

SMB LEASING PLC

INTERIM REPORT

QUARTER ENDED 31ST DECEMBER 2010

SMB LEASING PLC
INCOME STATEMENT

For the Period Ended	SMBL PLC					
	3 Months ended 31st December 2010	3 Months ended 31st December 2009	Change %	12 Months ended 31st December 2010	12 Months ended 31st December 2009	Change %
	Rs.	Rs.		Rs.	Rs.	
Gross Income	<u>28,470,156</u>	<u>47,016,124</u>	(39.4)	<u>123,252,184</u>	<u>391,449,082</u>	(68.5)
Interest Income	20,992,324	34,483,347	(39.1)	101,717,869	147,132,031	(30.9)
Less: Interest Expenses	<u>(13,780,885)</u>	<u>36,122,656</u>	(138.2)	<u>(64,712,467)</u>	<u>(166,314,939)</u>	61.1
Net Interest Income	<u>7,211,439</u>	<u>70,606,003</u>	(89.8)	<u>37,005,402</u>	<u>(19,182,908)</u>	292.9
Other Income	7,477,832	12,532,777	(40.3)	21,534,315	244,317,051	(91.2)
Net Income	<u>14,689,271</u>	<u>83,138,781</u>	(82.3)	<u>58,539,717</u>	<u>225,134,143</u>	(74.0)
Less: Operating Expenses						
Personnel Costs	(6,222,657)	(6,983,364)	10.9	(23,963,579)	(17,680,791)	(35.5)
Premises, Equipment & Establishment Exp.	(3,033,044)	(3,675,043)	17.5	(10,901,206)	(11,952,135)	8.8
Other Overhead Expenses	(16,480,646)	(4,218,369)	(290.7)	(29,480,719)	(14,092,332)	(109.2)
Loan Loss Provision	10,214,770	60,260,096	(117.0)	31,396,775	(19,420,199)	261.7
Provision for falling value of Investment	2,638,138	-		2,638,138	(3,722,619)	
Operating Expenses	<u>(12,883,439)</u>	<u>45,383,319</u>		<u>(30,310,592)</u>	<u>(66,868,076)</u>	
Operating Profit/(Loss) Before VAT on Financial Services	<u>1,805,832</u>	<u>128,522,100</u>	(98.6)	<u>28,229,125</u>	<u>158,266,067</u>	(82.2)
VAT on Financial Services Taxation	(816,906)	-		(2,832,112)	-	
Operating Profit/(Loss) Before Taxation	<u>988,926</u>	<u>128,522,100</u>		<u>25,397,013</u>	<u>158,266,067</u>	
Taxation	-	-		-	-	
Profit/(Loss) for the Period	<u>988,926</u>	<u>128,522,100</u>	(99.2)	<u>25,397,013</u>	<u>158,266,067</u>	(84.0)
Basic Earnings per share	0.00	0.24		0.02	0.29	

Figures in brackets indicate deductions

The Above figures are provisional and subject to audit

CONSOLIDATED INCOME STATEMENT

For the Period Ended	GROUP					
	3 Months ended 31st December 2010	3 Months ended 31st December 2009		12 Months ended 31st December 2010	12 Months ended 31st December 2009	Change
	Rs.	Rs.	%	Rs.	Rs.	%
Gross Income	31,869,983	52,972,488	(39.84)	141,020,439	623,058,911	(77.4)
Interest Income	20,992,324	34,483,347	(39.12)	101,717,869	378,376,012	(73.1)
Less: Interest Expenses	(13,780,885)	(36,101,320)	61.83	(64,712,467)	(290,673,955)	77.7
Net Interest Income	7,211,439	70,584,667	(89.78)	37,005,402	87,702,057	(57.8)
Other Income	10,877,658	18,489,141	(41.17)	39,302,570	244,682,899	(83.9)
Net Income	18,089,098	89,073,808	(79.69)	76,307,972	332,384,957	(77.0)
Less: Operating Expenses						
Personnel Costs	(8,329,811)	(9,960,161)	16.37	(32,805,570)	(60,654,535)	45.9
Premises, Equipment & Establishment Exp.	(3,463,064)	(4,263,082)	18.77	(12,412,477)	(46,547,474)	73.3
Other Overhead Expenses	(17,851,016)	(6,532,424)	(173.27)	(35,389,947)	(62,005,969)	42.9
Loan Loss Provision	10,214,770	(50,595,049)	120.19	31,396,775	(81,489,488)	138.5
Provision for falling value of Investment	2,638,138	-		2,638,138	-	
Operating Expenses	(16,790,982)	(71,350,717)		(46,573,081)	(250,697,465)	(81.4)
Operating Profit/(Loss) Before VAT on Financial Services	1,298,116	17,723,092	(92.68)	29,734,891	81,687,492	(63.6)
VAT on Financial Services	(431,906)	(1,126,304)	(61.65)	(2,832,112)	(49,044)	5,674.6
Operating Profit/(Loss) Before Asso. Co. Profit	866,210	16,596,788	(94.78)	26,902,779	81,638,448	(67.0)
Share of Associate Company Profit	2,346,969	(2,945,529)	(179.68)	20,650,704	2,106,530	880.3
Operating Profit/(Loss) Before Taxation	3,213,179	13,651,259	(76.46)	47,553,483	83,744,978	(43.2)
Taxation	(385,500)	-		(385,500)	(1,515,613)	
Profit/(Loss) for the Period	2,827,679	13,651,259	(79.29)	47,167,983	82,229,366	(42.6)
Attributable to:						
Equity holders of the Parent Company	3,223,705	14,157,028		46,766,052	93,179,632	
Minority Interest	396,026	505,768	21.70	(401,930)	10,950,266	(103.7)
Profit for the Period	2,827,679	13,651,259	(79.29)	47,167,983	82,229,366	(42.64)
Basic Earnings per share	0.00	0.03		0.03	0.15	

Figures in brackets indicate deductions
The Above figures are provisional and subject to audit

CFO

The Board of Directors are responsible for the preparation & presentation of these Financial statements.
Approved & signed on behalf of the Board

Executive Director

Non Executive Deputy Chairman

24th Feb 2011
Colomco

CONSOLIDATED BALANCE SHEET

As At	GROUP		SMBL PLC	
	31st December 2010	31st December 2009 RS.	31st December 2010	31st December 2009 RS.
ASSETS				
Cash and Short Term Funds	300,584,332	7,243,662	299,046,038	6,091,226
Placements with and Loans to Other Banks & Finance Companies		11,256,832	-	-
Other Investment Securities	12,785,770	1,979,173	3,697,670	1,059,532
Loans and Advances	600,397,551	803,056,686	597,897,551	803,296,686
Lease Rental Receivable	228,963,227	383,679,543	228,963,227	383,679,543
Less : Provision for Possible Credit Losses	248,250,473	299,520,940	248,250,473	299,520,940
Interest in Suspense	96,847,813	108,516,324	96,847,813	108,516,324
Net Loan, Advances and Leases	484,262,492	778,698,965	481,762,492	778,938,966
Interest and Fees Receivable	41,503,211	81,534,116	41,503,211	81,499,789
Investment in Subsidiary Company	-	-	12,750,000	12,750,000
Investments in Associate Companies	157,354,373	136,703,669	125,559,577	125,559,577
Investment Properties	37,569,000	53,216,000	33,369,000	49,016,000
Property, Plant and Equipment	10,819,571	8,493,928	9,244,326	7,456,518
Group Balance Receivable		12,627		
Other Assets	116,262,944	107,365,728	115,719,884	106,170,334
Deferred Assets	-	471,067	-	-
Total Assets	<u>1,161,141,694</u>	<u>1,186,975,766</u>	<u>1,122,652,199</u>	<u>1,168,541,941</u>
FINANCED BY:				
LIABILITIES				
Borrowings	341,788,664	621,564,859	341,788,664	621,564,859
Term Loan	10,000,000	197,848,000	10,000,000	197,848,000
Other Liabilities	79,462,654	131,645,124	78,832,868	129,300,037
Debentures	115,176,500	231,661,500	115,176,500	231,661,500
Bank Over Draft	40,623,740	58,498,382	40,623,740	58,498,382
	<u>587,051,558</u>	<u>1,241,217,866</u>	<u>586,421,771</u>	<u>1,238,872,778</u>
SHAREHOLDERS' FUNDS				
Stated Capital	1,146,950,296	565,786,045	1,146,950,296	565,786,045
Statutory Reserve Fund	1,239,777	1,239,777	1,239,777	1,239,777
Revenue Reserves	(582,540,470)	(629,306,523)	(611,959,646)	(637,356,659)
Shareholders' Funds	565,649,603	(62,280,702)	536,230,427	(70,330,837)
Minority Interest	8,440,533	8,038,603		-
Total Equity	<u>574,090,136</u>	<u>(54,242,099)</u>		
Total Liabilities and Funds Employed	<u>1,161,141,694</u>	<u>1,186,975,766</u>	<u>1,122,652,199</u>	<u>1,168,541,941</u>
Net Assets per Ordinary Shares Rs.	<u>0.41</u>	<u>(1.14)</u>	<u>0.39</u>	<u>(1.29)</u>

Contingent Liabilities

The Above figures are provisional and subject to audit

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Approved & signed on behalf of the Board

Executive Director

Non Executive Deputy Chairman

24th Feb 2011
Colombo

CASHFLOW STATEMENTS

For the 12 Months Ended 31st December

Cash Flow from Operating Activities

	Group		SMBL PLC	
	2010 Rs.	2009 Rs.	2010 Rs.	2009 Rs.
Interest Received	154,418,692	194,149,983	153,021,221	194,149,983
Interest Payments	(95,275,468)	(166,319,840)	(95,275,468)	(166,314,939)
Fees and Commission Receipts	79,333,474	45,713,711	61,530,893	14,588,809
Profits from Other Operating Activities	-	-	-	-
Cash Payments to Employees and Suppliers	(77,261,067)	(70,597,172)	(61,752,649)	(37,812,045)

Net Profit before Changes in Operating Assets

	61,215,631	2,946,682	57,523,996	4,611,808
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Funds Advanced to Customers

	260,401,560	291,873,355	263,141,560	291,873,355
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Other Assets

	31,596,550	131,000,751	30,447,027	108,724,847
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Cash Generated from Operations

	353,213,741	425,820,787	351,112,584	405,210,009
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Tax Paid

	2,832,112	(14,219)	2,832,112	-
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Gratuity Paid

	-	(1,362,198)	-	(809,708)
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Net Cash used in Operating Activities

	356,045,853	424,444,370	353,944,696	404,400,301
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Cash Flow from Investing Activities

Investment in Associate Companies	-	-	-	-
Sale of shares in Subsidiary Companies	-	444,133,400	-	444,133,400
Proceeds from Sale of Dealing Securities	-	75,762,573	-	75,762,573
Net (Increase)/Decrease of Treasury Bills & Bonds	-	47,896,922	-	47,896,922
Purchase of Investment Securities.	-	16,512,382	-	16,512,382
Proceeds from Sale of Investment Securities	-	-	-	-
Net (Increase)/Decrease in Other Non Dealing Investments	-	-	-	-
Purchase of Property, Plant & Equipments	(5,457,129)	(4,148,590)	(5,457,129)	(3,408,620)
Proceeds from Disposal of Property, Plant & Equipments	107,000	-	107,000	-
Purchase / Sale of Investment Properties	15,647,000	(36,900,000)	15,647,000	(32,700,000)
Net Cash from/(Used in) Investing Activities	10,296,871	543,256,687	10,296,871	548,196,657

Cash Flow from Financing Activities

Increase/(Decrease) in Debentures	(116,485,000)	(23,512,902)	(116,485,000)	(23,512,902)
Increase/(Decrease) in Liabilities	(257,905,112)	49,635,604	(256,189,811)	64,834,450
Increase/(Decrease) in Other Borrowings	(279,776,195)	(997,896,246)	(279,776,195)	(997,896,246)
Increase/(Decrease) in Equity Capital	581,164,251	-	581,164,251	-
Increase/(Decrease) in Minority Interest	-	-	-	-
Net Cash from / (used in) Financing Activities.	(73,002,056)	(971,773,545)	(71,286,755)	(956,574,699)

Net Increase or (Decrease) in Cash and Cash Equivalents

	293,340,668	(4,072,487)	292,954,812	(3,977,741)
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Cash and Cash Equivalents at the beginning of the year

	7,243,662	11,316,149	6,091,226	10,068,966
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Cash and Cash Equivalents at the end of the year

	300,584,331	7,243,662	299,046,038	6,091,226
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Reconciliation of Cash and Cash Equivalents

Cash and Short Term Funds	300,584,332	7,243,662	299,046,038	6,091,226
Government Securities - Under Re-purchase Agreement	-	-	-	-
	300,584,332	7,243,662	299,046,038	6,091,226

The Accounting Policies and the Notes form an integral part of these financial statements.

Figures in brackets indicate deduction

STATEMENTS OF CHANGES IN EQUITY

For the 12 Month Period Ended 31st December 2010

GROUP	Stated Capital Rs.	Reserve on Scrip Issue Rs.	Statutory Reserve Fund Rs.	Retained Loss Rs.	Total Share Holders' fund Rs.	Minority Interest Rs.	Total Equity Rs.
As at 01.01.2009	565,786,045	8,316,030	4,420,527	(730,802,144)	(152,279,542)	74,326,806	(77,952,736)
Adjustment on Change in Minority Interest	-	-	-	-	-	(91,836,099)	(91,836,099)
Net Profit attributable to Shareholders	-	-	-	24,584,338	24,584,338	(1,725,380)	22,858,958
As at 31.12.2009	565,786,045	8,316,030	4,420,527	(706,217,806)	(127,695,204)	(19,234,673)	(146,929,877)
As at 01.01.2010	565,786,045	8,316,030	1,239,777	(637,622,552)	(62,280,701)	8,038,603	(54,242,098)
Right Issue	581,164,251	-	-	-	-	-	581,164,251
Net Profit attributable to Shareholders	-	-	-	46,766,052	46,766,052	401,930	47,167,983
As at 31.12.2010	1,146,950,296	8,316,030	1,239,777	(590,856,500)	(15,514,648)	8,440,533	574,090,136

For the 12 Month Period Ended 31st December 2010

SMBL PLC	Stated Capital Rs.	Statutory Reserve Fund Rs.	Retained Loss Rs.	Total Share Holders' fund Rs.
As at 01.01.2009	565,786,045	1,239,777	(778,964,905)	(211,939,083)
Net Profit attributable to Shareholders	-	-	158,266,067	158,266,067
As at 31.12.2009	565,786,045	1,239,777	(620,698,838)	(53,673,016)
As at 01.01.2010	565,786,045	1,239,777	(637,356,659)	(70,330,837)
Right Issue	581,164,251	-	-	581,164,251
Net Profit attributable to Shareholders	-	-	25,397,013	25,397,013
As at 31.12.2010	1,146,950,296	1,239,777	(611,959,646)	536,230,427

The Accounting Policies and the Notes form an integral part of these financial statements.

Figures in brackets indicate deductions.

The Above figures are provisional and subject to audit

General

There are no changes to the accounting policies and methods of computation since the publication of the annual accounts for the year 2010.

Market Price of Shares

	For the Quarter ended 31st December 2010				For the Quarter ended 31st December 2009	
	Voting Shares	Non Voting Shares	Voting Warrants	Non Voting Warrants	Voting Shares	Non Voting Shares
Market Value of Share Closing (Rs.)	1.90	1.00	0.80	0.60	4.80	0.70
Highest Prices per Share for the period (Rs.)	2.30	2.20	1.00	0.90	7.00	1.00
Lowest Prices per Share for the period (Rs.)	1.00	0.70	0.30	0.20	4.50	0.60
Number of Transactions			40,165			5,504
Number of Shares Traded			2,211,627,000			102,427,500
Value of Shares Traded			2,168,938,930			142,300,975
Other Ratios	2010 December		2009 December			
Debt Equity Ratio (%)	0.81		(19.38)			
Interest Cover (Times)	0.91		0.72			
Quick Assets Ratio (Times)	0.95		0.70			

Stated capital consist of 826,486,514 voting ordinary shares & 560,000,000 non voting ordinary shares

Other

The company has completed a rights issue for ordinary voting and ordinary non voting shares, and free warrant had been attached for each ordinary voting share & ordinary non voting share.

There are no other material events that have taken place subsequent to the interim accounts other than above, which require disclosure.

The interim Financial Statements are in compliance with Sri Lanka Accounting Standard 35 - Interim Financial Reporting.

CORPORATE INFORMATION

Legal Status

A Public Limited Liability Company incorporated in Sri Lanka on 3/9/1992 under the Companies Act No. 17 of 1982 & quoted on the Colombo Stock Exchange in 1993

Registered as a Finance Leasing Establishment under the provisions of the Finance Leasing Act No. 56 of 2000.

Company Registration No. PQ 91

Place of Incorporation - Colombo

BOARD OF DIRECTORS

Non Executive Deputy Chairman

Mr. R. S. W. Senanayake
ACMA. FCMA.

Executive Director

Mr. M. S. I. Peiris
AICM.(SL)

Non Executive Director

Mr. R. Renganathan
FCA

Independent Non Executive Director

Mr. A.N. Bahaudeen
B.A. (Econ) (SL). Attorney-at-Law

Independent Non Executive Director

Mr. G.C.B. Ranasinghe
Certificate in Leasing (USA)

Non Executive Director

Mr. U Gautam

Non Executive Director

Mr. J C Korale
BSc. MSc. ACA. FCMA.
Certificate in Leasing (USA)

Independent Non Executive Director

Mr. T Someswaran
FCA. FCMA.

Non Executive Director

Dr. T Senthilvel

SECRETARIES

S S P Corporate Services (Pvt) Ltd
546, Galle Road
Colombo 03.

AUDITORS

M/s. KPMG Ford, Rhodes, Thornton & Co.
Chartered Accountants,
Colombo

REGISTERED OFFICE

Landmark Building , No. 385, Galle Road, Colombo 03.

HEAD OFFICE

Landmark Building , No. 385, Galle Road, Colombo 03.

LAWYERS

M/s. De Livera Associates
Attorneys-at-Law & Notaries Public, Colombo.

M/s. Julius & Creasy

Attorneys-at-Law & Notaries Public, Colombo.

Aklaw Associates

Attorneys-at-Law & Notaries Public, Colombo.

BANKERS

Seylan Bank Plc
Sampath Bank Plc
People's Bank

SUBSIDIARY COMPANY

SMB Money Brokers (Pvt) Ltd

ASSOCIATE COMPANIES

Kenanga Investment Corporation Ltd.
SMB Real Estate Ltd
SMB Securities (Pvt) Ltd.

BRANCHES

Deniyaya Branch
Central Tyre House Building, 1st Floor, Main Street, Deniyaya

Mahiyanganaya Branch
24, Kandy Road, Mahiyanganaya.

SEGMENT REPORTING-GROUP

	Banking		Leasing		Treasury		Property/Investments		Eliminations/Unallocated		Consolidated	
	2010 Rs.'000	2009 Rs.'000	2010 Rs.'000	2009 Rs.'000	2010 Rs.'000	2009 Rs.'000	2010 Rs.'000	2009 Rs.'000	2010 Rs.'000	2009 Rs.'000	2010 Rs.'000	2009 Rs.'000
Revenue												
Interest	55,102,162	91,802,414	46,615,707	164,566,595	-	-	-	-	602,833	-	101,717,869	306,286,434
Exchange												
Lease Income/ Brokering												
Commissions & Fee Income	1,572,144	24,884,529	-	44,905,096	17,768,255	50,520,258	-	2,299,953	-	-	19,340,399	122,609,836
Other	19,962,170	244,317,051	-	14,316,707	-	4,704,391	-	3,432,855	22,088,105	-	19,962,170	244,682,899
Total Revenue from External Customers	76,636,476	361,003,994	46,615,707	223,788,399	17,768,255	55,224,649	-	5,732,808	-	22,690,938	141,020,439	673,579,169
Total Revenue	76,636,476	361,003,994	46,615,707	223,788,399	17,768,255	55,224,649	-	5,732,808	-	22,690,938	141,020,439	673,579,170
Segment result	28,515,995	37,130,711	22,419,320	47,651,807	2,285,765	3,811,554	-	-	-	-	53,221,080	88,594,072
Unallocated Income/Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Less Depreciation charged for the year	2,039,889	2,149,162	1,725,719	2,188,724	657,783	462,163	-	-	-	-	4,423,391	4,800,049
Profit from Operations	26,476,106	34,981,548	20,693,601	45,463,083	1,627,982	3,349,391	-	-	-	-	48,797,689	83,794,023
Income tax expense	2,015,206	49,044	-	-	(385,500)	1,515,613	-	-	-	-	1,629,706	1,564,657
Profit After Income tax	24,460,900	34,932,504	20,693,601	45,463,083	2,013,482	1,833,778	-	-	-	-	47,167,983	82,229,366
Minority Interest	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit for the year	24,460,900	34,932,504	20,693,601	45,463,083	2,013,482	1,833,778	-	-	-	-	47,167,983	82,229,366
OTHER INFORMATION												
Segment assets	570,387,176	567,728,850	482,540,079	578,179,497	183,927,172	122,086,362	-	-	8,868,530	-	1,236,854,427	1,259,126,179
Less Accumulated Depreciation	34,915,647	32,304,450	29,538,180	32,899,104	11,258,907	6,946,860	-	-	-	-	75,712,734	72,150,413
Investment in Subsidiaries	12,750,000	12,750,000	-	-	-	-	-	-	12,750,000	12,750,000	-	-
Total Assets	548,221,530	548,174,400	453,001,899	545,280,394	172,668,265	115,139,502	-	-	12,750,000	21,618,530	1,161,141,694	1,186,975,766
Segment liabilities	270,724,407	557,324,842	229,029,301	567,583,975	87,297,850	119,849,048	-	-	3,540,000	-	587,051,558	1,241,217,866
Shareholders Funds	260,854,691	(27,885,409)	220,679,651	(28,398,718)	84,115,260	(5,996,574)	-	-	-	-	565,649,603	(62,280,701)
Minority Interest	-	-	-	-	-	-	-	-	(8,440,533)	8,038,603	(8,440,533)	8,038,603
Total liabilities	531,579,098	529,439,434	449,708,953	539,185,257	171,413,110	113,852,474	-	-	(8,440,533)	11,578,603	1,161,141,694	1,186,975,766
Cash flows from												
Operating activities	164,027,452	190,039,684	138,765,075	193,537,900	52,892,327	40,866,786	-	-	-	-	355,684,854	424,444,370
Cash flows from Investing activities	4,748,500	243,236,421	4,017,169	247,713,872	1,531,202	52,306,395	-	-	-	-	10,296,871	543,256,687
Cash flows from Financing activities	(33,665,592)	(435,099,510)	(28,480,650)	(443,108,742)	(10,855,814)	(93,565,293)	-	-	-	-	(73,002,056)	(971,773,545)

SMB Leasing PLC
Directors Shareholding as at 31/12/2010

Name	No of Voting Shares	No of Non Voting Shares	No of Voting Warrants	No of Non Voting Warrants
Mr. RSW Senanayake	62,000	50,000	-	-
Mr. R Renganathan	5,000	-	-	-
Mr. MSI Peris	24	-	14	-
Mr. GCB Ranasinghe	-	-	-	-
Mr. AN Bahaudeen	-	-	-	-
Mr. U Gautam	-	-	-	-
Mr. JC Korale	-	-	-	-
Dr. T Senthilverl	197,327,224	36,048,200	8,303,924	-
Mr. T Someswaran	-	-	-	-

Spouses & Children Under 18 years of Directors

Name	No of Voting Shares	No of Non Voting Shares	No of Voting Warrants	No of Non Voting Warrants
Mrs. KALN Senanayake	814	-	484	-
Miss. DNA Senanayake	-	-	-	-
Mast. NSW Senanayake	-	-	-	-
Mrs. V Peris	-	-	-	-
Mast. MSV Peiris	-	-	-	-
Mast. MSR Peiris	-	-	-	-
Mrs. EC Ranasinghe	-	-	-	-
Mrs. SH Bahaudeen	-	-	-	-
Mast. MA Bahaudeen	-	-	-	-
Miss. FA Bahaudeen	-	-	-	-

CEO, Spous & Children under 18

Name	No of Voting Shares	No of Non Voting Shares	No of Voting Warrants	No of Non Voting Warrants
Mr. MJSN Fernando	2,470	-	1,470	-
Mrs. KLC Guneratne	-	-	-	-
Mast MET Fernando	-	-	-	-

Computation of % of Public Shareholding 30/09/2010 - Voting Share

Issued share Capital	826,486,514
Directors Shareholding	197,394,248
Spouses & Children of Directors	814
CEO, Spous & Children under 18	2,470
Over 10% Holding	-
Public Holding	<u>629,088,982</u>
Public Holding %	<u>76.12%</u>

Computation of % of Public Shareholding 31/12/2010 - Non Voting Share

Holding of 10% or more

Seylan Bank PLC - A/c No. 03	<u>92,369,666</u>
Issued share Capital	560,000,000
Parent Company	-
Directors Shareholding	36,098,200
Spouses & Children of Directors	-
Public Holding	<u>431,532,134</u>
Public Holding %	<u>77.06%</u>

Computation of % of Public Shareholding 31/12/2010 - Voting WarrantsShare

Issued share Capital	381,455,314
Parent Company	-
Directors Shareholding	8,303,938
Spouses & Children of Directors	484
Over 10% Holding	-
Public Holding	<u>373,150,892</u>
Public Holding %	<u>97.82%</u>

Computation of % of Public Shareholding 31/12/2010 - Non Voting WarrantsShare

Issued share Capital	460,000,000
Parent Company	-
Directors Shareholding	-
Spouses & Children of Directors	-
Over 10% Holding	-
Public Holding	<u>460,000,000</u>
Public Holding %	<u>100.00%</u>

SMB LEASING PLC**Top Twenty Major Shareholders - Voting**

Name	Shareholding	Percentage
1 Dr. T Senthilverl	197,327,224	23.88%
2 Seylan Bank Plc -A/C No. 03	34,361,382	4.16%
3 Miss. WNC Fernando	20,494,949	2.48%
4 Seylan Bank Plc / Jayantha Dewage	19,889,115	2.41%
5 Mr. WKVM Fernando	17,570,890	2.13%
6 Miss. SA Fernando	16,454,889	1.99%
7 Mrs. KWSH Fernando	16,426,739	1.99%
8 Mr. R Gautam	13,474,930	1.63%
9 Pershing LLC S/A Averbach Grausin & Co	8,571,428	1.04%
10 Mr. HK Pushpakumara	7,574,600	0.92%
11 Mr. S Arunasalam	7,389,842	0.89%
12 Pan Asia Banking Corporation Plc / Mr.VK Sangakkara	6,280,887	0.76%
13 The Finance Company Limited	6,000,000	0.73%
14 Swiss Lloyd Limited	5,700,000	0.69%
15 Mr. A Singh	4,941,502	0.60%
16 Mr. D S D De Lanerolle	4,000,000	0.48%
17 Pan Asia Banking Corporation Plc / Emagewise (Pvt) Ltd	3,768,100	0.46%
18 Mrs. CNM Anthony	3,580,801	0.43%
19 Dr. DMDOK Dissanayake	3,532,285	0.43%
20 Mr. MHMP Hettiarachchi	3,515,000	0.43%
Total	400,854,563	48.50%

SMB LEASING PLC**Top Twenty Major Shareholders - Non Voting**

Name	Shareholding	Percentage
1 Seylan Bank Plc -A/C No. 03	92,369,666	16.49%
2 Dr. T Senthilverl	36,048,200	6.44%
3 Mr. R Gautam	25,266,080	4.51%
4 Pan Asia Banking Corporation Plc / Invest Copia Capital (Pvt) Ltd	12,000,000	2.14%
5 Miss. G I Vasunthara	9,756,400	1.74%
6 Mr. B L Jayaratne	9,000,000	1.61%
7 Waldock Mackenzie Ltd / Mr. SA Gulahusein	8,000,000	1.43%
8 The Bishop of Galle	5,600,000	1.00%
9 Mr. P Poongunaseelan	5,282,600	0.94%
10 Mr. JJ Ravindran	5,040,000	0.90%
11 Mr. S Abishek	4,432,160	0.79%
12 Miss. S Durga	4,385,000	0.78%
13 Mr. K Rajakanthan	4,100,000	0.73%
14 Dr. D Rajakanthan	4,000,000	0.71%
15 Mr. MLA Benedict	3,684,800	0.66%
16 Miss. BK Galgamuwa	3,680,000	0.66%
17 Mr. BK Sirimanna	3,608,000	0.64%
18 Seylan Bank Plc / PD Rathnagopal	3,360,000	0.60%
19 Mr. HAS Madanayake	2,870,000	0.51%
20 Mr. SP Jayakumar	2,800,000	0.50%
Total	245,282,906	43.80%

SMB LEASING PLC**Top Twenty Major Shareholders - Voting Warrants**

Name	Shareholding	Precentage
1 Seylan Bank Plc / Jayantha Dewage	14,815,615	3.88%
2 Pan Asia Banking Corporation Plc / Mr. WTL Weeratne	12,300,000	3.22%
3 Mr. R Gautam	9,431,930	2.47%
4 Pershing LLC S/A Averbach Grausin & Co	8,571,428	2.25%
5 Dr. T Senthilverl	8,303,924	2.18%
6 Seylan Bank Plc -A/C No. 03	7,281,722	1.91%
7 Mr. WKVM Fernando	7,220,890	1.89%
8 Mrs. WNC Fernando	6,767,549	1.77%
9 Mrs. KWSH Fernando	6,676,739	1.75%
10 Mr. PKDG Jayananda	6,404,100	1.68%
11 Waldock Mackenzie Ltd/ Mr. KI Dharmawardena	6,052,314	1.59%
12 Miss. SA Fernando	5,882,589	1.54%
13 Mr. D Kotthoff	5,655,200	1.48%
14 Mr. P Poongunaseelan	4,028,571	1.06%
15 Mr. DN Daluwatte	4,000,000	1.05%
16 Pan Asia Banking Corporation Plc / British American Technologies (Pvt) Ltd	3,309,310	0.87%
17 Mr. JPM Aravinda	3,175,000	0.83%
18 Mr. KPNS Karunagoda	3,000,000	0.79%
19 Mr. HK Pushpakumara	3,000,000	0.79%
20 Mr. A Singh	2,941,502	0.77%
Total	128,818,383	33.77%

SMB LEASING PLC**Top Twenty Major Shareholders - Non Voting Warrants**

Name	Shareholding	Precentage
1 Seylan Bank Plc -A/C No. 03	36,326,166	7.90%
2 Mr. R Gautam	17,297,080	3.76%
3 Mr. R Ganeshan	11,300,000	2.46%
4 Mr. SBM Padmasiri	10,000,000	2.17%
5 Waldock Mackenzie Ltd/ Mr. SA Gulamhusein	7,000,000	1.52%
6 Mr. TGW Mudiyanse	5,873,800	1.28%
7 Mr. EMP Ambanpola	5,500,000	1.20%
8 Mr. LD Wicramasinghe	5,000,000	1.09%
9 Mrs. HN Padmsiri	5,000,000	1.09%
10 Miss. NWABSM Dayarathna	5,000,000	1.09%
11 The Bishop of Galle	4,600,000	1.00%
12 Mr. RSP Hewage	4,383,700	0.95%
13 Mr. JJ Ravindra	4,141,000	0.90%
14 Mrs. HMT Uththara	4,005,700	0.87%
15 Dr. RDK Arachchi	4,000,000	0.87%
16 Extreme Innovations (Pvt) Ltd	4,000,000	0.87%
17 Mr. K Rajakanthan	3,600,000	0.78%
18 Dr. D Rajakanthan	3,500,000	0.76%
19 Mr. SE Dias	3,145,300	0.68%
20 Mr. MLA Benedict	3,026,800	0.66%
Total	146,699,546	31.89%