

**DFCC Bank**

**Income Statement**

For the six months ended	Bank				Group			
	For the Six months ended		For the quarter ended		For the Six months ended		For the quarter ended	
	30.09.08 Rs 000	30.09.07 Rs 000	30.09.08 Rs 000	30.09.07 Rs 000	30.09.08 Rs 000	30.09.07 Rs 000	30.09.08 Rs 000	30.09.07 Rs 000
<b>Income</b>	<b>5,052,522</b>	<b>4,544,182</b>	<b>2,585,213</b>	<b>2,315,583</b>	<b>6,393,343</b>	<b>5,475,594</b>	<b>3,292,814</b>	<b>2,859,284</b>
<b>Interest income</b>	<b>4,321,491</b>	<b>4,097,668</b>	<b>2,218,482</b>	<b>2,071,438</b>	<b>5,697,815</b>	<b>4,956,075</b>	<b>2,964,704</b>	<b>2,548,840</b>
Interest income on loans & advances	3,764,333	3,580,832	1,914,538	1,825,464	4,929,590	4,323,843	2,529,614	2,240,876
Interest income on other interest earning assets	557,158	516,836	303,944	245,974	768,225	632,232	435,090	307,964
<b>Less : Interest expenses</b>	<b>2,888,161</b>	<b>2,808,658</b>	<b>1,466,472</b>	<b>1,339,869</b>	<b>3,730,438</b>	<b>3,330,487</b>	<b>1,915,105</b>	<b>1,630,924</b>
Interest expense on deposits	557,325	989,010	299,909	376,382	1,304,587	1,375,495	696,619	590,840
Interest expense on other interest bearing liabilities	2,330,836	1,819,648	1,166,563	963,487	2,425,851	1,954,992	1,218,486	1,040,084
<b>Net interest income</b>	<b>1,433,330</b>	<b>1,289,010</b>	<b>752,010</b>	<b>731,569</b>	<b>1,967,377</b>	<b>1,625,588</b>	<b>1,049,599</b>	<b>917,916</b>
<b>Non interest income</b>	<b>731,031</b>	<b>446,514</b>	<b>366,731</b>	<b>244,145</b>	<b>695,528</b>	<b>519,519</b>	<b>328,110</b>	<b>310,444</b>
Foreign exchange income	(153)	15,431	385	7,602	54,901	21,178	(3,396)	14,404
Other income	731,184	431,083	366,346	236,543	674,350	464,618	331,506	296,040
<b>Less : Non interest expenses</b>	<b>513,951</b>	<b>496,801</b>	<b>261,983</b>	<b>259,651</b>	<b>956,520</b>	<b>778,887</b>	<b>510,596</b>	<b>409,955</b>
Personnel costs	224,427	243,506	109,564	125,619	404,030	346,482	211,640	181,012
Provision for staff retirement benefits	48,422	44,807	24,211	22,403	65,610	44,807	41,399	22,403
Premises, equipment & establishment expenses	111,386	91,162	59,909	46,089	204,533	171,340	102,411	87,195
Loss on trading / investment securities	0	0	0	0	-	1,890	-	986
Other operating expenses	108,339	95,599	58,702	54,676	242,668	174,697	136,269	97,693
Amortisation of intangible assets								
Software	21,377	21,727	9,597	10,864	39,679	39,671	18,877	20,666
<b>Less : Provision for bad &amp; doubtful debts and loans written off</b>	<b>235,713</b>	<b>124,182</b>	<b>108,222</b>	<b>60,421</b>	<b>363,323</b>	<b>140,266</b>	<b>199,297</b>	<b>54,162</b>
Provisions - general	124,334	88,842	28,829	44,842	141,746	109,037	38,060	55,479
Provisions - specific	249,671	174,466	148,300	90,256	404,704	230,514	258,762	125,034
Recoveries	(139,429)	(139,648)	(70,026)	(75,001)	(184,701)	(199,807)	(99,081)	(126,675)
Loans written off	1,137	522	1,119	324	1,574	522	1,556	324
<b>Less : Provision for fall in value of dealing &amp; investment securities losses</b>	<b>4,853</b>	<b>0</b>	<b>4,853</b>	<b>0</b>	<b>19,853</b>	<b>-</b>	<b>19,853</b>	<b>-</b>
<b>Operating profit on ordinary activities before taxes</b>	<b>1,409,844</b>	<b>1,114,541</b>	<b>743,683</b>	<b>655,642</b>	<b>1,323,209</b>	<b>1,225,954</b>	<b>647,963</b>	<b>764,243</b>
Less : Value added tax on financial services	290,246	189,165	148,885	108,840	323,744	206,505	165,739	116,769
<b>Operating profit on ordinary activities before corporate tax</b>	<b>1,119,598</b>	<b>925,376</b>	<b>594,798</b>	<b>546,802</b>	<b>999,465</b>	<b>1,019,449</b>	<b>482,224</b>	<b>647,474</b>
Share of profits of associates*	-	-	-	-	536,711	513,789	283,113	286,348
<b>Operating profit before corporate tax</b>	<b>1,119,598</b>	<b>925,376</b>	<b>594,798</b>	<b>546,802</b>	<b>1,536,176</b>	<b>1,533,238</b>	<b>765,337</b>	<b>933,822</b>
Less : Income tax on profit on ordinary activities	338,656	316,727	160,328	169,916	562,020	406,034	332,866	222,714
<b>Profit for the period</b>	<b>780,942</b>	<b>608,649</b>	<b>434,470</b>	<b>376,886</b>	<b>974,156</b>	<b>1,127,204</b>	<b>432,451</b>	<b>711,108</b>
Attributable to								
Equity holders of the Bank	780,942	608,649	434,470	376,886	988,996	1,086,358	473,836	691,239
Minority interest	-	-	-	-	(14,840)	40,846	(41,385)	19,869
	<b>780,942</b>	<b>608,649</b>	<b>434,470</b>	<b>376,886</b>	<b>974,156</b>	<b>1,127,204</b>	<b>432,451</b>	<b>711,108</b>
Basic earnings per share - Rs	5.98	4.81	3.33	2.98	7.59	8.58	3.64	5.46
Diluted earnings per share - Rs	5.98	4.78	3.33	2.96	7.59	8.54	3.64	5.43

\* After tax and minority interest

**Balance Sheet**

As at	Bank		Group	
	30.09.08 Rs 000	31.03.08 Rs 000 (Audited)	30.09.08 Rs 000	31.03.08 Rs 000 (Audited)
<b>On-Balance Sheet Assets</b>				
Cash in hand	208	196	628,702	489,972
Balances with Central Bank of Sri Lanka	0	0	676,230	611,301
Due from Banks and other financial institutions	6,550,442	1,912,349	8,001,679	3,965,303
<b>Investments - trading account</b>	<b>2,875,173</b>	<b>2,270,364</b>	<b>3,200,883</b>	<b>2,270,364</b>
Government securities	2,861,331	2,252,773	3,187,041	2,252,773
Other securities	13,842	17,591	13,842	17,591
<b>Investments - held to maturity ( net of provisions )</b>	<b>3,787,644</b>	<b>5,846,994</b>	<b>7,521,549</b>	<b>7,423,546</b>
Government securities	1,706,029	4,167,167	4,940,626	5,240,212
Investments in ordinary shares	388,702	450,109	518,334	546,435
Investments in preference shares	1,031,833	878,833	1,235,188	1,100,939
Investments in debentures	0	0	150,071	160,429
Investments in unit trusts	661,080	350,885	711,080	400,885
Less : Provision for decline in value of Investments	0	0	33,750	25,354
Investment in associate companies	3,187,229	3,187,229	6,687,338	6,395,789
Investment in subsidiary companies	2,627,166	2,642,163	23	-
Investment in joint venture companies	250,000	0	207,500	-
<b>Total loans and advances</b>				
<b>Total performing loans and advances</b>	<b>40,701,547</b>	<b>43,603,564</b>	<b>51,963,983</b>	<b>54,121,986</b>
Bills of exchange discounted	0	0	390,564	442,687
Overdrafts	0	0	5,589,487	5,069,305

Finance leases	5,162,302	6,042,783	5,040,302	6,042,783
Other loans	35,539,245	37,560,781	40,943,630	42,567,211
<b>Total non performing loans and advances</b>	<b>4,589,343</b>	<b>3,871,825</b>	<b>6,249,429</b>	<b>4,730,671</b>
Bills of exchange discounted	0	5,640	42,823	62,375
Overdrafts	0	0	594,730	302,010
Finance leases	869,740	682,877	869,740	682,877
Other loans	2,588,704	2,202,457	3,466,280	2,633,882
Loan interest receivable	1,130,899	990,851	1,275,856	1,049,527
<b>Total gross loans and advances</b>	<b>45,290,890</b>	<b>47,475,389</b>	<b>58,213,412</b>	<b>58,852,657</b>
<b>Less :</b>				
Interest in suspense	1,130,899	990,851	1,414,019	1,124,515
Provision for credit losses - specific	1,093,900	915,137	1,366,111	1,077,868
Provision for credit losses - general	388,423	264,089	460,758	319,011
<b>Net loans and advances</b>	<b>42,677,668</b>	<b>45,315,312</b>	<b>54,972,525</b>	<b>56,331,243</b>
Group balances receivable	40,358	71,348	0	0
Prepayments	44,939	45,353	44,939	45,353
Other receivables	1,122,393	1,569,036	1,929,477	2,449,902
Differed tax asset	0	0	58,256	83,571
Investment property	6,500	6,500	138,978	137,181
Goodwill on consolidation	-	-	146,603	146,658
Property and equipment (Net of accumulated depreciation)	404,851	438,610	748,822	749,238
Intangible assets	39,528	53,930	147,615	170,107
<b>Total On Balance Sheet Assets</b>	<b>63,614,099</b>	<b>63,359,384</b>	<b>85,111,119</b>	<b>81,269,528</b>
<b>On Balance Sheet Liabilities</b>				
<b>Total deposits</b>	<b>6,909,104</b>	<b>5,111,517</b>	<b>21,101,188</b>	<b>16,352,643</b>
Demand deposits	0	0	724,901	594,987
Savings deposits	0	0	2,061,442	1,359,713
Time deposits	6,909,104	5,111,517	18,154,353	14,103,109
Margin deposits	0	0	76,629	261,294
Other deposits	0	0	83,863	33,540
<b>Total borrowings</b>	<b>40,875,643</b>	<b>42,490,232</b>	<b>42,238,668</b>	<b>43,423,917</b>
Borrowings from CBSL	1,526,143	1,689,464	1,526,143	1,689,464
Borrowings from Banks and financial institutions in Sri Lanka	5,756,405	8,035,231	5,956,405	8,240,796
Borrowings from Banks and financial institutions abroad	5,181,744	5,312,782	5,313,821	5,529,037
Borrowings under repurchase agreements	2,417,028	2,371,712	3,447,976	2,893,577
Debentures - Subordinated	2,000,000	2,000,000	2,000,000	2,000,000
Debentures - Others	2,700,000	2,700,000	2,700,000	2,700,000
Other Borrowings	21,294,323	20,371,043	21,294,323	20,371,043
Interest accrued	1,284,145	1,131,697	1,586,662	1,396,777
Current taxation	57,751	132,130	251,693	197,147
Deferred taxation	251,942	250,623	251,942	250,624
Other liabilities	318,092	492,085	1,155,644	1,354,733
<b>Total On Balance Sheet Liabilities</b>	<b>49,696,677</b>	<b>49,598,284</b>	<b>66,585,797</b>	<b>62,975,841</b>
<b>Equity</b>				
Share capital	1,307,325	1,301,956	1,307,325	1,301,956
<b>Reserves</b>				
Share premium	3,207,818	3,184,145	3,260,011	3,236,338
Reserve fund	495,000	495,000	674,120	674,120
General reserve	3,953,584	3,953,584	6,627,882	6,627,882
Other reserves	4,636,021	4,028,459	4,526,759	3,918,981
Retained profit	317,674	797,956	1,570,690	1,928,719
<b>Shareholders' equity</b>	<b>13,917,422</b>	<b>13,761,100</b>	<b>17,966,787</b>	<b>17,687,996</b>
Minority interest	-	-	558,535	605,691
<b>Total equity</b>	<b>13,917,422</b>	<b>13,761,100</b>	<b>18,525,322</b>	<b>18,293,687</b>
<b>Total equity and liabilities</b>	<b>63,614,099</b>	<b>63,359,384</b>	<b>85,111,119</b>	<b>81,269,528</b>
<b>Off-Balance Sheet Items and Contra Accounts</b>				
Contingencies	1,263,058	1,196,690	8,099,370	6,912,012
Commitments	7,208,177	6,113,996	8,537,399	7,026,447
Net assets value per share, Rs	106.82	108.70	137.90	145.46
<b>Memorandum Information</b>				
Number of employees	420	419	831	810
Number of branches	15	14	50	48
The highest, the lowest and the last traded market price recorded during the period ended	30.09.2008	31.03.2008		
- Highest price Rs.	130.00	200.00		
- Lowest price Rs.	100.00	115.50		
- Last traded price Rs.	100.00	126.00		

#### Statement of Changes in Equity - Bank

	Ordinary Shares Rs. 000	Share Premium Rs. 000	Reserve Fund Rs. 000	General Reserve Rs. 000	Other Reserve Rs. 000	Retained Earnings Rs. 000	Total Rs. 000
<b>Balance as at 31.03.2007</b>	<b>865,565</b>	<b>607,106</b>	<b>425,000</b>	<b>3,233,584</b>	<b>3,372,664</b>	<b>990,230</b>	<b>9,494,149</b>
Issue of shares under employee share option plan	529	2,707	-	-	-	3,236	3,236
Profit for the period	-	-	-	-	-	608,649	608,649
Bonus issue of shares	216,398	(216,398)	-	-	-	-	-
Right issue of shares	216,391	2,813,088	-	-	-	-	3,029,479
Share issue expenses written off	-	(35,933)	-	-	-	-	(35,933)
Final dividends approved on 30.06.2007	-	-	-	-	-	(64,918)	(64,918)
<b>Balance as at 30.09.2007</b>	<b>1,298,883</b>	<b>3,170,570</b>	<b>425,000</b>	<b>3,233,584</b>	<b>3,372,664</b>	<b>1,533,961</b>	<b>13,034,662</b>
<b>Balance as at 31.03.2008</b>	<b>1,301,956</b>	<b>3,184,145</b>	<b>495,000</b>	<b>3,953,584</b>	<b>4,028,459</b>	<b>797,956</b>	<b>13,761,100</b>
Issue of shares under employee share option plan	5,369	23,673	-	-	-	-	29,042

Profit for the period					780,942	<b>780,942</b>
Transfers				607,562	(607,562)	-
First & final dividends approved on 30.06.2008					(653,662)	<b>(653,662)</b>
						-
<b>Balance as at 30.09.2008</b>	<b>1,307,325</b>	<b>3,207,818</b>	<b>495,000</b>	<b>3,953,584</b>	<b>4,636,021</b>	<b>13,917,422</b>

#### Statement of Changes in Equity - Group

	Attributable to Equity Holders of the Bank							Total
	Ordinary Shares	Share Premium	Reserve Fund	General Reserve	Other Reserve Reserve	Retained Earnings	Minority Interest	
	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	Rs. 000	
<b>Balance as at 31.03.2007</b>	<b>865,565</b>	<b>659,299</b>	<b>548,841</b>	<b>5,254,420</b>	<b>3,505,618</b>	<b>1,708,205</b>	<b>554,731</b>	<b>13,096,679</b>
Issue of shares under employee share option plan	529	2,707						<b>3,236</b>
Profit for the year						1,086,358	40,846	<b>1,127,204</b>
Bonus issue of shares	216,398	(216,398)						-
Right issue of shares	216,391	2,813,088						<b>3,029,479</b>
Share issue expenses written off		(55,821)						<b>(55,821)</b>
Debt issue expenses written off - Associate				(1,954)				<b>(1,954)</b>
Currency translation gain / loss -Overseas operations - Associate				(399)	7,047			<b>6,648</b>
Gain on Disposal of Revalued Property						918		<b>918</b>
Provision for decline in value of investments						(2,385)		<b>(2,385)</b>
Share of profit recognised in equity - Associate						(2,348)		<b>(2,348)</b>
Transfers				(76,606)	76,606			-
Final dividends approved on 30.06.2007						(64,918)	(32,949)	<b>(97,867)</b>
<b>Balance as at 30.09.2007</b>	<b>1,298,883</b>	<b>3,202,875</b>	<b>548,841</b>	<b>5,175,461</b>	<b>3,589,271</b>	<b>2,725,830</b>	<b>562,628</b>	<b>17,103,789</b>
<b>Balance as at 31.03.2008</b>	<b>1,301,956</b>	<b>3,236,338</b>	<b>674,120</b>	<b>6,627,882</b>	<b>3,918,981</b>	<b>1,928,719</b>	<b>605,691</b>	<b>18,293,687</b>
Issue of shares under employee share option plan	5,369	23,673						<b>29,042</b>
Profit for the year						988,996	(14,840)	<b>974,156</b>
Final dividends approved on 30.06.2008						(653,662)	(32,316)	<b>(685,978)</b>
Disposal of subsidiary						(84,981)		<b>(84,981)</b>
Currency translation gain/loss - overseas operations - Associate					216			<b>216</b>
Transfers					607,562	(607,562)		-
Provision for decline in value of investments						(820)		<b>(820)</b>
<b>Balance as at 30.09.2008</b>	<b>1,307,325</b>	<b>3,260,011</b>	<b>674,120</b>	<b>6,627,882</b>	<b>4,526,759</b>	<b>1,570,690</b>	<b>558,535</b>	<b>18,525,322</b>

#### Selected Performance Indicators

	Bank		Group	
	30.09.08	31.03.08	30.09.08	31.03.08
<b>Regulatory Capital Adequacy</b>				
Core capital (Tier - 1 Capital) Rs. Mn	<b>10,277</b>	10,860	<b>13,778</b>	14,422
Total capital base Rs. Mn	<b>9,281</b>	9,994	<b>12,679</b>	13,435
Core capital ratio (Minimum requirement 5%)	<b>18.5</b>	19.4	<b>19.3</b>	20.4
Total capital ratio (Minimum requirement 10%)	<b>16.7</b>	17.9	<b>17.7</b>	19.0
<b>Asset Quality</b>				
Non-performing loans and advances - Gross exposure % (Net of interest in suspense)	<b>7.8</b>	6.2	<b>8.5</b>	6.3
- Net exposure % (Net of interest in suspense and provisions)	<b>4.5</b>	3.7	<b>5.3</b>	3.8
<b>Profitability (Annualised)</b>				
Interest margin %	<b>4.5</b>	4.3	<b>4.7</b>	4.5
Return on assets %	<b>2.5</b>	2.1	<b>2.4</b>	2.8
Return on equity %	<b>11.3</b>	11.3	<b>11.1</b>	14.3
<b>Regulatory Liquidity</b>				
Statutory liquid assets Rs. Mn	<b>5,488</b>	2,328		
Statutory liquid assets ratio % (Minimum requirement 20%)	<b>99</b>	31		

## Cash Flow Statement

For the period ended

	Bank		Group	
	30.09.2008 Rs.000	30.09.2007 Rs.000	30.09.2008 Rs.000	30.09.2007 Rs.000
<b>Cash flow from operating activities</b>				
Interest Receipts	3,789,519	3,484,265	5,069,074	4,253,431
Interest payments	(2,672,475)	(2,635,433)	(3,477,133)	(3,136,676)
Recoveries on loans previously written off	43,679	56,133	43,679	56,133
Receipts from other operating activities	108,016	89,046	400,069	311,266
Cash payments to employees & suppliers	(697,383)	(655,017)	(1,088,571)	(912,028)
Value added tax	(305,856)	(225,190)	(328,635)	(249,059)
Operating profit before changes in operating assets	265,500	113,804	618,483	323,067
(Increase )/decrease in operating assets:				
Balances with Central Bank of Sri Lanka	0	0	(64,929)	307,636
Funds advanced to customers	2,176,922	104,932	829,580	(1,990,361)
Other short - term securities	88,912	(1,015,463)	(1,712,246)	(980,053)
Others	502,108	36,710	536,104	(206,209)
Increase /(decrease ) in operating liabilities:				
Security deposits from customers	0	0	3,320	
Deposits from customers	1,797,587	(6,901,266)	3,906,029	(6,669,136)
Negotiable certificates of deposit	0	(13,563)	50,323	(51,241)
Net cash flow from operating activities before Income tax	4,831,029	(7,674,846)	4,166,664	(9,266,297)
Income tax paid	(373,762)	(435,980)	(460,881)	(500,236)
Net cash from/(used in) operating activities	4,457,267	(8,110,826)	3,705,783	(9,766,533)
<b>Cash flow from investing activities</b>				
Dividends received	415,226	341,259	431,615	317,268
Interest received	484,487	473,975	488,329	525,058
Proceeds from sale and redemption of securities	358,087	45,919	388,087	89,873
Purchase of securities	(635,720)	(21,430)	(679,087)	(138,131)
Investment in Joint Venture - (Acuity Partners Ltd.)	(150,000)	0	(150,000)	0
Investment in additional shares of subsidiaries - (DFCC Vardhana Bank. L	(23)	0	(23)	0
Subscription to rights issue in associate - ( Commercial Bank Limited)	0	(1,602,541)	0	(1,602,541)
Purchase of property , equipment ,intangibles and investment property	(20,021)	(70,227)	(117,072)	(183,000)
Proceeds from sale of equipment and investment property	12	10,063	16	11,563
Net cash from investing activities	452,048	(822,982)	361,865	(979,910)
<b>Cash Flow from financing activities</b>				
Issue of new shares under option	29,042	3,236	29,042	3,236
Issue of new shares under Right Issue	0	3,029,479	0	3,029,479
Share issue expenses	-	(35,933)	0	(35,933)
Borrowing , medium and long - term	4,712,007	5,630,801	4,712,007	5,630,801
Other Borrowings	(1,534,093)	2,677,771	(1,250,007)	4,343,135
Repayment of borrowing ,medium and long - term	(4,583,085)	(4,026,851)	(4,583,085)	(4,026,851)
Dividends paid	(650,923)	(65,289)	(745,899)	(98,138)
Net Cash flow from financing activities	(2,027,052)	7,213,214	(1,837,942)	8,845,729
Net increase/(decrease) in cash & cash equivalents	2,882,263	(1,720,594)	2,229,706	(1,900,714)
Cash & cash equivalents/(overdraft-net) at the beginning of period	1,898,313	4,746,177	4,435,479	6,506,073
Cash & cash equivalents at the end of period	4,780,576	3,025,583	6,665,185	4,605,359
<b>Reconciliation of cash &amp; cash equivalents</b>				
Cash & short - term funds	3,098,276	2,415,583	4,680,127	3,483,492
Securities purchased under resale agreements	1,688,705	610,000	2,012,488	1,124,335
Borrowing short term - Bank overdrafts	(6,405)	0	(27,430)	(2,468)
	4,780,576	3,025,583	6,665,185	4,605,359

The Cash Flow Statement of the bank includes the results of associate /subsidiary companies only to the extent of the cash flows between Bank and respective companies as required by Sri Lanka Accounting Standards .

Business Segment Information

For the six months ended 30 September	Lending		Financial Leasing		Investing in Equity		Commercial Banking		Venture Capital		Other		Unallocated		Eliminations		Total	
	2008 Rs 000	2007 Rs 000	2008 Rs 000	2007 Rs 000	2008 Rs 000	2007 Rs 000	2008 Rs 000	2007 Rs 000	2008 Rs 000	2007 Rs 000	2008 Rs 000	2007 Rs 000	2008 Rs 000	2007 Rs 000	2008 Rs 000	2007 Rs 000	2008 Rs 000	2007 Rs 000
<b>Revenue</b>																		
Interest income	3,809,880	3,496,388	511,610	601,280	-	-	1,328,818	821,577	40,482	37,020	21,887	18,628	-	-	(14,862)	(18,818)	5,697,815	4,956,075
Other income	160,687	83,485	-	-	635,506	350,049	166,051	118,937	31,022	23,365	122,510	115,217	(72,972)	(129,743)	(347,276)	(41,791)	695,528	519,519
Income from external customers	3,970,567	3,579,873	511,610	601,280	635,506	350,049	1,494,869	940,514	71,504	60,385	144,397	133,845	(72,972)	(129,743)	(362,138)	(60,600)	6,393,343	5,475,594
Inter segment income	-	-	-	-	-	-	-	-	-	-	-	-	419	12,286	(419)	(12,286)	-	-
<b>Total income</b>	<b>3,970,567</b>	<b>3,579,873</b>	<b>511,610</b>	<b>601,280</b>	<b>635,506</b>	<b>350,049</b>	<b>1,494,869</b>	<b>940,514</b>	<b>71,504</b>	<b>60,385</b>	<b>144,397</b>	<b>133,845</b>	<b>(72,553)</b>	<b>(117,457)</b>	<b>(362,557)</b>	<b>(72,895)</b>	<b>6,393,343</b>	<b>5,475,594</b>
<b>Percentage *</b>	<b>62</b>	<b>64</b>	<b>8</b>	<b>11</b>	<b>10</b>	<b>6</b>	<b>23</b>	<b>17</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>100</b>
<b>Expense</b>																		
Segment losses	49,182	88,144	186,531	36,037	4,853	-	127,610	16,084	15,000	-	-	-	-	-	-	-	383,176	140,265
Depreciation	-	-	-	-	-	-	47,860	35,075	2,301	363	6,850	7,086	-	-	-	-	57,011	42,524
Other operating & interest expenses	2,447,619	2,451,339	371,686	468,354	-	-	1,155,826	718,857	11,542	14,551	75,330	46,802	-	-	(14,862)	(18,818)	4,047,141	3,681,085
Inter segment expense	-	-	-	-	-	-	3,500	11,098	-	-	624	1,187	(4,124)	(12,285)	-	-	-	-
	<b>2,496,801</b>	<b>2,539,483</b>	<b>558,217</b>	<b>504,391</b>	<b>4,853</b>	<b>-</b>	<b>1,334,796</b>	<b>781,114</b>	<b>28,843</b>	<b>14,914</b>	<b>82,804</b>	<b>55,075</b>	<b>(18,986)</b>	<b>(31,103)</b>	<b>-</b>	<b>-</b>	<b>4,487,328</b>	<b>3,863,874</b>
<b>Result</b>	<b>1,473,766</b>	<b>1,040,390</b>	<b>(46,607)</b>	<b>96,889</b>	<b>630,653</b>	<b>350,049</b>	<b>160,073</b>	<b>159,400</b>	<b>42,661</b>	<b>45,471</b>	<b>61,593</b>	<b>78,770</b>					<b>1,906,015</b>	<b>1,611,720</b>
Unallocated expenses																	582,806	385,766
Value Added Tax on financial services																	323,744	206,505
Share of profits of associates																	999,465	1,019,449
<b>Profit on ordinary activities before tax</b>																	536,711	519,789
Income tax on profit on ordinary activities																	1,536,176	1,533,239
<b>Profit on ordinary activities after tax</b>																	562,020	406,034
Minority interest																	974,156	1,127,204
<b>Profit for the period</b>																	(14,840)	40,846
																	<b>988,996</b>	<b>1,086,358</b>
<b>Assets</b>	<b>42,525,551</b>	<b>42,099,451</b>	<b>5,704,814</b>	<b>7,493,765</b>	<b>2,336,468</b>	<b>1,249,839</b>	<b>19,981,798</b>	<b>13,838,173</b>	<b>820,726</b>	<b>824,096</b>	<b>487,255</b>	<b>554,651</b>	<b>6,607,527</b>	<b>3,332,789</b>	<b>(40,358)</b>	<b>1,490,178</b>	<b>78,423,781</b>	<b>70,882,942</b>
<b>Percentage</b>	<b>54</b>	<b>59</b>	<b>7</b>	<b>11</b>	<b>3</b>	<b>2</b>	<b>25</b>	<b>20</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>8</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>100</b>
Investment in associate company																	6,687,338	6,129,873
																	<b>85,111,119</b>	<b>77,012,815</b>
<b>Liabilities</b>	<b>31,819,400</b>	<b>33,227,006</b>	<b>5,134,333</b>	<b>6,744,388</b>	<b>-</b>	<b>-</b>	<b>17,406,878</b>	<b>12,310,879</b>	<b>143,436</b>	<b>12,001</b>	<b>105,250</b>	<b>129,604</b>	<b>12,016,858</b>	<b>5,949,685</b>	<b>(40,358)</b>	<b>1,490,178</b>	<b>66,585,797</b>	<b>59,863,741</b>

Revenue and expenses attributable to the incorporated business segments of industrial estate management, unit trust management, stock broking and consultancy services are included in the column for other  
Property & equipment and depreciation attributable to an incorporated business segment is included in the relevant segment and the balance is unallocated  
Dealing securities losses and goodwill written off of subsidiary company are included in unallocated expenses.  
Eliminations are the consolidation adjustments for inter company transactions, dividend and dividend payable attributable to minority shareholders.

\* Net of eliminations

## Debenture Information

### DFCC Listed Debentures

Debenture Categories	Interest Payable Frequency	Coupon Rate	Interest Rate of comparable Government Security	Value	
				30-09-2008 Rs'. 000	31-03-2008 Rs'. 000
<b>Fixed Rate</b>					
2006/2016 - 14.00% p.a.	Annually	14.00%	17.72%	590,000	590,000
2006/2011 - 13.75% p.a.	Annually	13.75%	20.22%	200,000	200,000
				<u>790,000</u>	<u>790,000</u>
<b>Floating Rate</b>					
2006/2011 - 6 months TB rate (Net) + 2.00% p.a.	Semi-Annually	20.17%	20.22%	40,000	40,000
2006/2011 - 6 months TB rate (Gross) + 1.00% p.a.	Semi-Annually	21.19%	20.22%	170,000	170,000
				<u>210,000</u>	<u>210,000</u>
				<u><b>1,000,000</b></u>	<u><b>1,000,000</b></u>

None of these debentures have been traded during the six months ended 30 September 2008

**6 months TB rate (Net)** 6 months weighted average Treasury Bill rate after 10% withholding (net rate) as published by the Central Bank of Sri Lanka.

**6 months TB rate (Gross)** 6 months weighted average Treasury Bill rate before 10% withholding (gross rate) as published by the Central Bank of Sri Lanka.

Other Ratios	30-09-2008	31-03-2008
Debt Equity Ratio	2.76	2.78
Interest Cover ( Times)	1.42	1.29
Quick Assets Ratio ( %)	99	31
<i>(same as liquid asset ratio)</i>		