

# **Business Today TOP TWENTY**

## **2009-2010**



- 01 John Keells Holdings 7.075
- 02 Hatton National Bank 6.800
- 03 Bukit Darah 6.125
- 04 Ceylon Tobacco Company 5.175
- 05 Commercial Bank of Ceylon 5.100
- 06 Colombo Dockyard 2.875
- 07 Sri Lanka Telecom 2.675

[08 DFCC Bank 2.550](#)

[09 Hayleys 2.475](#)

[10 Distilleries Company of Sri Lanka 2.100](#)

[11 NDB Bank 1.950](#)

[12 Sampath Bank 1.575](#)

[13 Aitken Spence 1.425](#)

[14 Cargills \(Ceylon\) 1.100](#)

[15 Lankem Ceylon 0.825](#)

[15 Lanka Orix Leasing Company 0.825](#)

[16 Chevron Lubricants Lanka 0.750](#)

[16 Nestle Lanka 0.750](#)

[17 Tokyo Cement Company \(Lanka\) 0.600](#)

[18 Diesel and Motor Engineering 0.550](#)

[19 Seylan Bank 0.500](#)

[20 Lanka Walltile 0.450](#)

### **Business Today TOP TWENTY 2009 - 2010**

Business Today, since 1998 has annually recognised the top corporate performers in Sri Lanka who have strengthened the economy during challenging times. With the end of the conflict in May 2009, the enabling environment for business improved significantly with political and economic stability giving confidence to the private sector. In this renewed environment businesses have been performing with vigour strengthening the post war economy of the country. With young and dynamic companies competing with larger coporates while establishing themselves in the Sri Lankan economy, Business Today honours not only the TOP 10 but the TOP TWENTY companies for the financial year 2009 - 2010.

Macro conditions in Sri Lanka since the second half of 2009 has shown signs of improvement, and a buoyant private sector released from the grip of a three decade long civil conflict began to bounce back to life. Renewed confidence in the economy by bilateral and multilateral donors coupled with a reenergized financial sector has sparked a growth momentum across a resilient business community. As world recessionary conditions began emaciating since mid 2009, prices for Sri Lankan exports have been on a positive movement, and the resulting overall internal and external conditions augured well for an upbeat business sector.

Since the launch of the Business Today TOP 10, it is the first time that the Business Today top performers of corporate Sri Lanka are chosen in a period falling within post-war time. It is the contention of Business Today that although it may be premature to measure post-war performance of the corporate sector, the initial signs thus far show promise, and it would be most interesting to watch how future top performers would evolve to occupy positions among the best. The unprecedented highs recorded by the Colombo Stock Exchange has attracted much domestic and international investor attention, and local privately owned and controlled companies of great promise may choose to obtain listings towards entering a new growth phase, and so may completely new entrants. Such changes to a near stereotype corporate landscape would be an altogether new proposition, and with a view to mapping the near and longer term business landscape and towards encouraging worthy prospects and contenders, Business Today, this year decided to expand its top corporate performers list to recognise the TOP TWENTY.

Furthermore, over the twelve-year period of the Business Today TOP 10 awards, the positions have been secured by the same companies giving little space for new and upcoming businesses. Thus with the expansion of the top corporate list, Business Today TOP TWENTY will be a clear benchmark of the topmost corporates in Sri Lanka and will reflect the dynamism in the private sector.

As before, the survey of the Business Today TOP TWENTY is strictly based on published financial information of companies listed on the Colombo Stock Exchange. Judged not by own assertion but by public acknowledgement, the Business Today TOP 10 company ranking has earned its place in Sri Lanka's business calendar as a judicious ranking of the top corporate performers in Sri Lanka. As such the process of selection has remained the same for the TOP TWENTY companies.

Business Today is guided by the principle of offering equal opportunity and a level playing field for all public quoted companies of acceptable and comparable size to

seize a place in the ranking, the only condition being that they qualify and score well on the disclosed criteria. It must however be noted that, with a view to ensuring consistency and remaining objective in choosing the top corporate performers, the weights are primarily applied on the basis of the TOP 10, but twenty companies are chosen in the process as a continuation of the list.

Established financial criteria used for selecting the Business Today TOP TWENTY are; Sales Turnover, Growth in Sales Turnover, Profits, Growth in Profits, Return on Equity, Growth in Earnings per Share, Market Capitalisation, Value of Shares Transacted and Value Addition. It must be noted that a high and growing top line performance by any company although necessary is not sufficient to qualify as a Business Today TOP TWENTY performer; profitability is a key success factor and a critical measure for corporate performance.

As before, weights applied to the respective criteria are not disclosed due to proprietary reasons. Business Today assures that weights are assigned to the aforementioned criteria after due consideration of significance of criteria and ensuring all businesses and industry sectors are equitably represented. Weights are applied uniformly without prejudice.

As repeatedly observed in the past, a position in the Business Today TOP 10 ranking has been closely contested and the competition has been intense. This is evident by the feedback received during the twelve years of the ranking. Companies that regularly secure a place in the list have done so by demonstrating an undying commitment to sustained performance. The Business Today TOP TWENTY companies should be proud of their success, and those aspiring for a place in the list may find inspiration in, and take a cue from those on the list. Companies who have claimed a place in the hitherto TOP 10 list know what it takes to excel and will passionately protect or improve their position, and those now in the TOP TWENTY will surely endeavour to hold or improve their positions, whilst aspirants to the TOP TWENTY list will do well to qualify under the stated criteria in the future.

A simple observation is that some business conglomerates that were once the icons and pride of corporate Sri Lanka, have of late shown signs of fatigue or an inadequacy of the required business mojo, whilst some are victims of macro effects that impacted their businesses. Business Today hopes these conglomerates would soon pick up their pace to help lead Sri Lanka to a new phase of growth and league of development.

By interesting coincidence the latest Business Today TOP TWENTY ranking finds two pairs of companies obtaining identical scores to enter the list at numbers 15 and 16. Although ideally only twenty companies should be selected, the 15th and 16th places are offered to both pairs of companies, and all companies within the TOP TWENTY scores for the year 2009 – 2010 are enlisted among the Business Today TOP TWENTY.

As a rule of thumb the Business Today TOP TWENTY ranking may be viewed as a Vision Board of Corporate Sri Lanka. It perhaps is a good barometer of the economy as a quick analysis of the Business Today Top 10 list over the years now expanded to TWENTY would provide a fair view of the business trends of the country.

Prior to introducing the latest Business Today TOP TWENTY Companies, Business Today places on record its appreciation and admiration for those companies that have nurtured and shaped the Sri Lankan business landscape.

**The Business Today TOP TWENTY companies have been selected on the basis of their financial performance during the financial year ending December 31, 2009 or March 31, 2010 by Keith Bernard, with the assistance of KPMG Ford Rhodes, Thornton & Company.**



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