

## Income Statement

Note	For the year ended 31st March	2010/11 Rs.	2009/10 Rs.
6	<b>Income</b>	2,561,206,512	2,126,014,104
7	Interest income	2,322,119,745	1,968,309,763
8	Less: Interest expense	(1,351,037,667)	(1,352,046,895)
	<b>Net interest income</b>	971,082,077	616,262,868
9	Other operating income	139,854,427	145,860,868
10	Other income	77,875,226	11,843,473
		1,188,811,730	773,967,210
	<b>Less: Operating expenses</b>		
	Personnel expenses	(309,108,973)	(245,544,783)
	Provision for staff retirement benefits	(50,390,747)	(36,061,235)
	Administration and general expenses	(426,692,565)	(301,063,722)
		(786,192,286)	(582,669,740)
	Profit before loan losses and provisions	402,619,445	191,297,470
11	Less: Loan losses and provisions	(26,321,775)	(33,797,777)
	Operating profit before VAT on financial services and income tax	376,297,670	157,499,693
	Less: VAT on financial services	(59,716,706)	(45,664,003)
12	<b>Profit before income tax</b>	316,580,964	111,835,689
13	Less: Income tax expense	(55,916,179)	(47,793,241)
	<b>Profit for the year</b>	260,664,785	64,042,449
14	<b>Earnings per share basic/diluted</b>	501.28	123.16

The Accounting Policies and Notes on pages 82 to 113 form an integral part of these Financial Statements.

## Balance Sheet

Note As at 31st March

	2010/11 Rs.	2009/10 Rs.
<b>Assets</b>		
15 Cash and bank balances	382,586,781	199,096,409
16 Investment in Government Securities	881,375,158	803,617,388
17 Investment Securities	23,622,164	21,379,858
18 Placements with banks and financial institutions	1,000,000	54,445,844
19 Loans and advances to customers	7,437,373,289	5,334,713,917
20 Trade and debtors receivables	675,370,510	531,860,978
21 Inventories	2,599,354,163	2,838,752,637
22 Housing project - Madiwela	778,292,219	387,777,298
23 Investment property	1,041,765,000	1,041,765,000
24 Other receivable and prepayments	152,945,980	114,135,680
31 Deferred tax assets	40,689,994	30,019,424
25 Intangible assets	3,385,163	875,600
26 Biological and plantation assets	105,100,203	32,355,328
27 Property and equipment	568,775,211	572,735,830
<b>Total assets</b>	<b>14,691,635,834</b>	<b>11,963,531,190</b>
<b>Liabilities</b>		
28 Deposits from customers	11,411,893,419	9,578,484,453
29 Interest-bearing loans and borrowings	727,907,286	276,559,237
30 Warranty provisions	3,382,377	249,418
32 Retirement benefit obligations	47,769,431	31,892,375
13 Current income tax liabilities	19,166,823	16,128,793
33 Other liabilities	802,435,930	636,601,130
<b>Total liabilities</b>	<b>13,012,555,265</b>	<b>10,539,915,406</b>
<b>Shareholders' Equity</b>		
34 Stated capital	64,714,000	64,714,000
35 Capital reserves	25,170,768	25,347,948
36 Statutory reserve fund	176,961,453	124,828,496
37 Revenue reserves	1,412,234,348	1,208,725,340
<b>Total shareholders' equity</b>	<b>1,679,080,569</b>	<b>1,423,615,784</b>
<b>Total liabilities and shareholders' equity</b>	<b>14,691,635,834</b>	<b>11,963,531,190</b>

The Accounting Policies and Notes on pages 82 to 113 form an integral part of these Financial Statements. We certify that the Financial Statements comply with the requirements of the Companies Act No. 07 of 2007.



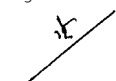
**D.S. Pushpakumara**  
Head of Finance



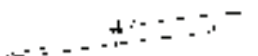
**N.G.M. De Silva**  
Chief Executive Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Signed for and on behalf of the Board of Directors by the following on 16th September 2011.



**Nalaka Premal Edirisinghe**  
Executive Director



**Jeewaka Hemal Edirisinghe**  
Managing Director