Successful Year for Nations Trust Bank

Nations Trust Bank (NTB), with its fully owned subsidiary, Waldock Mackenzie Limited, had another successful year, nearly tripling earnings per share during 2005.
The group recorded a profit after tax of Rsl24.7m for the year, a growth of 174% from 2004 earnings of Rs45.5m. The group operating profit before tax was Rs265.2m, an increase of 72% from Rsl54.3m in 2004. Tax paid, inclusive of financial services VAT, amounted to Rsl40.5m an increase of 60% after adjusting for retrospective tax in 2004.

The Total Income increased from Rs l,123m to Rs l581m, an increase of 41%. Zulfiqar Zavahir, Chief Executive Officer, said, “Our commitment to planned, structured growth continues into 2006 and beyond. Our enhanced brand image, portfolio, proven winning strategy and an enthusiastic staff who believe that they can achieve anything that they set their mind to will continue to improve the Bank’s stability and strength and deliver superior shareholder value in the years to come.” 2005 was a year of consolidation and of reaping the benefits of the organisation and focus changes effected in 2004. Branches grew from 26 to 28. ATMs increased from 30 to 33.

Recognition of the impact made by NTB in the business sector in Sri Lanka was evident when a study done by Brand Finance PLC and Sting Consultants, ranked Nations Trust among the 20 best-performing Sri Lankan brands.

On 1 January 2006, Nations Trust Bank merged with Mercantile Leasing Limited, a company engaged in the business of leasing and factoring. As a result of the merger, the bank’s capital increased to Rs2.2bn, bringing it closer to achieving the capital adequacy requirement of Rs2.5bn by 2007.