMENTS AND CONTINGENCIES

- a) As at the end of the interim period, no material capital expenditure approved by the Board and contracted for which no provision has been made in the Condensed Consolidated Interim Financial Statements. (2013 - Nil).
- b) Future commitments on operating leases

| | As at 30th Sep. 2014 Unaudited Rs. '000 | As at 31st Dec 2013 Audited Rs. '000 |
|-----------------------------------|--|---|
| Less than one year | 30,587 | 20,869 |
| Between one and five years | 44,609 | 42,832 |
| More than five years | - | 979 |
| Total Operating Lease Commitments | <u>75,196</u> | <u>64,680</u> |

- c) 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 Condensed Interim Financial Statements where necessary.

16 COMPARATIVE INFORMATION

The presentation and classification of following items in these Condensed Interim Financial Statements are amended to ensure comparability with the current year information.

| For the Nine Months Ended 30th September, As reported previously (2013 Interim Financial Statements) | 30th Sep. 2013 (Unaudited) |
|---|----------------------------------|
| Net Insurance Benefits and Claims Paid | (1,212,969) |
| Net Change in Insurance Claims Outstanding | (2,839) |
| Other Operating and Administration Expenses | (735,511) |
| Underwriting and Net Acquisition Costs | (320,787) |

| For the Nine Months Ended 30th September , Current Presentation | 30th Sep. 2014 (Unaudited) Rs. '000 | 30th Sep. 2013 (Unaudited) Rs. '000 |
|--|--|--|
| Net Insurance Benefits and Claims Paid | (Note 16.1) (1,098,732) | (1,211,015) |
| Net Change in Insurance Claims Outstanding | (Note 16.1) (30,499) | (4,792) |
| Other Operating and Administration Expenses | (Note 16.2) (907,728) | (772,116) |
| Underwriting and Net Acquisition Costs | (Note 16.2) (349,017) | (284,185) |

16.1 Change in IBNR claims reserve was classified under Net Insurance Benefits and Claims Paid previously. Since the change in IBNR claims reserve is a part of claims outstanding reserves, it is now classified under Net Change in Insurance Claims Outstanding.

16.2 Sales Promotion was classified under Underwriting and Net Acquisition Costs previously. However, Sales Promotion has been now classified under Other Operating and Administration Expenses.

Share Information

Top 20 Shareholders

| Name of the Shareholder | As at 30 th September 2014 | |
|---|---------------------------------------|--------------------|
| | Shareholding | % on Issued Shares |
| 01 Hatton National Bank PLC A/c No. | 129,993,000 | 59.99% |
| 03 The Ceylon Guardian Investment Trust PLC A/c No. | 22,000,000 | 4.00% |
| 02 Mercantile Merchant Bank Ltd | 913,265 | 1.83% |
| 04 Bank of Ceylon A/c Ceybank Century Growth Fund | 582,703 | 1.17% |
| 05 Mr. Mohamed Faizer Hashim | 530,534 | 1.06% |
| 06 Janashakthi Insurance PLC (Share Holders) | 510,248 | 1.02% |
| 07 Salamander Investments (Pvt) Ltd. | 475,000 | 0.95% |
| 08 Pershing LLC S/A Averbach Grauson & Co. | 429,000 | 0.86% |
| 09 Arunodhaya Industries (Pvt) Ltd. | 400,000 | 0.80% |
| 10 Arunodhaya (Pvt) Ltd. | 400,000 | 0.80% |
| 11 Arunodhaya Investments (Pvt) Ltd. | 400,000 | 0.80% |
| 12 Union Assurance PLC/No. 1 A/c | 336,266 | 0.67% |
| 13 Waldock Mackenzie Ltd/Mr S.N.P.Palihena and Mrs. A.S. Palihena | 300,000 | 0.60% |
| 14 Phoenix Ventures Ltd. | 258,130 | 0.52% |
| 15 Corporate Holdings (Pvt) Ltd. | 242,700 | 0.49% |
| 16 Mr. Kailasapillai Viswanathar | 200,000 | 0.40% |
| 17 Mrs. Kailasapillai Abiramipillai | 200,000 | 0.40% |
| 18 Miss. Subramaniam Sivamalar | 200,000 | 0.40% |
| 19 Mrs. Selliah Arunthathi | 200,000 | 0.40% |
| 20 Andysel Private Limited | 200,000 | 0.40% |
| | <u>38,770,846</u> | <u>77.56%</u> |

Public Shareholding

| | As at 30 th September 2014 | |
|------------------|---------------------------------------|--------------------|
| | No. of Shares | % on Issued Shares |
| Number of Shares | 19,570,222 | 39.14 |

Directors' Shareholdings

| Name of the Director | No. of Shares as at 30 th June 2014 |
|--|--|
| Dr. Raneer Jayamaha - (Chairperson) | 100 |
| Mr. Manjula de Silva - (Managing Director / Chief Executive Officer) | 38,332 |
| Mr. M U de Silva | 3,000 |
| Mr. Sarath Ratwatte | 14,666 |
| Mr. A J Alles | 1,000 |
| Mr. J A P M Jayasekara | 5,000 |
| Mr. K Balasundaram | 10,000 |
| Mr. D P N Rodrigo | 180 |
| Mrs. S N Wickramasinghe | 52,500 |
| Dr. S Selliah | 100,000 |

Share Information (Contd.)

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 2014 | 44.71 |
| Highest Price Per Share for the Interim Period | 90.00 |
| Lowest Price Per Share for the Interim Period | 70.00 |
| Last traded Price Per Share as at 30th September 2014 | 88.10 |