

# Sri Lanka Telecom PLC and its Subsidiaries

Registration No. - PQ 7

## Interim Financial Report 4 th Quarter 2014

### OUR VISION

All Sri Lankans seamlessly connected with world class information, communication and entertainment services.

### OUR MISSION

Your trusted and proven partner for innovative and exciting communication experiences delivered with passion, quality and commitment.



Sri Lanka Telecom

One Country. One Voice.

Sri Lanka Telecom PLC and its Subsidiaries

Company Registration No. PQ 7

Quarterly Interim Financial Report as of 31 December 2014

Statement of Profit or Loss and Comprehensive Income as specified

(All amounts in LKR Millions)

	Group Oct.-Dec.			Company Oct.-Dec.			Group Jan.- Dec.			Company Jan.- Dec.		
	2014	2013	change %	2014	2013	change %	2014	2013	change %	2014	2013	change %
Revenue	17,001	15,562	9	10,037	9,878	2	65,040	60,144	8	38,950	36,781	6
Operating costs	(13,085)	(10,533)	24	(7,970)	(7,104)	12	(46,268)	(41,218)	12	(29,559)	(26,821)	10
Operating profit before depreciation												
- and Amortization and impairment	3,916	5,029	(22)	2,067	2,774	(25)	18,772	18,926	(1)	9,391	9,960	(6)
Depreciation	(3,041)	(3,129)	(3)	(1,746)	(1,740)	0	(12,325)	(11,755)	5	(6,875)	(6,505)	6
Amortisation and impairment	-	-	-	-	-	-	-	-	-	-	-	-
- of intangible assets	(186)	(172)	8	(66)	(63)	5	(736)	(680)	8	(289)	(299)	(3)
<b>Operating profit</b>	<b>689</b>	<b>1,728</b>	<b>(60)</b>	<b>255</b>	<b>971</b>	<b>(74)</b>	<b>5,711</b>	<b>6,491</b>	<b>(12)</b>	<b>2,227</b>	<b>3,156</b>	<b>(29)</b>
Refund of Telecommunication												
-Development Charge (TDC)	302	-	-	238	-	-	1,259	607	107	937	367	155
Dividend received	-	-	-	660	680	(3)	-	-	-	660	680	(3)
Other income	257	120	114	218	101	116	582	322	81	362	292	24
Interest expenses and finance cost	332	(166)	(300)	323	(93)	(447)	(198)	(736)	(73)	(49)	(371)	(87)
Foreign exchange (loss) / Gain	(130)	188	(169)	(57)	18	(417)	(13)	(441)	(97)	14	18	(22)
Interest income	207	214	(3)	158	175	(10)	910	1,122	(19)	708	872	(19)
<b>Profit before tax</b>	<b>1,657</b>	<b>2,084</b>	<b>(20)</b>	<b>1,795</b>	<b>1,852</b>	<b>(3)</b>	<b>8,251</b>	<b>7,365</b>	<b>12</b>	<b>4,859</b>	<b>5,014</b>	<b>(3)</b>
Income tax expenses	(699)	(562)	24	(514)	(435)	18	(2,250)	(1,946)	16	(1,535)	(1,379)	11
<b>Profit for the Period / Year</b>	<b>958</b>	<b>1,522</b>	<b>(37)</b>	<b>1,281</b>	<b>1,417</b>	<b>(10)</b>	<b>6,001</b>	<b>5,419</b>	<b>11</b>	<b>3,324</b>	<b>3,635</b>	<b>(9)</b>
<b>Other comprehensive income</b>												
Foreign currency translation differences												
-foreign operations	-	(3)	(100)	-	-	-	-	-	-	-	-	-
Net change in fair value of Available	-	-	-	-	-	-	-	-	-	-	-	-
-for sale financial assets	-	(3)	(100)	-	(3)	(100)	-	-	-	-	-	-
Defined benefit plan actuarial (losses)/gain	(421)	(37)	1038	(381)	(10)	3710	(478)	(103)	364	(438)	(76)	476
Tax on other comprehensive income	106	3	3433	106	3	3433	122	21	481	122	21	481
<b>Other comprehensive income for</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>- the period net of tax</b>	<b>(315)</b>	<b>(40)</b>	<b>688</b>	<b>(275)</b>	<b>(10)</b>	<b>2650</b>	<b>(356)</b>	<b>(82)</b>	<b>334</b>	<b>(316)</b>	<b>(55)</b>	<b>475</b>
<b>Total Comprehensive Income for the Period / Year</b>	<b>643</b>	<b>1,482</b>	<b>(57)</b>	<b>1,006</b>	<b>1,407</b>	<b>(29)</b>	<b>5,645</b>	<b>5,337</b>	<b>6</b>	<b>3,008</b>	<b>3,580</b>	<b>(16)</b>
<b>Profit Attributable to :</b>												
Owners of the company	958	1,522	(37)	1,281	1,417	(10)	6,001	5,419	11	3,324	3,635	(9)
<b>Total Comprehensive Income attributable to:</b>												
Owners of the company	643	1,482	(57)	1,006	1,407	(29)	5,645	5,337	6	3,008	3,580	(16)
Earnings per share												
-Basic (Rs.)	0.53	0.84	(37)	0.71	0.79	(10)	3.32	3.00	11	1.84	2.01	(9)
-Annualized (Rs.)	2.12	3.37	(37)	2.84	3.14	(10)	3.32	3.00	11	1.84	2.01	(9)

The above figures are provisional and unaudited

**Sri Lanka Telecom PLC and its Subsidiaries**  
**Company Registration No. PQ 7**  
**Quarterly Interim Financial Report as of 31 December 2014**

**Statement of Financial Position**

*(All amounts in LKR Millions )*

	Group		Company	
	Un-Audited as at 31 Dec. 2014	Audited as at 31 Dec. 2013	Un-Audited as at 31 Dec. 2014	Audited as at 31 Dec. 2013
<b>Assets</b>				
<b>Non-Current Assets</b>				
Property, plant and equipment	90,935	80,506	60,221	47,549
Intangible assets	3,412	3,976	1,326	1,613
Financial prepayment	79	176	-	-
Investments in subsidiaries	-	-	14,189	14,156
Deferred tax Assets	46	58	-	-
Other receivables	2,789	2,733	2,789	2,733
<b>Total Non-current Assets</b>	<b>97,261</b>	<b>87,449</b>	<b>78,525</b>	<b>66,051</b>
<b>Current Assets</b>				
Inventories	475	2,174	282	1,918
Trade and other receivables	13,335	11,329	12,728	10,870
Current tax receivables	88	243	83	225
Other investments	6,750	3,393	6,397	3,203
Cash and cash equivalents	4,695	3,459	1,002	823
<b>Total Current Assets</b>	<b>25,343</b>	<b>20,598</b>	<b>20,492</b>	<b>17,039</b>
<b>Total Assets</b>	<b>122,604</b>	<b>108,047</b>	<b>99,017</b>	<b>83,090</b>
<b>Equity and Liabilities</b>				
<b>Capital and Reserves</b>				
Stated Capital (Represented by 1,804,860,000 shares)	18,049	18,049	18,049	18,049
Insurance reserve	560	500	560	500
Retained earnings	45,291	41,240	39,968	38,554
<b>Equity attributable to equity holders of the company</b>	<b>63,900</b>	<b>59,789</b>	<b>58,577</b>	<b>57,103</b>
Non controlling interest	0	0	-	-
<b>Total Equity</b>	<b>63,900</b>	<b>59,789</b>	<b>58,577</b>	<b>57,103</b>
<b>Non Current Liabilities</b>				
Grants	22	28	22	28
Borrowings	17,986	12,378	11,700	2,662
Deferred income	2,578	2,825	2,512	2,747
Deferred tax liabilities	2,805	1,750	2,801	1,746
Employee benefits	3,875	3,003	3,512	2,725
Trade and other payables	2,407	1,748	250	270
<b>Total Non Current Liabilities</b>	<b>29,673</b>	<b>21,732</b>	<b>20,797</b>	<b>10,178</b>
<b>Current Liabilities</b>				
Borrowings	9,136	8,312	4,359	3,268
Deferred income	2,398	2,683	706	745
Current tax liabilities	442	359	-	-
Trade and other payables	17,055	15,172	14,578	11,796
<b>Total Current Liabilities</b>	<b>29,031</b>	<b>26,526</b>	<b>19,643</b>	<b>15,809</b>
<b>Total Equity and Liabilities</b>	<b>122,604</b>	<b>108,047</b>	<b>99,017</b>	<b>83,090</b>

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act No.07 of 2007.

Signed

**Udeni Samararatne**  
**Chief Financial Officer**

The Board of Directors is responsible for the preparation and presentation of these consolidated financial statements. These financial statements were approved by the Board of Directors on 27 February 2015.

Signed for and behalf of the Board.

Signed

**P.G. Kumarasinghe Sirisena**  
**Chairman**

Signed

**Chandra Ekanayake**  
**Director**

**Sri Lanka Telecom PLC and its Subsidiaries**  
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**Quarterly Interim Financial Report as of 31 December 2014**

**Statement of Changes in Equity - 1 January 2013 to 31 December 2014**

*(All amounts in LKR Millions)*

**Attributable to owners of the Company**

**Group**

	Stated Capital	Insurance Reserve	Fair Value reserve	Translation Reserve	Retained Earnings	Total	Non Controlling Interest	Total Equity
<b>Balance as at 1 January 2013</b>	18,049	435	(3)	4	37,502	55,987	-	55,987
<b>Total comprehensive income for the year</b>								
Net profit for the year 2013				-	5,419	5,419	-	5,419
<b>Other comprehensive income</b>								
-Impact on liquidation of SLT HK				(4)		(4)	-	(4)
-Fair value reserve reclassified to profit or loss			3			3	-	3
-Defined benefit plan actuarial (losses)/gain, net of tax					(82)	(82)	-	(82)
<b>Total Other comprehensive income</b>	-	-	-	-	(82)	(83)	-	(83)
<b>Total comprehensive income for the year</b>	-	-	-	-	5,337	5,336	-	5,336
<b>Transactions with owners, recorded directly in equity</b>								
- contribution by and distribution to owners								
Dividends to equity share holders					(1,534)	(1,534)	-	(1,534)
Insurance reserve						-	-	-
-Transferred to insurance reserve		65			(65)		-	-
<b>Balance as at 31 December 2013</b>	<b>18,049</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>41,240</b>	<b>59,789</b>	<b>-</b>	<b>59,789</b>
<b>Balance as at 1 January 2014</b>	<b>18,049</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>41,240</b>	<b>59,789</b>	<b>-</b>	<b>59,789</b>
<b>Total comprehensive income for the year</b>								
Net profit for the year 2014					6,001	6,001	-	6,001
<b>Other comprehensive income</b>								
-Defined benefit plan actuarial (losses)/gain, net of tax					(356)	(356)	-	(356)
<b>Total Other comprehensive income</b>	-	-	-	-	(356)	(356)	-	(356)
<b>Total comprehensive income for the year</b>	-	-	-	-	5,645	5,645	-	5,645
<b>Transactions with owners, recorded directly in equity</b>								
- contribution by and distribution to owners								
Dividends to equity share holders					(1,534)	(1,534)	-	(1,534)
Insurance reserve						-	-	-
-Transferred to insurance reserve		60			(60)		-	-
<b>Balance as at 31 December 2014</b>	<b>18,049</b>	<b>560</b>	<b>-</b>	<b>-</b>	<b>45,291</b>	<b>63,900</b>	<b>-</b>	<b>63,900</b>

**Sri Lanka Telecom PLC and its Subsidiaries**  
**Company Registration No. PQ 7**  
**Quarterly Interim Financial Report as of 31 December 2014**

**Statement of Changes in Equity - 1 January 2013 to 31 December 2014**

*(All amounts in LKR Millions )*

<b>Company</b>	<b>Attributable to owners of the Company</b>				
	<b>Stated Capital</b>	<b>Insurance Reserve</b>	<b>Fair Value reserve</b>	<b>Retained Earnings</b>	<b>Total</b>
<b>Balance as at 1 January 2013</b>	18,049	435	(3)	36,573	55,054
<b>Total comprehensive income for the year</b>					
Net profit for the year 2013				3,635	3,635
<b>Other comprehensive income</b>					-
-Net change in fair value of Available for sale financial assets			3	-	3
-Fair value reserve reclassified to profit or loss				(55)	(55)
<b>Total Other comprehensive income</b>	-	-	3	(55)	(52)
<b>Total comprehensive income for the year</b>	-	-	3	3,580	3,580
<b>Transactions with owners, recorded directly in equity</b>					
<b>- contribution by and distribution to owners</b>					
Dividends to equity share holders				(1,534)	(1,534)
Insurance reserve					
-Transferred to insurance reserve		65		(65)	
<b>Balance as at 31 December 2013</b>	<b>18,049</b>	<b>500</b>	<b>-</b>	<b>38,554</b>	<b>57,103</b>
<b>Balance as at 1 January 2014</b>	18,049	500	-	38,554	57,103
<b>Total comprehensive income for the year</b>					
Net profit for the year 2014				3,324	3,324
<b>Other comprehensive income</b>					
-Defined benefit plan actuarial (losses)/gain, net of tax				(316)	(316)
<b>Total Other comprehensive income</b>	-	-	-	(316)	(316)
<b>Total comprehensive income for the year</b>	-	-	-	3,008	3,008
<b>Transactions with owners, recorded directly in equity</b>					
<b>- contribution by and distribution to owners</b>					
Dividends to equity share holders				(1,534)	(1,534)
Insurance reserve					
-Transferred to insurance reserve		60		(60)	
<b>Balance as at 31 December 2014</b>	<b>18,049</b>	<b>560</b>	<b>-</b>	<b>39,968</b>	<b>58,577</b>

**Sri Lanka Telecom PLC and its Subsidiaries**

Company Registration No. PQ 7

**Quarterly Interim Financial Report as of 31 December 2014**

**Cash Flow Statement for the Period ended 31 December**

*(All amounts in LKR Millions )*

	GROUP		COMPANY	
	2014	2013	2014	2013
<b>Operating activities</b>				
Cash generated from operations	20,355	15,790	11,322	9,624
Interest received	918	1,223	716	973
Interest paid	(279)	(693)	(366)	(377)
Tax paid	(823)	(853)	(216)	(232)
Gratuity paid	(124)	(81)	(100)	(72)
<b>Net cash generated from operating activities</b>	<b>20,047</b>	<b>15,386</b>	<b>11,356</b>	<b>9,916</b>
<b>Investing activities</b>				
Acquisition of property, plant and equipment	(20,178)	(18,575)	(16,438)	(10,080)
Acquisition of intangible assets	(75)	(2,139)	(2)	(586)
Proceeds from disposal of property, plant and equipment	79	88	67	87
Proceeds /(Purchase) of short term investments	(3,350)	4,119	(3,092)	3,991
Proceeds /(Purchase) of long term investments	-	-	-	-
Proceeds on Liquidation of Subsidiary	-	-	-	49
Investments in subsidiaries	-	-	(33)	-
<b>Net cash used in investing activities</b>	<b>(23,524)</b>	<b>(16,507)</b>	<b>(19,498)</b>	<b>(6,539)</b>
<b>Financing activities</b>				
Proceeds from borrowings	13,430	7,220	13,092	-
Finance lease principal re-payments	(77)	(48)	(59)	(38)
Re-Payment on borrowings	(6,780)	(5,581)	(2,456)	(2,448)
Dividend paid to equity share holders	(1,534)	(1,534)	(1,534)	(1,534)
<b>Net cash generated/(used) in financing activities</b>	<b>5,039</b>	<b>57</b>	<b>9,043</b>	<b>(4,020)</b>
<b>Increase/(Decrease) in cash and cash equivalents</b>	<b>1,562</b>	<b>(1,064)</b>	<b>901</b>	<b>(643)</b>
<b>Movement in Cash and cash equivalents</b>				
Cash and cash equivalents at beginning of the year	2,194	3,269	83	737
Effect on exchange fluctuation on cash and cash equivalents	18	(11)	18	(11)
	2,212	3,258	101	726
<b>Increase/(Decrease) in cash and cash equivalents</b>	<b>1,562</b>	<b>(1,064)</b>	<b>901</b>	<b>(643)</b>
<b>Cash and cash equivalents at 31 December</b>	<b>3,774</b>	<b>2,194</b>	<b>1,002</b>	<b>83</b>

# Sri Lanka Telecom PLC and its Subsidiaries

Company Registration No. PQ 7

## Quarterly Interim Financial Report as of 31 December 2014

### Notes to the Financial Statements

#### **1. General Information**

Sri Lanka Telecom PLC (the "Company") is a company domiciled in Sri Lanka. The address of the Company's registered office is Lotus Road, Colombo 1. The consolidated financial statements of the Company as at and for the period ended 30 June 2014 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). The Group primarily is involved in providing broad portfolio of telecommunication services across Sri Lanka. In addition, the range of services provided by the Group include, inter-alia, internet services, data services, domestic and international leased circuits, broadband, satellite uplink, maritime transmission, IPTV service and directory publishing service. The Company is a quoted public Company which has its listing on the Colombo Stock Exchange.

#### **2. Basis of preparation**

The condensed consolidated interim financial statements have been prepared in accordance with Sri Lanka Accounting Standards -LKAS 34 interim financial reporting.

#### **3. Accounting Policies**

The Company and Group have adopted consistent accounting policies as disclosed in the Annual Report for the year ended 31 December 2013.

#### **4. Dividends on Cumulative redeemable preference shares**

Sky Network (Private) Limited has issued 6,000,000 12% Cumulative redeemable preference shares of Rs.10/-each and preference dividends of Rs 44 million has not been recognized in the Financial Statements as at 31 December 2014.

#### **5. Telecommunication Development Charge (TDC)**

The total amount of the levy payable by the Group and Company for the period from 1 January 2014 to 31 December 2014 was estimated at Rs2,189 million (2013-Rs 2,329 million) and Rs 1,297 million (2013- Rs 1,588 million) respectively and has been recognized as expenses in the current financial year. The corresponding liability, net of payments, has been recognized in the balance sheet. During the year 2014, TRCSL refunded the last claims submitted by SLT applicable for the periods 01st April, 2009 to 31st March, 2010 and from 01st April, 2010 to 14th July, 2010. For the above periods claims worth of Rs. 699,032,821 and Rs. 238,158,669 were received to SLT from TRCSL in June and December, 2014 respectively. With the receipt of the last claim obtained in December, 2014 the disbursement process practiced by the TRCSL comes to an end as per the change of the TDC regulation which was made into effect from 15th July, 2010.

#### **6. Contingent Liabilities.**

There has not been a significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31 December 2013, except for the following items;

- a) Global Electroteks Limited initiated legal action under High Court Case No. 20/2006 claiming damages of USD 12 million from SLT for unlawful disconnection of interconnection services. Further trial on 27.03.2015
- b) SC (CHC) 31/2010 - Directories Lanka (Private) Limited (DLPL) Appeal Case filed by DLPL against SLT against the dismissal of CHC 2/2006(3) claimed damages of Rs.250 million, for alleged unfair competition with regard to artwork on the cover page of the Directory by SLT. The appeal proceedings have still not commenced in the Supreme Court.
- c) 12/2008 CBCU, An Inquiry started by Sri Lanka Customs A consignment of CDMA equipment were detained in October 2008 by the Customs Authority. Subsequently the equipment were cleared pending inquiry, based on a Cash deposit and Bank guarantee Submitted by SLT for the total value of Rs. 122,189,514/- .Order was delivered on 17.10.2014 imposing a mitigated forfeiture of Rs. 1,820,502,062/- on SLT. SLT has filed case CA/writ/387/2014 against this order. Next date is on 18.02.2015 for support.
- d) Customs Case No. ADP/031/2009 Goods valued at USD 996,785.65 which was imported under the last consignment of equipment for NGN Phase II expansion project were detained by the Custom on or about 14th May 2009. Subsequently the equipment was cleared on 18.07.2009. Pending inquiry, based on a Bank Guarantee placed by SLT to the value of Rs. 35,000,000/-. No date given awaiting the NC Committee decision which was re-sent for re-confirmation.
- e) Ahmedabad city civil Court - 802/2014 Buyers of Ship "M/S Bhuwal" Industries have initiated legal action on 11.04.2014 against SLT in Ahmedabad city civil Court, India claiming for damages of Indian Rs 161,521,447.00 for malicious prosecution.SLT filed on application to reject plaint and share was partly heard. Since now the judge has changed matter to be listed before new Judge.
- f) Inquiry Reference No. CN/COM/201401/55 at Labour Department Application made at Labour Department by several Debt. Collectors who were serving under Recovery Division claiming EPF for their service. Written Submissions on behalf of SLT was filed. Waiting for the order.

#### **7). Events after the Reporting date**

The 2015 interim budget was presented by the Government of Sri Lanka (GoSL) on 29 January 2015 and approved by the Parliament of Sri Lanka on 07 February 2015. The GoSL is working towards enacting legislation pertaining to the budget proposals which would in turn bring the said proposals in to force and also provide clarity with respect to applicability and execution considerations. Therefore, pending legislation and lucidity at this point of time, the consolidated financial results for the year ended 31 December 2014 excludes any and all impacts from the interim budget. Except as disclosed above, no other events have arisen since the statement of financial position date which require Changes to, or disclosure in the financial statements.



**Sri Lanka Telecom PLC and its Subsidiaries**  
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**Quarterly Interim Financial Report as of 31 December 2014**

**Segmental Reporting -for the year ended 31 December 2014**

**(All amounts in LKR Millions )**

Information about reportable segments.

	Fixed Telephony Operations		Mobile Operations		Other Segments Operations		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
External revenues	35,708	33,804	28,325	26,105	1,007	235	65,040	60,144
Inter-segment revenue	3,242	2,977	2,275	1,377	1,706	1,588	7,223	5,942
<b>Reportable segment revenue</b>	<b>38,950</b>	<b>36,781</b>	<b>30,600</b>	<b>27,482</b>	<b>2,713</b>	<b>1,823</b>	<b>72,263</b>	<b>66,086</b>
Reportable segment Profit before tax	4,859	5,014	3,500	3,040	322	(170)	8,681	7,884
Interest revenue	708	872	177	219	25	31	910	1,122
Interest expenses	(49)	(371)	(140)	(352)	(9)	(13)	(198)	(736)
Depreciation and Amortization	(7,164)	(6,804)	(5,817)	(5,546)	(80)	(85)	(13,061)	(12,435)
Reportable segment assets	99,017	83,090	41,591	41,714	1,684	1,472	142,292	126,276
Capital expenditure	16,440	10,666	3,800	10,037	13	11	20,253	20,714
Reportable segment liabilities	40,440	25,987	23,177	25,457	1,290	1,358	64,907	52,802

	2014	2013
<b>Revenues</b>		
Total revenue for reportable segments	69,550	64,263
Revenue for other segments	2,713	1,823
Elimination of inter-segment revenue	(7,223)	(5,942)
<b>Consolidated revenue</b>	<b>65,040</b>	<b>60,144</b>
<b>Profit or loss</b>		
Total Profit or loss for reportable segments	8,359	8,054
Profit or loss for other segments	322	(170)
Elimination of inter-segment profits	(430)	(519)
<b>Consolidated profit from continuing operations before tax</b>	<b>8,251</b>	<b>7,365</b>



**Sri Lanka Telecom PLC and its Subsidiaries**  
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**Segmental Reporting -for the year ended 31 December 2014 (Contd.....)**  
**(All amounts in LKR Millions )**

**Information about reportable segments.**

	2014	2,013
<b>Assets</b>		
Total liabilities for reportable segments	140,608	124,804
Assets for other segments	1,684	1,472
<hr/>		
	142,292	126,276
Elimination of inter-segment assets	(19,688)	(18,229)
<hr/>		
<b>Consolidated total assets</b>	<b>122,604</b>	<b>108,047</b>
<b>Liabilities</b>		
Total liabilities for reportable segments	63,617	51,444
Liabilities for other segment	1,290	1,358
<hr/>		
	64,907	52,802
Elimination of inter-segment liabilities	(6,203)	(4,544)
<hr/>		
<b>Consolidated total liabilities</b>	<b>58,704</b>	<b>48,258</b>

**Other material items (2014)**

	Reportable segment totals	Adjustments	Consolidated totals
Interest revenue	910	-	910
Interest expense	(198)	-	(198)
Capital expenditure	20,253	-	20,253
Depreciation and amortization	(13,061)	-	(13,061)

**Other material items (2013)**

	Reportable segment totals	Adjustments	Consolidated totals
Interest revenue	1,122	-	1,122
Interest expense	(736)	-	(736)
Capital expenditure	20,714	-	20,714
Depreciation and amortization	(12,435)	-	(12,435)

**Sri Lanka Telecom PLC and its Subsidiaries**  
 Company Registration No. PQ 7  
**Quarterly Interim Financial Report as of 31 December 2014**

**Investor Information**

**Ratios**

	<b>Group</b>		<b>Company</b>	
	<b>31 Dec. 2014</b>	<b>31 Dec. 2013</b>	<b>31 Dec. 2014</b>	<b>31 Dec. 2013</b>
Net assets value per share (Rs)	35.40	33.13	32.46	31.64
Gearing ratio -Number of times	0.30	0.26	0.22	0.09
Quick asset ratio - Number of times	0.86	0.69	1.03	0.96

	<b>For the year ended</b>		<b>For the year ended</b>	
	<b>31 Dec. 2014</b>	<b>31 Dec. 2013</b>	<b>31 Dec. 2014</b>	<b>31 Dec. 2013</b>
Interest cover - Number of times	42.67	11.01	100.16	14.51

**Market Value of Shares**

<b>Market Value of the Ordinary Shares of the Company (Rs)</b>	<b>3 Months to 31 Dec. 2014</b>	<b>3 Months to 31 Dec. 2013</b>
-Highest	54.00	41.50
-Lowest	45.30	36.10
-Last Traded price	49.90	37.00

**Dividend Payment**

First and Final dividend for the year 2013-Rs 0.85 per share paid on 23 April 2014.

**Share trading from 1 October 2014 to 31 December 2014**

	<b>3 Months to 31 Dec. 2014</b>
-No of Transactions	1,503
- No of Shares Traded	2,140,295
-Value of Shares Traded (Rs)	107,270,363

**Sri Lanka Telecom PLC and its Subsidiaries**  
**Company Registration No. PQ 7**  
**Quarterly Interim Financial Report as of 31 December 2014**

1) List of 20 Major Shareholders

<u>Name &amp; Address</u>	<u>Share Holding</u>	<u>Percentage %</u>
1 Secretary to the Treasury	893,405,709	49.50
2 Global Telecommunications Holdings NV	811,757,869	44.98
3 Employees Provident Fund	24,165,092	1.34
4 Sri Lanka Insurance Corporation Ltd-Life Fund	17,713,735	0.98
5 Bank of Ceylon A/C Ceybank Unit Trust.	16,756,819	0.93
6 National Savings Bank	13,158,700	0.73
7 Employees Trust Fund Board	3,302,188	0.18
8 Sri Lanka Insurance Corporation Ltd-General Fund	2,094,476	0.12
9 Seylan Bank PLC /ARC Capital (Pvt) Ltd	1,137,248	0.06
10 Bank of Ceylon A/C Ceybank Century Growth Fund	1,069,238	0.06
11 Mr.Vandrevale	231,500	0.01
12 The Incorporated Trustees of the Church of Ceylon	223,590	0.01
13 Bank of Ceylon No 1 Account	214,000	0.01
14 Mr Van Starrex	198,638	0.01
15 Mr.Tanaka	170,000	0.01
16 Union Assurance PLC/ac no 5(Unit -linled life insurance fund - Equity tracker fund)	162,006	0.01
17 Ceylon Biscuits Limited	162,000	0.01
18 Mrs.Edirisinghe	160,000	0.01
19 Pinnacle Trust (Pvt) Limited	160,000	0.01
20 Sinharaja Hills Plantation Pvt Limited	107,491	0.01
	<b>1,786,350,299</b>	<b>98.97</b>

- 2) Percentage of public holding as at 31 December 2014 5.52%
- 3) Number of shareholders representing the public holding - 12,205
- 3) Directors' holding & Chief Executive Officers's holding in shares of the equity - None of the Directors and the CEO held shares of the company.
- 4) Number of shares representing the Entity's stated capital - 1,804,860,000 Ordinary shares issued at Rs.10 per share.