

HNB Delivers for Investors

Hatton National Bank (HNB) ended 2005 with a robust performance delighting investors. Speaking with reference to the announcement of the annual results, Rajendra Theagarajah, HNB's Managing Director, said, "In 2004, we committed to implement selected strategies designed to meet the set of challenges we identified as critical for delivering superior value to our stakeholders. The Management Team has pursued this path during the last twelve months with extraordinary vigour". Pre tax profits of the Bank increased by 95% over the previous year to RsI.85bn and Post Tax Profits increased by 69% to reach RsI.65bn. The directors have recommended a final dividend of 20% to be paid, which will result in the Total Dividend for 2005 being 40% (35% in 2004). Group Post Tax Profit increased by 134% to reach RsI.77bn with solid contributions made by group companies involved in Insurance, Stock Brokering, Primary Dealership in Government Securities and Venture Capital Business. The share price increased by over 90% in 2005 to close at RsI2.50 at the year end with a Price/ Earnings Ratio of 7.5 times current earnings.