

# Union Bank Looks To The Future



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The Union Bank of Colombo, with an ambitious five year Strategic Plan, is making rapid progress into the future. The Bank has received commitments for an additional equity capital of Rs. 2 billion and is set to join hands with several new foreign investors in achieving its objective of becoming one of Sri Lanka's topmost financial services organisations.

Genting Berhad, the Malaysian conglomerate engaged in leisure and hospitality, and USA based fund Shorecap would be strategic investors in Union Bank.

Ajita de Zoysa, Chairman of Union Bank said, "this investment demonstrates the solidity and strength of Union Bank. Genting Group is Malaysia's leading Multinational Corporation and one of Asia's best-managed companies."

"A significant factor enabling Union Bank to raise new capital is the safe and viable environment for investment created by the progressive financial and economic policies being adopted by the Government. With the end of the conflict and the prevailing peaceful conditions, Sri Lanka's sound financial markets, rapid economic development programmes and the immense resource base, will attract new investors globally, thus enabling Sri Lankan corporations to make rapid progress. Sri Lanka today is being regarded as a favourable investment destination."

He added, "in progressing towards further growth, the Union Bank developed a five year Strategic Plan in consultation with an International Organisation. The objective of the equity raising is to fund the expansion envisaged under the plan and to meet the Central Bank's Minimum Capital Requirement."

Speaking on the Bank's performance Nilanth De Silva, Acting Chief Executive Officer of Union Bank stated that that Bank aims to build on the extensive re-organisation carried out in the last few years.

Anil Amarasuriya, Consultant/Director stated that part of the strategic plan is to reach out to a wider customer base, hence, the Bank aims to open several new branches this year. The Bank has already opened new branches in the North and plans to expand to other parts of the Island.

Amarasuriya added, "in order to achieve shareholders' aspiration in terms of growth and profitability, the Bank will expand organically and through acquisition. The end game is to elevate Union Bank to be a financial services powerhouse. The Bank is also working towards an Initial Public Offering (IPO).

"The Bank is led by an experienced Board of Directors comprising entrepreneurs, experts from banking, financial and management fields and industry leaders, who, have provided leadership and vision in taking the bank towards its goals. The entry of the new investors will give added impetus," he noted.

In gearing up to meet the challenges of the future, the Bank aims to expand its Management team, bringing in top professionals and the best of the breed in the industry," Amarasuriya said.