

## Independent auditors' review report

### To the Directors of Dialog Telekom Plc

We have reviewed the accompanying balance sheet of Dialog Telekom Plc and its subsidiaries as at 30 June 2009, and the related statements of income and cash flows for the period then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Sri Lanka Auditing Practice Statement on Audit applicable to review engagements. This guidance requires that we plan and perform the review to obtain moderate assurances as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements are not presented fairly, in all material respects in accordance with Sri Lanka Accounting Standards.

13 August 2009  
COLOMBO

*PricewaterhouseCoopers*  
CHARTERED ACCOUNTANTS

# DIALOG TELEKOM PLC AND ITS SUBSIDIARIES

## Balance sheet

(all amounts in Sri Lanka Rupees thousands)

	30 June 2009		31 December 2008	
	Group	Company	Group	Company
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	59,047,750	50,484,204	64,698,584	56,718,021
Intangible assets	3,828,606	1,320,803	3,901,887	1,337,747
Investments in subsidiaries	Nil	8,826,010	Nil	8,826,010
Other investments	29,000	29,000	16,000	16,000
Amount due from subsidiaries	Nil	5,213,521	Nil	2,779,612
	62,905,356	65,873,538	68,616,471	69,677,390
<b>Current assets</b>				
Inventories	453,033	448,824	655,957	646,601
Trade and other receivables	10,063,860	7,439,648	10,742,903	8,308,351
Cash and cash equivalents	5,611,959	5,512,383	1,645,866	1,544,735
	16,128,852	13,400,855	13,044,726	10,499,687
<b>Total assets</b>	<b>79,034,208</b>	<b>79,274,393</b>	<b>81,661,197</b>	<b>80,177,077</b>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the company</b>				
Stated capital	31,806,113	31,806,113	32,556,113	32,556,113
ESOS Trust shares	(1,990,921)	(1,990,921)	(1,990,921)	(1,990,921)
Dividend reserve - ESOS	260,067	260,067	260,067	260,067
Revaluation reserve	19,682	19,682	19,913	19,913
Retained earnings	788,836	5,547,467	10,964,118	14,549,916
	<b>30,883,777</b>	<b>35,642,408</b>	<b>41,809,290</b>	<b>45,395,088</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Borrowings	22,008,596	21,160,094	8,828,439	7,818,455
Deferred tax liability	867,925	866,480	607,437	605,992
Retirement benefit obligations	181,496	164,379	205,069	187,378
Provision for other liabilities	433,005	433,005	194,924	194,924
	23,491,022	22,623,958	9,835,869	8,806,749
<b>Current liabilities</b>				
Trade and other payables	12,777,091	10,408,574	11,060,739	8,464,849
Current income tax liabilities	62,042	59,590	60,506	59,590
Borrowings	11,820,276	10,539,863	18,894,793	17,450,801
	24,659,409	21,008,027	30,016,038	25,975,240
<b>Total liabilities</b>	<b>48,150,431</b>	<b>43,631,985</b>	<b>39,851,907</b>	<b>34,781,989</b>
<b>Total equity and liabilities</b>	<b>79,034,208</b>	<b>79,274,393</b>	<b>81,661,197</b>	<b>80,177,077</b>
<b>Net assets per share</b>	<b>3.79</b>	<b>4.38</b>	<b>5.13</b>	<b>5.57</b>

The Board of Directors is responsible for the preparation and presentation of these financial statements. These financial statements were approved by the Board of Directors on 13 August 2009.

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.

Signed

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Dr. S.S.H.Wijayasuriya  
Director/Group Chief Executive

Signed

.....  
M.R.Prelis  
Director

Signed

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Vipula M. Gunatilleka  
Group Chief Financial Officer

## DIALOG TELEKOM PLC AND ITS SUBSIDIARIES

### Income statement

(all amounts in Sri Lanka Rupees thousands)

	Six months ended 30 June 2009		Six months ended 30 June 2008	
	Group	Company	Group (Restated)	Company
Revenue	17,193,988	15,677,470	18,057,407	16,566,100
Direct costs	(10,905,026)	(9,578,901)	(8,604,873)	(7,620,377)
Gross margin	6,288,962	6,098,569	9,452,534	8,945,723
Other operating income	322,713	352,043	123,581	137,981
Administrative costs	(11,469,830)	(10,740,223)	(4,596,364)	(3,660,736)
Distribution costs	(3,209,595)	(2,905,890)	(3,152,417)	(2,798,706)
Operating (loss) / profit	(8,067,750)	(7,195,501)	1,827,334	2,624,262
Finance costs	(1,207,083)	(908,038)	(404,688)	(282,341)
(Loss) / profit before tax	(9,274,833)	(8,103,539)	1,422,646	2,341,921
Tax	(261,495)	(259,956)	(199,186)	(186,334)
<b>(Loss) / profit for the period</b>	<b>(9,536,328)</b>	<b>(8,363,495)</b>	<b>1,223,460</b>	<b>2,155,587</b>
(Loss) / earnings per share for (loss) / profit attributable to the equity holders of the Company for the period (expressed in Rs per share)				
- Basic	(1.27)	(1.13)	0.12	0.23
- Diluted	(1.28)	(1.13)	0.11	0.23

## DIALOG TELEKOM PLC AND ITS SUBSIDIARIES

### Income statement

(all amounts in Sri Lanka Rupees thousands)

	Three months ended 30 June 2009		Three months ended 30 June 2008	
	Group	Company	Group (Restated)	Company
Revenue	8,750,907	7,968,665	9,170,258	8,345,890
Direct costs	(5,453,666)	(4,775,018)	(4,500,814)	(3,963,325)
Gross margin	3,297,241	3,193,647	4,669,444	4,382,565
Other operating income	188,766	204,742	75,908	77,430
Administrative costs	(9,103,153)	(8,842,614)	(2,281,721)	(1,801,603)
Distribution costs	(1,520,121)	(1,407,126)	(1,690,907)	(1,499,730)
Operating (loss) / profit	(7,137,267)	(6,851,351)	772,724	1,158,662
Finance costs	(407,680)	(268,948)	(304,021)	(236,408)
(Loss) / profit before tax	(7,544,947)	(7,120,299)	468,703	922,254
Tax	(122,817)	(126,190)	(133,857)	(124,523)
<b>(Loss) / profit for the period</b>	<b>(7,667,764)</b>	<b>(7,246,489)</b>	<b>334,846</b>	<b>797,731</b>
(Loss) / earnings per share for (loss) / profit attributable to the equity holders of the Company for the period (expressed in Rs per share)				
- Basic	(0.99)	(0.93)	0.00	0.06
- Diluted	(0.99)	(0.94)	0.00	0.06

## DIALOG TELEKOM PLC AND ITS SUBSIDIARIES

### Statement of changes in equity

(all amounts in Sri Lanka Rupees thousands)

#### Group

	Note	Stated capital	Shares in ESOS trust	Dividend reserve	Revaluation reserve	Retained earnings	Total
<b>Balance at 1 January 2008</b>							
As previously reported		33,056,413	(2,000,439)	172,722	20,377	19,096,588	50,345,661
Prior year adjustment	7	Nil	Nil	Nil	Nil	(60,306)	(60,306)
<b>As restated</b>		<b>33,056,413</b>	<b>(2,000,439)</b>	<b>172,722</b>	<b>20,377</b>	<b>19,036,282</b>	<b>50,285,355</b>
Net profit		Nil	Nil	Nil	Nil	1,642,975	1,642,975
Change in revenue recognition policy of subsidiary	7	Nil	Nil	Nil	Nil	(419,515)	(419,515)
Redemption of preference shares		(500,000)	Nil	Nil	Nil	Nil	(500,000)
Legal fee on issue of shares		(300)	Nil	Nil	Nil	Nil	(300)
Dividend received ESOS		Nil	Nil	87,345	Nil	Nil	87,345
Depreciation transfer		Nil	Nil	Nil	(232)	232	Nil
Dividend paid to ordinary shareholders		Nil	Nil	Nil	Nil	(4,479,078)	(4,479,078)
Dividend to rated cumulative redeemable preference shareholders		Nil	Nil	Nil	Nil	(303,717)	(303,717)
Shares exercised - ESOS		Nil	8,979	Nil	Nil	Nil	8,979
Subscription in advance		Nil	(331)	Nil	Nil	Nil	(331)
<b>Balance at 30 June 2008</b>		<b>32,556,113</b>	<b>(1,991,791)</b>	<b>260,067</b>	<b>20,145</b>	<b>15,477,179</b>	<b>46,321,713</b>
Balance at 1 July 2008		32,556,113	(1,991,791)	260,067	20,145	15,477,179	46,321,713
Net loss		Nil	Nil	Nil	Nil	(4,102,801)	(4,102,801)
Dividend to rated cumulative redeemable preference shareholders		Nil	Nil	Nil	Nil	(410,492)	(410,492)
Depreciation transfer		Nil	Nil	Nil	(232)	232	Nil
Shares exercised - ESOS		Nil	870	Nil	Nil	Nil	870
<b>Balance at 31 December 2008</b>		<b>32,556,113</b>	<b>(1,990,921)</b>	<b>260,067</b>	<b>19,913</b>	<b>10,964,118</b>	<b>41,809,290</b>
Balance at 1 January 2009		32,556,113	(1,990,921)	260,067	19,913	10,964,118	41,809,290
Net loss		Nil	Nil	Nil	Nil	(9,536,328)	(9,536,328)
Redemption of preference shares		(750,000)	Nil	Nil	Nil	Nil	(750,000)
Depreciation transfer		Nil	Nil	Nil	(231)	231	Nil
Dividend to rated cumulative redeemable preference shareholders		Nil	Nil	Nil	Nil	(639,185)	(639,185)
<b>Balance at 30 June 2009</b>		<b>31,806,113</b>	<b>(1,990,921)</b>	<b>260,067</b>	<b>19,682</b>	<b>788,836</b>	<b>30,883,777</b>

## DIALOG TELEKOM PLC AND ITS SUBSIDIARIES

### Statement of changes in equity

(all amounts in Sri Lanka Rupees thousands)

#### Company

	Stated capital	Shares in ESOS trust	Dividend reserve	Revaluation reserve	Retained earnings	Total
<b>Balance at 1 January 2008</b>	33,056,413	(2,000,439)	172,722	20,377	20,130,681	51,379,754
Net profit	Nil	Nil	Nil	Nil	2,155,587	2,155,587
Redemption of preference shares	(500,000)	Nil	Nil	Nil	Nil	(500,000)
Legal fee on Issue of shares	(300)	Nil	Nil	Nil	Nil	(300)
Depreciation transfer	Nil	Nil	Nil	(232)	232	Nil
Dividend paid to ordinary shareholders						
Dividend to rated cumulative redeemable preference shareholders	Nil	Nil	Nil	Nil	(4,479,078)	(4,479,078)
	Nil	Nil	Nil	Nil	(303,717)	(303,717)
Dividend received - ESOS	Nil	Nil	87,345	Nil	Nil	87,345
Shares exercised - ESOS	Nil	8,979	Nil	Nil	Nil	8,979
Subscription in advance	Nil	(331)	Nil	Nil	Nil	(331)
<b>Balance at 30 June 2008</b>	<b>32,556,113</b>	<b>(1,991,791)</b>	<b>260,067</b>	<b>20,145</b>	<b>17,503,705</b>	<b>48,348,239</b>
<b>Balance at 1 July 2008</b>	32,556,113	(1,991,791)	260,067	20,145	17,503,705	48,348,239
Net loss	Nil	Nil	Nil	Nil	(2,543,529)	(2,543,529)
Dividend to rated cumulative redeemable preference shareholders	Nil	Nil	Nil	Nil	(410,492)	(410,492)
Depreciation transfer	Nil	Nil	Nil	(232)	232	Nil
Shares exercised - ESOS	Nil	870	Nil	Nil	Nil	870
<b>Balance at 31 December 2008</b>	<b>32,556,113</b>	<b>(1,990,921)</b>	<b>260,067</b>	<b>19,913</b>	<b>14,549,916</b>	<b>45,395,088</b>
Balance at 1 January 2009	32,556,113	(1,990,921)	260,067	19,913	14,549,916	45,395,088
Net loss	Nil	Nil	Nil	Nil	(8,363,495)	(8,363,495)
Redemption of preference shares	(750,000)	Nil	Nil	Nil	Nil	(750,000)
Depreciation transfer	Nil	Nil	Nil	(231)	231	Nil
Dividend to rated cumulative redeemable preference shareholders	Nil	Nil	Nil	Nil	(639,185)	(639,185)
<b>Balance at 30 June 2009</b>	<b>31,806,113</b>	<b>(1,990,921)</b>	<b>260,067</b>	<b>19,682</b>	<b>5,547,467</b>	<b>35,642,408</b>

## DIALOG TELEKOM PLC AND ITS SUBSIDIARIES

### Cash flow statement

(all amounts in Sri Lanka Rupees thousands)

	Six months ended 30 June 2009		Six months ended 30 June 2008	
	Group	Company	Group (Restated)	Company
<b>Cash flows from operating activities</b>				
Cash generated from operations	5,896,220	5,823,810	2,680,034	1,472,610
Interest received	47,962	46,262	52,571	52,489
Interest paid	(958,551)	(698,505)	(368,373)	(256,003)
Tax refund / ESC paid	(34,358)	(34,354)	(30,060)	(30,060)
Retirement benefit obligations paid	(38,783)	(35,748)	(1,129)	(1,129)
<b>Net cash generated from operating activities</b>	<b>4,912,490</b>	<b>5,101,465</b>	<b>2,333,043</b>	<b>1,237,907</b>
<b>Cash flows from investing activities</b>				
Purchases of property, plant and equipment	(30,350)	(29,513)	(183,566)	(104,669)
Purchases of intangible assets	(13,186)	(13,186)	(57,590)	(51,788)
Amount given to subsidiaries	Nil	(1,865,400)	Nil	(1,064,000)
Investment instalment to SLINTEC	(13,000)	(13,000)	Nil	Nil
Expenditure incurred on capital work-in-progress	(5,476,745)	(4,114,391)	(12,131,655)	(9,751,705)
Proceeds from sale of property, plant and equipment	13,159	2,885	18,150	11,167
<b>Net cash used in investing activities</b>	<b>(5,520,122)</b>	<b>(6,032,605)</b>	<b>(12,354,661)</b>	<b>(10,960,995)</b>
<b>Cash flows from financing activities</b>				
Legal fee on issuing of preference shares	Nil	Nil	(300)	(300)
Redemption of rated cumulative redeemable preference shares	(750,000)	(750,000)	(500,000)	(500,000)
Proceeds from treasury shares - ESOS	Nil	Nil	8,672	8,672
Repayment of finance leases	(22,327)	(10,666)	(25,955)	(8,716)
Repayment of borrowings	(12,949,318)	(12,228,465)	(4,890,613)	(3,441,422)
Proceeds from borrowings	19,345,183	18,950,433	16,397,678	14,853,328
Dividend received - ESOS	Nil	Nil	87,345	87,345
Dividend paid - ordinary shares	Nil	Nil	(4,479,078)	(4,479,078)
Dividend - rated cumulative redeemable preference shares	(459,369)	(459,369)	(303,717)	(303,717)
<b>Net cash generated from financing activities</b>	<b>5,164,169</b>	<b>5,501,933</b>	<b>6,294,032</b>	<b>6,216,112</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>4,556,537</b>	<b>4,570,793</b>	<b>(3,727,586)</b>	<b>(3,506,976)</b>
<b>Movement in cash and cash equivalents</b>				
At start of year	(1,048,285)	(852,073)	6,092,071	6,062,156
Increase / (decrease)	4,556,537	4,570,793	(3,727,586)	(3,506,976)
Exchange gains / (losses) on cash and bank overdrafts	102,234	102,234	(33,446)	(33,446)
	<b>3,610,486</b>	<b>3,820,954</b>	<b>2,331,039</b>	<b>2,521,734</b>

# **DIALOG TELEKOM PLC AND ITS SUBSIDIARIES**

## **Notes to the financial statements**

**(all amounts in Sri Lanka Rupees thousands unless otherwise stated)**

### **1 General information**

Dialog Telekom PLC (the "Company") and its subsidiaries (together "the Group") provide Communication (Mobile, Internet, International, Data and Backbone, Fixed wireless and Transmission infrastructure) and Media related services.

Dialog Telekom PLC is a public limited liability company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The registered office of the Company is located at No. 475, Union Place, Colombo 2.

Issued ordinary shares of the Company have been listed on the Colombo Stock Exchange since 28 July 2005.

### **2 Basis of preparation**

The condensed interim consolidated financial information of Dialog Telekom PLC for the period ended 30 June 2009 has been prepared in accordance with Sri Lanka Accounting Standard 35 "Interim Financial Reporting". The interim consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2008.

### **3 Accounting policies**

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2008.



## DIALOG TELEKOM PLC AND ITS SUBSIDIARIES

### Notes to the financial statements

(all amounts in Sri Lanka Rupees thousands unless otherwise stated)

#### 4 Segment information

##### (a) Primary reporting format - business segments

o The segment results for the period ended 30 June 2009 are as follows:

	Cellular Operations	Global Operations	Fixed Telephony & Data	ISP	Transmission & Infrastructure	Entertainment & Media	Group
Total segmental revenue	15,601,939	5,160,081	653,291	182,329	272,453	774,884	22,644,977
Inter-segment revenue	(3,386,381)	(1,893,318)	(52,314)	(13,515)	(97,961)	(7,500)	(5,450,989)
Revenue from external customers	<b>12,215,558</b>	<b>3,266,763</b>	<b>600,977</b>	<b>168,814</b>	<b>174,492</b>	<b>767,384</b>	<b>17,193,988</b>
Operating (loss) / profit segment results	(8,081,222)	1,296,042	(373,481)	(135,122)	(302,947)	(471,020)	(8,067,750)
Finance income							65,224
Finance costs							(1,272,307)
Finance costs - net							(1,207,083)
Loss before income tax							(9,274,833)
Income tax expense							(261,495)
Loss for the period							<b>(9,536,328)</b>

o Other segment items included in the income statement are as follows:

	Cellular Operations	Global Operations	Fixed Telephony & Data	ISP	Transmission & Infrastructure	Entertainment & Media	Group
Depreciation / impairment	10,220,521	57,814	303,596	36,671	83,196	226,797	<b>10,928,595</b>
Amortization	215,748	30,895	57,924	3,010	3,186	4,724	<b>315,487</b>
Voluntary retirement scheme	248,562	7,175	13,148	4,654	3,330	2,768	<b>279,637</b>

o The segment assets and liabilities at 30 June 2009 and capital expenditure for the year then ended are as follows:

	Cellular Operations	Global Operations	Fixed Telephony & Data	ISP	Transmission & Infrastructure	Entertainment & Media	Unallocated	Group
Assets	56,823,140	8,414,255	3,495,342	63,594	4,283,039	3,196,688	2,758,150	<b>79,034,208</b>
Liabilities	6,567,323	4,396,647	316,260	2,866	511,704	978,481	35,377,150	<b>48,150,431</b>
Capital expenditure	3,834,553	322,536	616,126	35,483	155,344	308,400	11,934	<b>5,284,376</b>

## DIALOG TELEKOM PLC AND ITS SUBSIDIARIES

### Notes to the financial statements

(all amounts in Sri Lanka Rupees thousands unless otherwise stated)

#### 4 Segment information (Contd)

##### (a) Primary reporting format - business segments (Contd)

o The segment results for the period ended 30 June 2008 are as follows:

	Cellular Operations	Global Operations	Fixed Telephony & Data	ISP	Transmission & Infrastructure	Entertainment & Media	Group
Total segmental revenue	15,378,828	3,873,277	812,762	93,883	275,200	576,041	21,009,991
Inter-segment revenue	(1,025,583)	(1,788,181)	(35,945)	Nil	(94,549)	(8,326)	(2,952,584)
Revenue from external customers	<b>14,353,245</b>	<b>2,085,096</b>	<b>776,817</b>	<b>93,883</b>	<b>180,651</b>	<b>567,715</b>	<b>18,057,407</b>
Operating profit /(loss) segment results	1,684,310	939,952	(462,736)	(87,159)	80,457	(327,490)	1,827,334
Finance income							42,750
Finance costs							(447,438)
Finance costs - net							(404,688)
Profit before income tax							1,422,646
Income tax expense							(199,186)
Profit for the period							<b>1,223,460</b>

o Other segment items included in the income statement are as follows:

	Cellular Operations	Global Operations	Fixed Telephony & Data	ISP	Transmission & Infrastructure	Entertainment & Media	Group
Depreciation / impairment	2,532,959	25,057	457,572	74,566	35,369	80,652	<b>3,206,175</b>
Amortization	237,366	30,465	60,371	Nil	Nil	Nil	<b>328,202</b>

o The segment assets and liabilities at 31 December 2008 and capital expenditure for the year then ended are as follows:

	Cellular Operations	Global Operations	Fixed Telephony & Data	ISP	Transmission & Infrastructure	Entertainment & Media	Unallocated	Group
Assets	61,687,313	6,796,004	3,673,302	52,891	3,649,263	3,291,090	2,511,334	<b>81,661,197</b>
Liabilities	7,047,526	1,762,015	492,723	8,302	578,686	927,859	29,034,796	<b>39,851,907</b>
Capital expenditure	17,573,447	543,237	1,754,287	42,865	1,918,045	899,263	50,440	<b>22,781,584</b>

# DIALOG TELEKOM PLC AND ITS SUBSIDIARIES

## Notes to the financial statements

(all amounts in Sri Lanka Rupees thousands unless otherwise stated)

### 5 Stated capital

Stated Capital of the Company consist of 8,143,778,405 ordinary shares and 3,750,000,000 rated cumulative redeemable preference shares.

### 6 Impairment of network assets

Provision of LKR 6,031,620,039 has been made during the period ended 30 June 2009 on account of impairment of network assets due to network modernization program adopted by the Company.

### 7 Prior year adjustment

The policy followed by subsidiary in respect of revenue recognition was changed during the year ended 31 December 2008. The revenue which was previously recognized in full at the time of granting the connection is now recognized over the subscriber churn. This change in accounting policy has been accounted for as a prior year adjustment, in accordance with Sri Lanka Accounting Standard SLAS 10 – Accounting Policies, Changes in Accounting Estimates and Errors, by restating comparative figures and adjusting the opening balance of retained earnings. The change, in the opinion of the directors, is considered to give a fairer representation of the results for the period and the status of the assets and liabilities at the end of the period.

### 8 Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period.

### 9 Market price per share

For the three months ended 30 June

	2009	2008
- Highest	6.00	17.50
- Lowest	4.70	12.50
- Last traded	5.25	14.25

### 10 20 largest shareholders of the Company

Name of Shareholder	No. of Shares	% Holding
1 TM International (L) Limited	6,785,252,765	83.32%
2 HSBC Intl Nominees Ltd - BBH - Genesis Smaller Companies	191,221,640	2.35%
3 Dialog Telekom Employees ESOS Trust	158,572,462	1.95%
4 HSBC Intl Nominees Ltd - JPMCB - Emerging Markets Growth Fund	149,615,180	1.84%
5 HSBC Intl Nominees Ltd - JPMLU - Capital International Emerging Markets Fund	71,265,260	0.88%
6 Sri Lanka Insurance Corporation Limited - Life Fund	68,242,720	0.84%
7 HSBC Intl Nominees Ltd - SSBT - International Finance Corporation	64,086,800	0.79%
8 Citibank London s/a RBS ad DEP for FS Asia Pacific	56,724,300	0.70%
9 Citibank London s/a RBS AS DEP for FS Global Emerging	44,909,600	0.55%
10 HSBC Intl Nominees Ltd - JPMCB - Scottish ORL SML TR GTI	42,207,500	0.52%
11 Employees Provident Fund	36,896,189	0.45%
12 HSBC Intl Nominee Ltd - SSBT - SSGA - Emerging Market Fund	34,611,803	0.43%
13 HSBC Intl Nominees Ltd - SSBT - South Asia Portfolio	30,080,680	0.37%
14 Bank of New York - Stewart Ivory - Fifth Third Bank -OH	24,618,900	0.30%
15 HSBC Intl Nominees Ltd - SSBT- Daily Active Emerging Markets Securities Lending Common Trust Fund	22,749,481	0.28%
16 HSBC Intl Nominees Ltd - JPMCB - Coal Staff Superannuation TR	22,559,900	0.28%
17 Sri Lanka Insurance Corporation Limited - General Fund	21,120,360	0.26%
18 Bank of Ceylon A/C Ceybank Unit Trust	19,209,600	0.24%
19 HSBC Intl Nominees Ltd - SSBT - Lloyds TSB Group Pension TR (No 1)	17,877,800	0.22%
20 HSBC Intl Nominees Ltd - SSBT - State Street Bank & Trust Company Investment Funds	13,752,796	0.17%

### 11 Public shareholding

As per the listing rules of the Colombo Stock Exchange, percentage of public holding as at 30 June 2009 was 14.73% (14.73% as at 31 December 2008).

## **DIALOG TELEKOM PLC AND ITS SUBSIDIARIES**

### **Notes to the financial statements**

(all amounts in Sri Lanka Rupees thousands unless otherwise stated)

#### **12 Directors' Shareholdings**

The details of shares held by the Directors and their spouses as at 30 June 2009 are as follows:

Dr Shridhir Sariputta Hansa Wijayasuriya	42,570
Mr. Moksevi Rasingh Prelis	18,480
Mr. Mohamed Vazir Muhsin	18,040

None of the Directors other than those disclosed above hold any shares in the Company.

#### **13 Contingencies**

There has not been a significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31 December 2008.

#### **14 Events after the Balance sheet date**

No circumstances have arisen since the Balance Sheet date, which would require adjustments to or disclosure in the financial statements.