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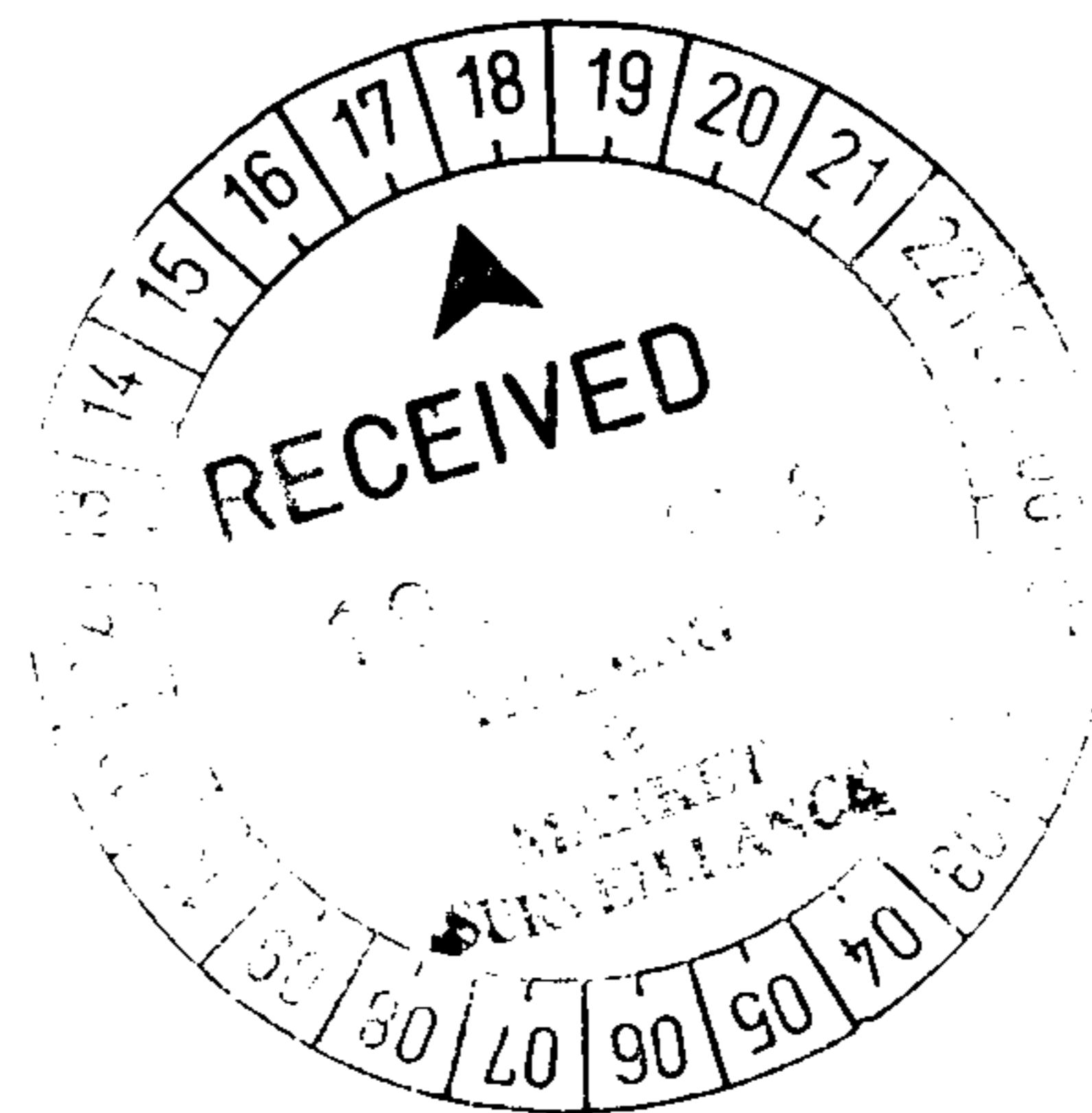


# Hatton National Bank

Hatton National Bank PLC (PQ82)

February 19<sup>th</sup>, 2016

Mr Renuke Wijayawardhane  
Chief Operating Officer  
Colombo Stock Exchange  
# 04-01 West Block  
World Trade Centre  
COLOMBO 1



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Dear Sir,

## ANNOUNCEMENT

**RE: FINAL DIVIDEND FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> DECEMBER 2015  
HATTON NATIONAL BANK PLC (PQ 82)**

This is to inform you that the Board of Directors of Hatton National Bank PLC (the "Bank") at a meeting held today decided to pay a final dividend of Rs. 7/- per share which will consist of Rs.3/50 per share in cash and Rs. 3/50 in the form of a scrip dividend, on both voting and non-voting shares of the Bank, for the financial year ended 31<sup>st</sup> December 2015.

The following table reflects the number of shares to be issued, the proportion and consideration at which shares are to be issued out of the profits earned during the year which is to be set aside for the scrip dividends based on the number of issued shares as at 19<sup>th</sup> February 2016. However, the number of voting and non-voting shares to be allotted will be varied since it is required to accommodate the new shares to be allotted under the ESOP scheme in progress from 23<sup>rd</sup> February 2016, to the effective ex-dividend date, which is to be notified later.

	Voting	Non-Voting
Existing Ordinary shares as at 19.02.2016	324,405,445	81,415,925
The number of shares to be issued (this is on the basis of Rs. 3/15 per existing share after providing for 10% withholding tax)	5,259,275.10	1,416,906
Amount to be capitalized	Rs. 1,021,877,151/75	Rs. 256,460,163/75
Value* of a share as at 18.02.2016 - last trading day prior to the Board Meeting	Rs. 194/30	Rs. 181/-
The proportion with which the shares are to be issued	1 for 61.68	1 for 57.46



**Continued**

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You are informed that:-

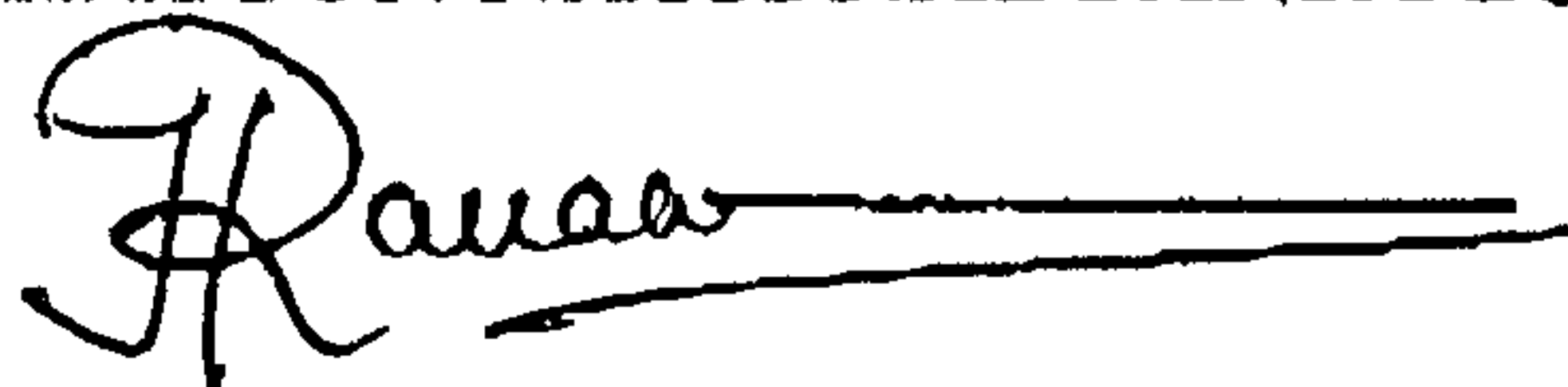
- in terms of the Articles of Association of the Bank, the payment of a final dividend requires the approval of the shareholders.
- the Annual General Meeting will be convened on Wednesday, 30<sup>th</sup> of March 2016, at which the approval of the Membership will be obtained to declare the dividend.
- the cash dividend will be paid on April 8<sup>th</sup>, 2016.
- the stated capital of the Bank as at the date of this letter is Rs. 13,826,873,121.51.
- The scrip dividend is subject to the Colombo Stock Exchange approving in principle the issue and listing of shares and obtaining shareholder approval in terms of the Bank's Articles of Association.
- the Share Transfer Books of the Bank will not be closed in respect of the dividend payment.

The Board was satisfied that the Bank could, immediately after the dividend is paid, meet the solvency test in terms of the provisions of the Companies Act. A certified copy of the Directors' Certificate on Solvency along with the Board Resolution is attached hereto. A certified copy of the Certificate of Solvency given by the Bank's Auditors, M/s Ernst & Young, would be submitted in due course, conforming to the CSE requirements

The announcement is made in terms of the Corporate Disclosure provisions of the Listing Rules of the CSE.

Yours faithfully

**HATTON NATIONAL BANK PLC**



**Thushari Ranaweera (Mrs.)**

**DEPUTY GENERAL MANAGER (LEGAL)/COMPANY SECRETARY**

TR/OK