



INNER COVER PAGE



S K Y L I N E S

As Sri Lanka's largest property developer we are uncritically admired as an icon in the industry. Our developments have been hailed internationally for their architectural and design excellence. By creating iconic properties, we have painted a new skyline for Colombo, an achievement that makes us proud.

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Our Vision

“Our passion is to be the most successful and innovative real estate solutions provider in the region.”



Our Values

Quality
Team work
Honesty
Continuous Learning
Innovation
Accountability
Respect

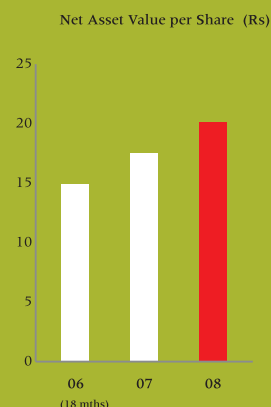
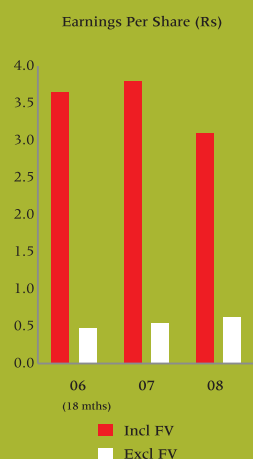
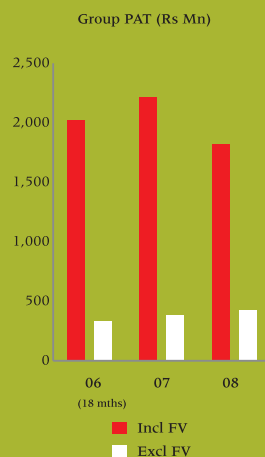
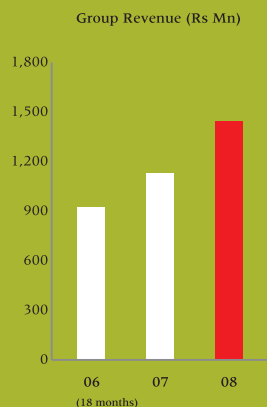


Our Mission

To be a truly Sri Lankan, self contained diversified real estate solutions provider, driven by a highly motivated professional team to achieve an average year-on-year growth in Group profits over the next five years.

Financial Highlights

Overseas Realty (Ceylon) PLC group made significant progress during the year 2008 in spite of numerous challenges faced.



For the year ended			As at 31st December		
	2008	2007		2008	2007
	Rs. '000	Rs. '000		Rs. '000	Rs. '000
Revenue	1,444,148	1,130,651	Total Equity	15,856,995	14,363,560
Fair Value Adj	1,388,261	1,834,317	Investment Properties	14,258,633	12,870,372
Profit Before Tax incl FV	1,833,002	2,230,848	Inventories	4,225,817	3,108,368
Profit After Tax incl FV	1,816,670	2,213,467	Total Assets	19,972,304	17,693,093
Profit After Tax excl FV	428,409	379,150	Non - Current Liabilities	587,886	1,154,703
EPS with FV (Rs)	3.10	3.80	NAV per Share (Rs)	20.13	17.54
EPS w/out FV (Rs)	0.63	0.54	Market Value per Share* (Rs)	10.38	12.25
Dividend per Share (Rs)	0.40	0.50	Market Capitalisation* (Rs Mn)	5,834	6,888
Debt : Equity	4%	8%	PE*	3.35	3.22
ROE	12%	16%	* The share price taken is the average of the lowest and highest share prices during the year		

Chairman's Statement



“Our passion is to be the most successful and innovative real estate solutions provider in the region.”

Financial Performance

I am very pleased to report that your Company was able to achieve an after tax Profit of Rs 1,733.2 Mn for the year ended 31 December 2008, compared with Rs 2,180.3 Mn in 2007, in a year that has been economically traumatized not just in Sri Lanka, but in the world. The Group after tax profit amounted to Rs 1,816.7 Mn compared with Rs 2,213.5 Mn in 2007.

Bearing in mind the severe extent and depth of the global recession which is expected to continue well into 2009, and the adverse operating business environment, your Board of Directors recommend a first and final dividend of Rs 0.40 per share for 2008.

World Trade Center Operations

In spite of access restrictions to and around the building arising from perceived security issues, the fact that World Trade Center remains the 'premier office complex' has enabled the Company to achieve rental income growth of 12% during the year while our weighted average occupancy was maintained at 83% compared to 85% the previous year. Management continues to dedicate its efforts to maintain the World Trade Center building in pristine condition and to ensure unobtrusive security of the highest standard.

Nevertheless, with the impact of the global crisis being increasingly felt by some of our tenants, our ability to maintain a growth momentum would be seriously challenged.

Havelock City Project

The global financial crisis has had a direct impact on the progress of sales of condominium units in the Havelock City project. Significant demand was expected from the Sri Lankan diaspora overseas. However given the dire and still uncertain economic situation prevailing, compounded by devalued currencies, potential buyers have deferred their investment decisions.

However, we strongly believe in the potential of this project. Our priority is to complete the 226 units in the first phase of the residential component to demonstrate the high quality of design and finishes of the end product in the context of the original concept of a city within a city.

Prospects

The year ahead will be even more challenging. We are hopeful that stability will return to the global financial and business environment and we continue to pray for peace in Sri Lanka. There will be opportunities for ORC PLC in particular, as a premier property development and owning Company.

Appreciation

The encouraging results for 2008 are in large part due to the diligence and commitment of the Company's management team which has performed laudably in a year of challenge and change. As always, I also extend my thanks and gratitude to my fellow Board Members for their continued support and sound advice. Finally, I also wish to express my sincere appreciation to all shareholders for their continued faith and commitment in the success of your Company.

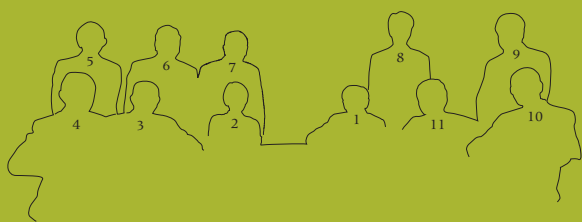


S. P. Tao

Chairman

January 2009

Board of Directors



1. Mr. Shing Pee Tao
2. Dr. Mrs. Mildred Tao Ong
3. Mr. Christopher James Edward Anthonisz
4. Mr. Hussein Zubire Cassim
5. Mr. Ajit Mahendra De Silva Jayaratne
6. Mr. Melvin Yap Boh Pin
7. Mr. Anil Kumar Hirjee
8. Mr. Porn Taochaifu *alias* Paul Tao
9. Mr. Ernst Peter Rogowski
10. Deshamanya Balakumara Mahadeva
11. Mrs. Rohini Lettitia Nanayakkara

Mr. Shing Pee Tao

Mr. Shing Pee Tao is the Founder and Chairman of the Shing Kwan Group. A naturalized Singapore citizen, Mr. Tao has extensive business experience across Asia and is widely regarded as a visionary entrepreneur in the commodities, shipping and real estate sectors. He graduated with a Bachelor's Degree in Economics from the University d'Aurora in Shanghai, China.

Mr. S.P Tao has been the Non-Executive Chairman of ORC PLC since the Shing Kwan Group invested in the Company in 1991. Apart from Sri Lanka, Mr. Tao has real estate investments in China and Singapore. Between 1972 and 1996, he was Chairman of Singapore Land Limited spearheading its growth into the largest listed property company on the Singapore Stock Exchange. During this time, he developed the monumental Marina Centre Complex in downtown Singapore. Mr. Tao was also a co-founder of PT Jakarta Land, developer of the World Trade Center complex in Jakarta, Indonesia and served on its Board from 1980 to 2005.

Dr. Mrs. Mildred Tao Ong

Appointed to the Board as a Non-Executive Director in 1991, Dr. Mildred Tao joined the Shing Kwan Group in 1977, after receiving her medical degree from University College, London in 1972 and subsequently working as a Pediatrician in Singapore. Dr. Tao later attended an Advanced Management Program at Harvard Business School in 1982. Dr. Tao has played an instrumental role in developing the Shing Kwan Group's Singapore property development arm, across the residential and commercial sectors. Dr. Tao currently manages the Shing Kwan Group's real estate business in Singapore and oversees its investments.

Between 1980 and 1990, Dr. Tao served as a member of the Executive Committee of Singapore Land Limited and later became the Vice-Chairman of that company. During her tenure, Singapore Land grew to become the largest property company listed on the Singapore Stock Exchange with a market capitalization of over SGD 1.0 Bn. Dr. Tao has also served as a Director of PT Jakarta Land, which developed the World Trade Center complex in Jakarta, Indonesia.

Mr. Christopher James Edward Anthonisz

Mr. Christopher James Edward Anthonisz, a versatile sportsman in his younger days, holds an Economics Degree specializing in banking from the University of Colombo. He started his career at Bank of Ceylon and ended up as General Manager from 1987 to 1991. He was advisor to Amro Bank in Colombo and Manager of the Overseas Trust Bank. He counted over 50 years of experience in banking at the time of his retirement.

Mr. C. J. E. Anthonisz held Directorships at York Arcade Holdings Limited and Tokyo Cement Limited and retired in 1980.

He joined ORC PLC as a Director in May 1991, and also serves as the Chairman of its Audit Committee and Director of Hospitality International (Private) Limited.

Mr. Hussein Zubire Cassim

Appointed to the Board as a Non-Executive Director of ORC PLC in April 1991 Mr. Hussein Zubire Cassim, presently serves as the Deputy Chairman of the Board. He is an Associate Member of the Institute of Chartered Ship Brokers, London, having qualified in the Inter-arts Examination, London in 1950. Mr. Cassim held the post of Secretary to the Minister of Trade, Commerce & Tourism from 1952 to 1956. He served as General Manager of Ceylon Shipping Lines from 1958 to 1963.

He has held Executive and Non-Executive Directorates of Companies in Singapore and Sri Lanka, from 1960 to date. He was responsible for introducing Mr. S. P. Tao to Sri Lanka to develop and spearhead the construction and operation of the World Trade Center, which constituted Sri Lanka's single largest foreign investment at the time. Now, this is surpassed by the Havelock City Project.

Mr. Cassim was also a member of the Panel of Advisors of the United Nations Youth Federation of Sri Lanka from May 1999 to 2004. He was the first President of the Sri Lanka - Singapore Business Council, an affiliate of the Ceylon Chamber of Commerce. He held this post for two consecutive years. He was also a member of the Executive Committee of the Ceylon Chamber of Commerce.

Board of Directors

Mr. Ajit Mahendra De Silva Jayaratne

Mr. Ajit M. De S. Jayaratne was re-appointed to the Board of ORC PLC in 2005, as an independent Non Executive Director. Mr. Jayaratne graduated from the University of Southampton, U.K. with a BSc degree in Economics. Thereafter he qualified as a Fellow of the Institute of Chartered Accountants in U.K. Returning to Sri Lanka he became a member of the Institute of Chartered Accountants in Sri Lanka.

He served at Forbes & Walker Limited for most of his working life, culminating in being appointed as the Chairman of the said company, which position he held for several years. During his period of service, he was appointed Director of several public and private companies. He also served as the Chairman of the Colombo Stock Exchange, Chairman of the Finance Commission and Chairman of the Ceylon Chamber of Commerce. Upon retiring from the private sector, he was appointed as Sri Lanka's High Commissioner to Singapore. After relinquishing that position and returning to Sri Lanka, he has once again been appointed as Director of several local companies.

Mr. Melvin Yap Boh Pin

Mr. Melvin Yap Boh Pin has served as a Non-Executive Director of the Company since 1991 and is also a member of its Audit Committee and Executive Committee.

Mr. Yap qualified as a chartered accountant from the Institute of Chartered Accountants of England and Wales in 1966. He is a Fellow member of both the Institute of Certified Public Accountants of Singapore, and the Institute of Chartered Accountants of England and Wales.

He is currently the Managing Director of B.P.Y. Private Limited, a firm of management consultants which provides financial planning, financial accounting, review of internal control systems as well as corporate secretarial services in Singapore.

Between July 1975 and January 1999, Mr. Yap was a senior partner at Yap Boh Pin & Co. which provided advice on auditing, taxation, liquidation and corporate restructuring matters. He is an independent Director of TeleChoice International Limited, a public listed company and a subsidiary of Telemedia, which is part of the Singapore Technology Group. He is also the Chairman of the Audit Committee and member of the Nominating Committee. He is also a Director of Lereno

Bio-Chem Limited, serving as Chairman of its Nominating Committee and member of its Audit Committee.

He has also held Directorships in various public companies between 1975 and 2000, including Singapore Land Limited, L&M Investments Limited and Pan Pacific Company Limited and a member of their executive committees and/or audit committees, assisting in the evaluation and recommendation of changes to their system of internal controls and corporate governance.

Beyond the corporate sector, Mr. Yap is actively involved in various non-profit, educational and social welfare organizations. He is a member of the Board of Governors of the Singapore Hokkien Huay Kuan and a member of the Board of Trustees of the Chinese Development Assistance Council, as well as a member of its Audit Committee. He is also actively involved on the Board of Management of the Anglo-Chinese School (Independent) ("ACS"), serving as Chairman of the ACS Endowment Fund and Chairman of the Finance Management Committee. He is also a Director of Anglo-Chinese School (International) and Chairman of its Finance Committee.

Mr. Anil Kumar Hirjee

Mr. A. K. Hirjee, joined the Board as an independent Non-Executive Director in 2007. He holds a Bachelor of Arts (Hons) degree and a Bachelor of Law (Hons) degree. He is Barrister-at-Law and SLOAN Fellow of London Business School. He has over 43 years of experience in different areas of Business Management. His expertise extends to finance, banking, legal, commercial, industrial and general administration areas.

Mr. Hirjee holds Directorships in many Indian and foreign companies including Atlas Copco (India) Limited (Chairman), HDFC Trustee Co. Limited (Chairman), The Bombay Burmah Trading Corporation Limited (Vice Chairman), The Bombay Dyeing & Manufacturing Co. Limited, Britannia Industries Limited and National Peroxide Limited.

Mr. Hirjee also served/serves on Audit Committees of the many companies where he is a Director. He also serves on the Shareholders/Investors Grievance Committees of the Board of Atlas Copco (India) Limited, Britannia Industries Limited and The Bombay Dyeing & Manufacturing Co. Limited. Mr. Hirjee has also been actively associated with leading Charitable Institutions.

Mr. Porn Taochaifu alias Paul Tao

Mr. Porn Taochaifu (also known as Paul Tao) joined the Board of Directors of the Company in 2002. He graduated from the University of Cambridge, England with a Master of Arts Degree. He also holds a Master of Science Degree in Real Estate from the University of Greenwich, England and has participated in the programme for Management Development at the Graduate School of Business Administration, Harvard University, U.S.A. Mr. Taochaifu has been actively involved in property development and investment for over 10 years. Mr. Taochaifu is also a qualified solicitor in Hong Kong.

Mr. Ernst Peter Rogowski

Mr. E. Peter Rogowski who joined the Board of Directors of the Company in 2007, as an independent Non-Executive Director is a civil engineer who became a Property Developer/Partner with one of the largest property investors and developers from the USA. He has been responsible for many property development projects in Europe. He also helped to develop Marina Square in Singapore and provided advice in the development of Shanghai Trade Mart in Shanghai, China. He has functioned as Managing Director/Director of a large number of European companies. He is also an advisor and consultant to property related projects.

Deshamanya Balakumara Mahadeva

Deshamanya B. Mahadeva has been a Director of ORC PLC since September 1994. Mr. Deshamaya B. Mahadeva obtained a First Class Bachelors Degree and a Masters degree in Mathematics from the London University of UK.

He had been a lecturer in Mathematics at the University of Colombo and has served the Ceylon Civil Service for a period of over 50 years. He has also served the United Nations in Malaysia for a period of 10 years as Head to 16 countries in Asia. Returning to Sri Lanka, he held key posts of Chairman, DFCC Bank and Chairman, National Development Bank. He was also the Chairman of Lanka Tiles and Lanka Wall Tiles, during the same period. Deshamanya Balakumara Mahadeva has also held posts such as Chairman of the Presidential Commission on Privatization and served as a member of the Securities and Exchange Commission.

Mrs. Rohini Lettitia Nanayakkara

Mrs. Rohini Nanayakkara was appointed to the Board of Directors of the Company as an independent Non-Executive Director in 2004. She holds a Second Class BA Honours Degree from the University of Peradeniya, Sri Lanka. She also holds a Diploma in French from the Chamber of Commerce, Brussels. She is a Fellow of the Institute of Management and the Institute of Bankers, Sri Lanka.

She was the first woman Executive to join a Commercial Bank, namely Bank of Ceylon, with the rare distinction of becoming the first woman General Manager/CEO of a Bank in Sri Lanka and the Asian Region.

She was also Chairman/Director of several financial institutions such as the National Development Bank, DFCC Bank, Merchant Bank of Sri Lanka and the First Capital Group of Companies. She has served as Director/General Manager/CEO of one of the largest private banks namely, Seylan Bank PLC. In August 2004, she accepted the invitation extended to her by the shareholders of LOLC to be the Chairperson of the LOLC Group of Companies.

Presently she is also the Chairperson of the Browns Group of Companies, NDB Venture Investments (Private) Limited, Ayojana Fund (Private) Limited, Taprobane Investment Group of Companies, Touchwood Investments Limited and Trans Asia Hotels Limited. She is also a Director of Mireka Capital Land (Private) Limited and Mireka Homes (Private) Limited.

Business Review

Macro Environment

The macro environment was one of the most volatile in recent history. The unfolding global financial crisis is unprecedented and is testing the existing financial systems and structures across the globe. The crisis which began in mid 2007 has deepened through 2008 and there is still uncertainty as to whether we have seen the bottom yet. The fallout has affected every sphere of economic activity. A number of developed economies have announced recession and are struggling to come to grips with the unfolding events.

The year ended has been a very challenging one for the country in terms of security and deterioration of the economy with inflation hitting a high of 28% mid year but gradually easing towards the latter part. The long standing conflict appears to be nearing an end and this is bringing about positivism and hope in the minds of individuals and businesses alike.

In this backdrop the Group performed exceptionally well in terms of achieving revenue and profit targets.

World Trade Center (WTC) Operations

Our Tenants

The World Trade Center is widely regarded as the 'Best Business Address in Colombo' and is in a vantage position to be at the forefront of 'state-of-the-art' available office space. This coupled with our strategy to make the World Trade Center a 'One Stop Shop' with cutting edge technology, facilities and all services being made available under one roof has attracted a large number of 'A' grade tenants, numbering over 105.

Occupancy

The security arrangements in and around Fort affected the WTC operations with access restrictions and road closures impacting the movement of our tenants during the year. Presently this has improved positively with freer access. Despite these impediments, the Company maintained a growth momentum, starting the year at 79% of occupancy and ending the year at 82%.

With Sri Lankan businesses increasingly feeling the fallout from the global economic downturn, maintaining occupancy levels and achieving growth in rental rates would be challenging tasks in the coming year.

WTC still remains the premier office space provider in the country. Our strategy is to build on our strength and keep on adding and improving features and facilities that are demanded in a state of the art modern office complex. We would also provide flexible and total packages that are needed by certain industries and businesses. However the key differentiating factor would be our unmatched standards of service to our tenants and the unparalleled standards of office space provided.

Havelock City Project

Havelock City is a mixed development comprising residential and commercial components. Phase one of the housing component, comprising two residential blocks with 226 units is under construction with completion estimated for mid June 2009. Almost 50% of phase one has been sold and a sales launch for the remaining units will take place with substantial completion.

Piling for phase two of the residential component has been completed and construction will commence when substantial sales of phase one have been achieved.

The review of the architectural design of the Commercial component of the project is in the final stages and BOI approval for this component has also been obtained. The approval processes for construction activity and related regulatory processes are currently underway.

Human Resource

We believe that our human resource is our most valuable capital. We attribute our success and the standards of quality we have maintained at World Trade Center over the past 13 years, to the commitment, love and the sense of ownership that is demonstrated by our employees. The Company's human resource strength stood at 208 by the end of 2008.

In the recent past, we have expanded and restructured our management team to meet the future needs of the Group. During the year, the focus had been on developing and consolidating our capability to meet the challenges of the expanding business. With a performance management system in place and a clear vision, we are confident of meeting the challenging environment that is unfolding.

The Performance Management System introduced in 2007 was further strengthened during the year and this has enabled the Company to align our employees with the new vision and values of the Company. We invested in training and competency building programmes throughout the year in line with our value of employing the best people and providing them the opportunity to develop their full potential and enhancing the team spirit within the Group.

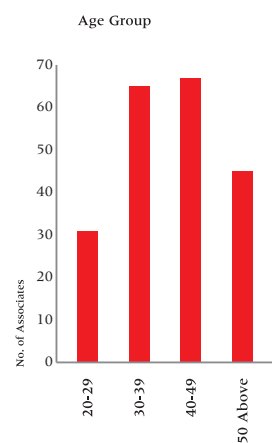
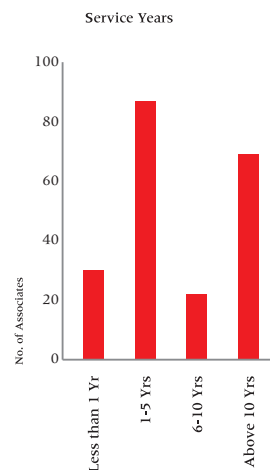
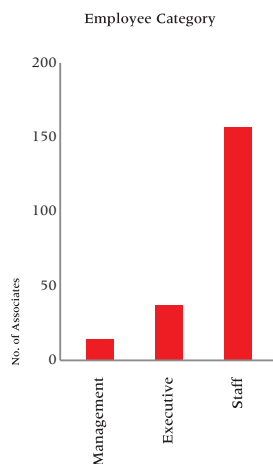
Integrated IT System

The implementation of a fully fledged ERP system with a view to upgrading and elevating our capabilities to a higher level is an initiative that has been undertaken during the year. The implementation of ERP is also to ensure that we are geared to meet the challenges of managing Havelock City, as efficiently as we have been managing WTC, and improve further. This would also enable us to position ourselves for future expansions.

The ERP system would enable the Group to amalgamate and centralize some of its core functions such as finance, facilities/building management, marketing and human resources in order to improve cost and process efficiencies. This would enable automated consolidation of financials across the Group and support centralized decision making with the availability of online, real time information with the consolidation of all functions - marketing, building/facilities management, human resources and other services with finance.

The Future

As the premier property developer and facility provider in Sri Lanka, we aspire to constantly look at building on our core competencies and strengths. We would also expand into related areas that will add value to Group operations and increase value to our stake holders. The Management will look at increasing our efficiency through optimal utilization of the available resources and expertise that we have built over the years. We will draw on the strength of our parent Company, who are in the forefront of property development in the region. The Company will continue to invest in training and developing our staff which we believe is our biggest asset and on whom we depend on to maintain the excellent reputation we have built over time.



Financial Review

Revenue

Group total revenue for the year under review was Rs 1,444.1 Mn with a growth of 28% over the previous year. The contribution of the Company's operations to this achievement was Rs 846.6 Mn. The contribution from the Havelock City project, which is under the Company's subsidiary Mireka Capital Land (Private) Limited amounted to Rs 597.6 Mn. Income from other services amounted to Rs 41.6 Mn.

The Company's revenue arises from leasing space at World Trade Center, which has contributed approximately 56% of the Group revenue with a growth of 12% over the previous year. The average occupancy at WTC for the year was 83%.

The contribution to Group revenue from Havelock City commenced from 2007 from the sale of condominiums of phase one. Revenue recognition from sale of condominium units is in conformity with SLAS 29 and follows the principle that equitable interest of the property passes to the committed buyer prior to transfer of legal title and revenue recognition is based on substantial percentage completion of construction. The revenue recognized from Havelock City is based on 66% completion of construction.

Cost of Sales

Cost of sales of the World Trade Center operation reflects the direct operating expenses of the tenanted space which has increased year on year by 29%. The increase in electricity tariffs from March 2008 had a significant impact which resulted in the increase in Direct Expenses.

The cost of sales of condominiums of Havelock City is based on the percentage of completion of revenue applied against the estimated cost of sales of phase one of the project.

Other Operating Expenses

Other operating expenses including net finance expenses for the Company which is Rs 143.8 Mn and 17% of revenue for the year reflects an increase of 12% over the previous year. Other operating expenses for the previous year was Rs 128.9 Mn and 17% of revenue achieved. The increase in provision for bad debts has been the key element contributing to the increase in overhead expenses during the year under review.

Other operating expenses for the Group stood at Rs 246.4 Mn against Rs 135.1 Mn in the previous year, which is an increase of 82%. The main contributor to this increase at Group level is exchange losses of Rs 88 Mn, mainly from the revaluation of US Dollar borrowings of Mireka Capital Land (Private) Limited for project development, due to the rapid exchange depreciation witnessed during the latter part of the year. The depreciation of the Rupee against the US dollar year on year amounted to 4%.

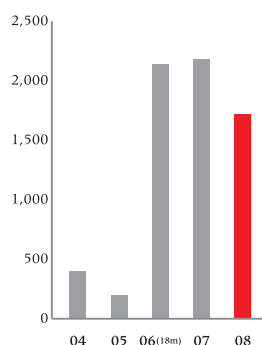
EBIT

Group EBIT excluding the fair value gain on Investment Property for the year is Rs 401 Mn, as compared to Rs 353 Mn last year, which is a growth of 14%. The EBIT with the fair value gain is Rs 1,789.6 Mn for the year, as compared to Rs 2,187.5 Mn the previous corresponding year. Though the fair valuation of the property has increased by 11% year on year, the

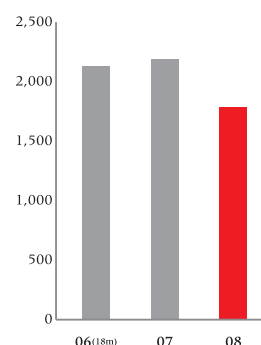
Group Revenue (Rs Mn)



EBIT - Company (Rs Mn)



EBIT - Group (Rs Mn)



fair value recognized for the year has decreased by 24% against the fair value amount recognized in the corresponding period of the previous year. The EBIT has seen a significant increase from 2006 as revaluation of Investment Properties (the WTC property) commenced being recognized in the profit & loss from that year, previously this being transferred to revaluation reserves.

Dividends

The Directors have proposed a first and final dividend of Rs 0.40 per share which will result in a payout of Rs 224.9 Mn. The first and final dividend declared for the previous year was Rs 0.50 per share with a total payout of Rs 281.1 Mn.

Revaluation Gains

The World Trade Center as Investment Property has been valued in accordance with SLAS 40 to the value of Rs 14.3 Bn as at 31st December 2008. This is an appreciation of 11% of the open market value of the building. The valuation method used consistently over the last three years is the Income Approach or Investment Method on an estimated annual rent for each Condominium Unit discounted for repairs, insurance, property rates and voids.

Capital Expenditure

Capital Expenditure amounting to Rs 43.5 Mn is reflected in the Financial Statements, of which Rs 33 Mn is the fair value appreciation of the office premises of the Company at the World Trade Center. An amount of Rs 7 Mn was committed during the year by the WTC Management Corporation for enhancing the security of the building.

Impact of changes in Sri Lanka Accounting Standards

The revised SLAS 16 effective for financial years beginning on or after 1 July 2008 requires post employment benefits to be actuarially valued utilizing the projected unit credit actuarial cost method which has been introduced to the Financial Statements. The liability is not externally funded.

Asset Utilization

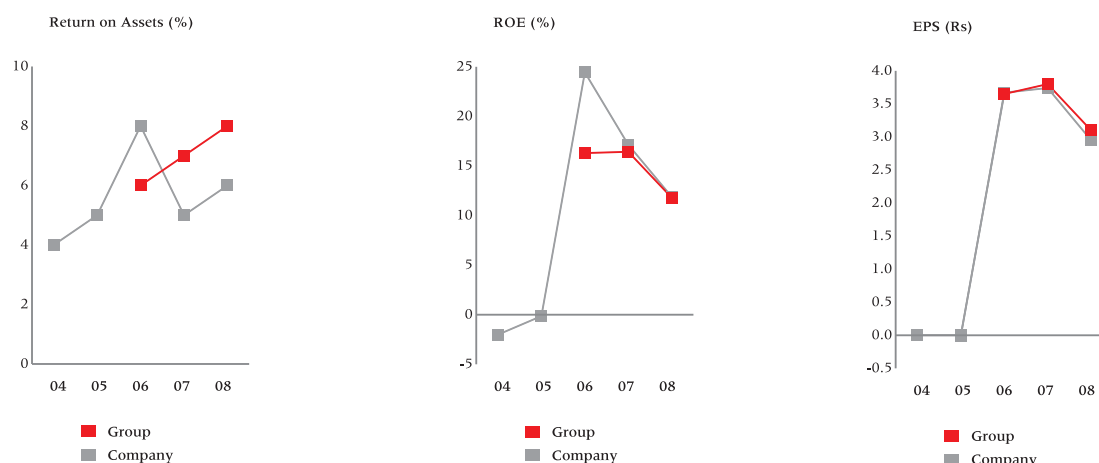
The net asset value per share for the Group at the end of the year was Rs 20.13, which reflects an increase of 15% over the previous year. The return on assets has improved from 7% to 8% this year.

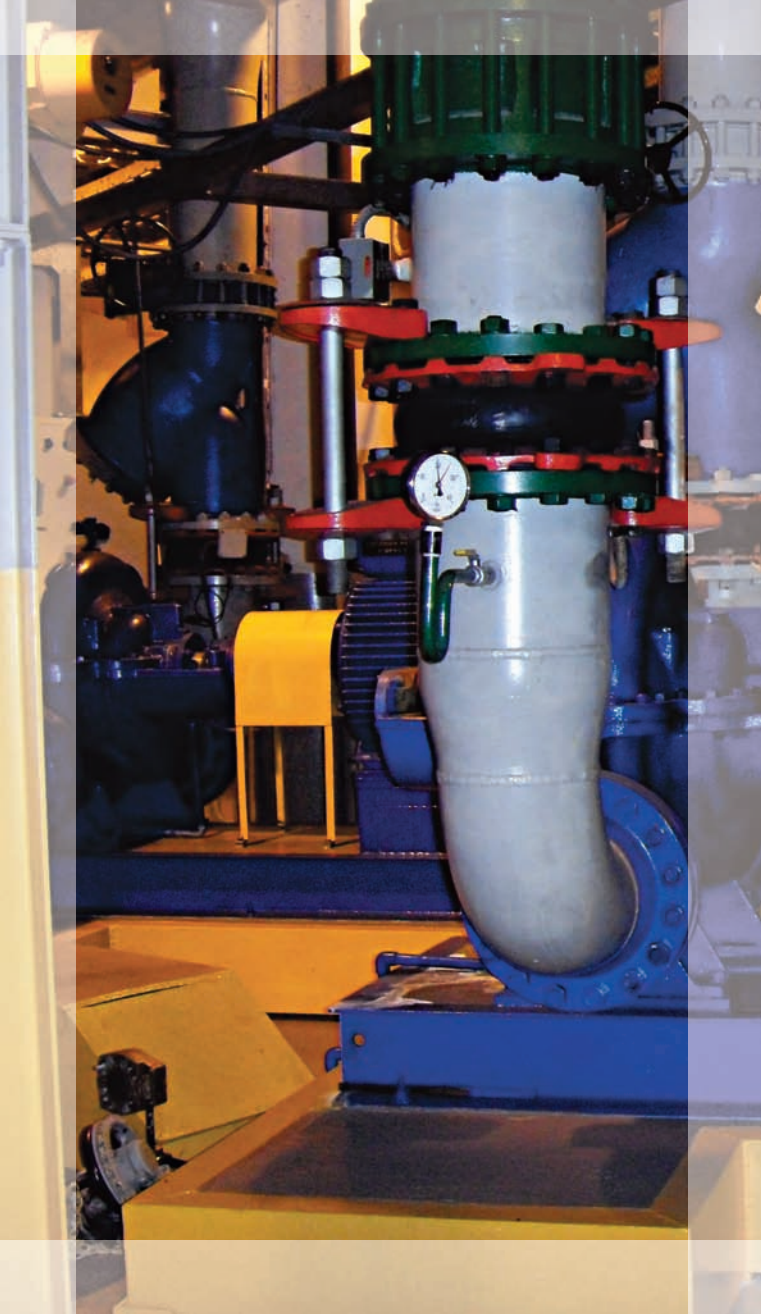
The net asset value per share for the Company has increased from Rs 17.51 to Rs 20.02 which is a 15% increase and the return on assets has moved from 5% to 6% year on year.

Shareholder Returns

The Group recorded a return on equity of 12% as compared to 16% the previous year, the reduction being attributable to the increase in average equity and the decline in fair value gain for the year as against the fair value gain recognized the previous year. The Company too recorded a return on equity of 12% against 17% the previous year.

The earnings per share of the Group for the year is Rs 3.10 as against Rs 3.80 recorded last year. The number of shares has remained unchanged from the previous year.





CSR Initiatives

A key initiative in the construction and property development sector has been the concept of creating buildings and structures which focus on the efficiency of resources such as energy, water and materials whilst concentrating on making the environment clean and green for healthy living. Though this concept is relatively new to Sri Lanka, Overseas Realty (Ceylon) PLC was one of the very few Companies to initiate 'the green building' concept, first with the World Trade Center and now with Havelock City.

Air-conditioning System

The Montreal protocol on Ozone depletion has identified that CFC (ChloroFluoroCarbon) and HCFC (HydroChloroFluoroCarbon), two widely used refrigerants are harmful to the Ozone layer. The air-conditioning system at the World Trade Center uses only Ozone friendly, HFC (HydroFluoroCarbon) refrigerants.

Energy Conservation

The excessive dependency on thermal energy (non-renewable) for generation of electricity will contribute to harmful effects on the environment. Energy conservation activities will reduce the need for electricity generation resulting in less environmental degradation. The energy conservation projects conducted at WTC have reduced the energy consumption of the facility by 2.5 million energy units, which is equivalent to 10% of the total energy consumption of the facility.





Waste Paper Re-cycling

All waste paper discarded by the tenants is being collected on a daily basis for re-cycling.

Green Features at Havelock City

The 'Living Green' concept seeks to fulfill the demand for an improved approach to better living and a cleaner environment. By adopting this strategy we can maximize both economic and environmental performance whilst providing many social benefits to the users and occupants of the building. Some of these benefits include enhanced comfort and health, heightened aesthetic appearance of the buildings, improved quality of life, saving energy and minimized environmental hazards.

Providing natural light and ventilation to the apartments to conserve energy costs, the use of Brazilian teak from sustainable forests for bedroom floors, use of paints, sealants, adhesives, texture coatings, water proofing materials with low volatile organic compounds, use of homogeneous floor tiles in the living and dining areas which act as heat reflectors and thereby reducing room temperature which contributes to lesser use of air conditioning are some of the features we have introduced to provide the residents at Havelock City, a cleaner and greener environment whilst reducing energy consumption.





World Trade Center

The World Trade Center, Colombo is more than great office space in a prime address; it is a world of conveniences, indulgences and a novel experience. Its 'Total Service Concept' provides tenants with all the assistance they need to start off and sustain their business operations with minimum fuss.

“

.... With its strategic location, finest features and facilities, WTC Colombo is the perfect recipe for healthy business....

”





Havelock City

Havelock City is being developed to usher Sri Lankans into a new age of modern living. Being constructed on the land which was once occupied by the Spinning & Weaving Mills site, Havelock City will stand as an impressive venture of integrated modern living, with eight towers surrounding a lush landscaped paradise, each rising from 22 to 29 levels in height.

“

Havelock City will soon re-define Colombo's sky line and offer customers the convenience of being in the heart of Colombo with facilities beyond expectation

”



Corporate Governance

Statement of Corporate Governance

Overseas Realty (Ceylon) PLC is one of the largest and leading real estate development companies in the country. Listed on the Colombo Stock Exchange in 1982, it operates as a Flagship Company of the Board of Investment of Sri Lanka. While the WTC building is a landmark in the city of Colombo, it also has undertaken one of the largest property development projects, the Havelock City Project. The development is through subsidiary companies, Mireka Capital Land (Private) Limited, Mireka Homes (Private) Limited and Havelock City (Private) Limited.

The Company places strong emphasis on adhering to good corporate governance standards and strives to ensure strict compliance with the disclosure requirements set out by the Colombo Stock Exchange, guidelines issued by the Securities and Exchange Commission of Sri Lanka, the Code of Best Practices in Corporate Governance recommended by the Chartered Accountants of Sri Lanka and the statutory stipulations contained in the Companies Act No. 07 of 2007.

This report enumerates the governance structure that exists within the Company, in order to enhance long term shareholder value, whilst maintaining the highest standards of integrity, accountability, transparency and business ethics in the governance of the Company and its subsidiaries.

Board of Directors

Composition and Attendance at Meetings

As at 31st December 2008, the Board of Directors of the Company consisted of eleven (11) members, of whom all Directors, including the Chairman are Non-Executive Directors. Some of the Directors have appointed Alternate Directors to ensure that the business of the Company is continued efficiently without any interruption, even in their absence. This further strengthens and enhances the independence of the Board, ensuring speedy decision making and effective deliberations. The Board meets once in every quarter and the names of the Directors and their attendance at meetings are as follows -

Name of The

Director	Category	Attendance
S.P Tao	Chairman	1/4
H.Z. Cassim	Deputy Chairman	4/4
C.J.E. Anthonisz	Director	4/4
A.K. Hirjee	Director	1/4
A.M. De S. Jayaratne	Director	4/4
B. Mahadeva	Director	4/4
R.L. Nanayakkara	Director	4/4
M. Tao Ong	Director	4/4
M. Yap Boh Pin	Director	4/4
E.P.L.F. Rogowski	Director	1/4
P. Taochaifu	Director	0/4

Role and Responsibility of the Board

The Board is collectively responsible for the formulation of the overall business policy and strategy and for monitoring the efficient and effective implementation of the same, in accordance with Company's vision, mission and values. The Board also bears the final responsibility for maintaining the integrity of financial information and the effectiveness of the Company's internal management and risk control. Thus, its functions include compliance with applicable laws and regulations, review of the management and operational information, adoption of Annual and Interim Accounts before they are published, review of exposure to key business risks, strategic direction of operational and management units, approval of annual budgets, monitoring progress towards achieving those budgets and sanctioning major capital expenditure and acquisition of assets.

The Board is supported by the Executive Committee, Audit Committee, the Remuneration Committee and the Company's management headed by the Chief Executive Officer and auditors. These internal structures provide a regular forum for monitoring the effectiveness, ensuring the efficiency of the Board's performance. In its governance of the Company's affairs, the Board strives to balance the interests of the Company, its shareholders, employees and other stakeholders. The Board is responsible ultimately, for the Company's financial performance.

Board Balance and Independence

As stated above, the Board comprises eleven members, all of whom serve in a non-executive capacity, thus ensuring their independence and integrity to an even higher standard than otherwise. Each Director has a continuing responsibility to determine whether he or she has a potential or actual conflict arising from any external involvements or interests. The majority of members on the Board are considered to be independent, having no material interest or relationship with the Company.

Mr. H.Z Cassim, was appointed as Director on April 12 1991. Other members of the Board value his independent judgment and dynamic business acumen in proper stewardship of the Company's affairs. Mr. C.J.E. Anthonisz and Mr. B. Mahadeva were appointed as Directors on May 31, 1991 and September 27, 1994 respectively. The former is an experienced banker, while the latter is a respected former public servant, whose views and experience bring a broader perspective to Board's deliberations. Therefore, the Board strongly believes that the length of their periods of service, has not affected their objectivity in the discharge of their duties as Directors independently.

Mrs. Rohini Nanayakkara was appointed to the Board on 20th May 2004 and Mr. Ajit M. De S. Jayaratne was re-appointed on 19th October 2005. Both these Directors have been acting as independent Directors since their appointments. Mr. Anil Kumar Hirjee and Mr. Ernst Peter Rogowski were appointed as independent Directors with effect from 26th March, 2007. The Board is of the collective opinion that the majority of Directors are both independent and free from any business or other relationship that could materially interfere in the exercise of their judgments.

The other four Non-Executive Directors, represent the parent Company, Shing Kwan Group which holds more than 50% of the equity capital of ORCPLC.

Financial Acumen and Knowledge

The Board includes two Chartered Accountants and several members who have served in the banking and financial sectors. They possess the necessary acumen and knowledge to offer the Board guidance on matters of finance.

The Board of Directors brings a wide range of local and international expertise needed for the overall direction, strategy and achievement of financial objectives of the Company. The profiles of Directors as set out on page 7-9 reflect the depth of knowledge and experience individually and collectively gained by them, while serving in a variety of public and private companies, both locally and internationally.

Access to Information

The Board is supplied with accurate and complete information that is required for effective deliberations and for the arrival of informed decisions upon all matters pertaining to the Company. The Board receives accurate, relevant and comprehensive papers relating to all matters itemed in the agenda of Board meetings in a timely manner. Such information generally includes a detailed analysis of financial and all aspects of operations for each quarter, background and/or explanatory information relating to matters brought before the Board, copies of disclosure documents, budgets, forecasts and quarterly financial statements in advance of each meeting to enable the Directors to make informed decisions.

The Directors have access to the Company's senior management at all times, to receive advice and information on topical matters, new regulations and practices that would further the interests of the Company. Directors may seek professional advice when deemed necessary, when fulfilling their directorial responsibilities, at the Company's expense.

Re-election

The Articles of Association of the Company mandate that one third of the Directors, excluding the Chairman, retire and submit themselves for re-election at every Annual General Meeting. The retirement of each Director is determined according to who has served the longest period of time in office, since his/her appointment or reappointment, as the case may be. The Articles also provide that newly appointed Directors, whether they are appointed to fill a casual vacancy or to serve as an additional Director, can hold office only until the Annual General Meeting of the Company immediately following such appointment, after which they must seek re-election.

Corporate Governance

The re-election of a Director safeguards the right of the shareholders by providing for a regular reassessment of the composition of the Board. The names of the Directors submitted for re-election are provided to the shareholders along with notice of the Annual General Meeting, to enable them to make informed decisions on such appointments.

Executive Committee

The Executive Committee consists of three members, all of whom are Non-Executive Directors and is headed by the Chairman of the Company. The Executive Committee functions under the delegation of the Board and interacts closely with the Board and directs the management on key functions, based on approved strategies adopted by the Board.

Audit Committee

The Audit Committee consists of four Non-Executive Directors. Two of them are qualified chartered accountants, having extensive experience in the field of finance. The Committee is chaired by Mr. C.J.E. Anthonisz, a Non-Executive independent Director. The other members are Mr. H.Z. Cassim, Deputy Chairman, Mr. Ajit M. De S. Jayaratne and Mr. Melvin Yap Boh Pin. The appointed members are required to exercise independent judgment in carrying out their functions.

The Committee is responsible for the evaluation, appointment and reappointment of auditors and the continuous maintenance of a professional relationship with them. The Committee further fulfills the functions of reviewing the internal audit process, the assessment of the adequacy of internal controls, accounting policies and the adherence to and compliance with general principles of accounting. It further reviews and recommends for approval the Interim and Annual Financial Statements, striving to ensure accurate financial reporting, effective internal controls and risk management.

The Audit Committee held four (04) meetings during the last financial year. The Report of the Audit Committee appears on page 23.

Remuneration Committee

The Remuneration Committee comprises three Non-Executive Directors. The Committee is chaired by Mr. H.Z. Cassim, while Mr. Ajit M. De S. Jayaratne and Mrs. Rohini Nanayakkara serve as members. The committee is responsible for the formulation and establishment of remuneration policies including the reviewing, approving and recommending to the Board the remuneration of Directors, Chief Executive Officer and other individuals who hold key positions in the senior management cadre of the Company. The Remuneration Committee ensures that the levels of remuneration are adequate to attract, retain and motivate the senior management so that the highest quality of work may be expected. The Report of Remuneration Committee appears on page 22.

Accountability and Audit

The Board considers it within their topmost priorities that complete disclosure of financial and non financial information is made, within the parameters of realistic commercial practices. The Board pays great attention to the adoption of sound and accurate reporting practices ensuring that an honest and balanced assessment is presented at all times. The statement of Directors' Responsibilities for the Financial Statements is given on page 30 of this report.

Internal Controls

The Board remains continually committed towards ensuring that a sound system of internal controls is maintained in order to safeguard both the shareholders' investments and the assets of the Company. Thus, the Board is periodically briefed of the review conducted by the Audit Committee, which includes details as to the effectiveness of the Company's system of internal controls. Internal audits conducted at regular intervals strengthen the internal control process and any significant risks identified in this process are closely examined by the Audit Committee to ensure that appropriate action is taken.

Policies have been established in the areas of investment and treasury management and a fully fledged ERP with emphasis being the greater compliance of internal control requirements. The responsibility for implementing and ensuring compliance with the policies and guidelines are vested with the Chief Executive Officer of the Company.

Employees of the Company are carefully selected and periodically trained to work in a control conscious environment. A performance management system is in place to assess individual performance and achievements.

The Board ensures the periodic and timely reporting to shareholders and compliance with all relevant statutory and regulatory provisions. The Board confirms that there is an ongoing process for identifying, evaluating and managing any significant risks faced by the Company. The Board has reviewed the efficacy and the efficiency of the system of financial controls for the period preceding the date of signing the accounts.

Corporate Disclosure and Shareholder Relationship

The Board ensures the periodic and timely reporting to shareholders. All material information about the Company is promptly communicated to the Colombo Stock Exchange to be released to the shareholders. The Board and the Company as a whole are conscious of their responsibility to the shareholders and the public at large, recognizing their importance in the furtherance of the Company's objectives. The Board firmly believes that shareholders must necessarily be provided with a forum to communicate their opinions and clarify their concerns.

The Annual General Meeting provides a suitable platform. Necessary steps such as the notification of the Annual General Meeting, the dissemination of relevant documents and voting rights are measures put in place to ensure the participation of the shareholders. Timely, accurate and detailed financial reports are presented to shareholders on a quarterly and annual basis providing them with the information necessary to evaluate the progress of the Company, as well as ensuring the safeguarding of their interests. The Board is consistent in protecting the legitimate interests of all its shareholders and is also committed to enhancing the value of their investments.

Remuneration Committee Report

The Remuneration Committee consists of three Non-Executive Directors. The Remuneration Committee is chaired by Mr. H.Z. Cassim, Deputy Chairman of the Company. The other members of the Committee are Mrs. Rohini Nanayakkara and Mr. Ajit M. De S. Jayaratne. The Chief Executive Officer assists the Committee by providing relevant information such as summaries of salary survey data and participating in its analysis and deliberations, except on the occasions when his compensation package is under review.

All Directors of the Company being Non-Executive Directors, the Committee is responsible for recommending to the Board the remuneration payable to the Chief Executive Officer and other key senior managers of the Company and its subsidiaries. Its responsibility revolves around securing of comparable salaries based on periodic reviews and assessments.

A primary endeavour of remuneration packages is to attract, retain and motivate a qualified and experienced work force of high calibre, and reward their performance. These remuneration packages should provide remuneration appropriate for each business within the Group and be commensurate with each employee's level of expertise and contribution, with effective corrective measures being put in place, should any anomalies arise. Since remuneration is performance related, there is an alignment of the interests of the Directors, Chief Executive Officer, Chief Operating Officer, Group Finance Manager, Deputy General Managers and other senior managerial staff with those of the stakeholders and reward both corporate and individual performance.

The Remuneration Committee is strongly aware of the performance of the Company and long term shareholder returns. Remuneration policy of the Company with regard to increment and bonus schemes is reviewed by the Committee periodically, to reflect and reward the performance of the workforce which is aimed at encouraging and maintaining a continuously high standard of work. Once the remuneration policy of the Company as recommended by the Committee is approved by the Board, the Remuneration Committee will then approve the finalized proposals for the granting of increments to the key senior management and other positions.

The Committee met twice during the year to review and evaluate the Company's and its subsidiary's remuneration structures, to assure concomitance with the objectives of the Company, along with the remuneration packages offered by comparator companies.



H.Z. Cassim

Chairman

Remuneration Committee

16th February 2009

Audit Committee Report

Composition and Role

The Audit Committee appointed by and responsible to the Board of Directors, comprises four Non-Executive Directors. The names of the members are given under Corporate Information of this report. The Chief Executive Officer and the Group Finance Manager of the Company attend meetings of the Committee. Other Members of the Board and members of the management team of the Group are requested to be present at meetings when required. The internal and external auditors are invited to be present at discussions with the Committee where appropriate.

The members of the Committee whose profiles are given on pages 7-9 of this report have the necessary financial knowledge and business acumen to carry out their roles effectively and to deliberate matters that come within their purview independently and professionally.

The Audit Committee is empowered, among other things, to examine any matters relating to the financial affairs of the Company and the Company's internal and external audits. These include reviews of interim and annual accounts, announcements, internal control procedures, accounting policies, compliance with accounting standards, emerging accounting issues and such other related functions, as the Board may require. Thus the Audit Committee ensures that the Company's operations conform to rules, regulations and accepted ethical guidelines to meet the Company's policies. The Audit Committee also recommends the appointment of Internal and External Auditors of the Company and fees payable to them

Meetings

During the Financial Year ended 31st December 2008, the Audit Committee met once every quarter and the attendance at these meetings is as follows:-

Mr. C.J.E. Anthonisz	-	Chairman	4/4
Mr. Melvin Yap Boh Pin	-	Member	4/4
Mr. Ajit De.S. Jayaratne	-	Member	4/4
Mr. H.Z. Cassim	-	Member	4/4

The proceedings of the Audit Committee are regularly reported to the Board.

Activities

The Committee reviewed the Company's Interim and Annual Financial Statements and made their recommendations to the Board for its deliberation and issuance. The Committee in its evaluation of the

financial reporting system also recognizes the adequacy of the content and quality of routine management information reports forwarded to its members.

The Audit Committee which reviewed the operations and monitored the effectiveness of internal controls and procedures is of the view that adequate controls and procedures are in place to provide reasonable assurance to the Board that the assets of the Company are safeguarded and the financial position is monitored according to information made available. The Audit Committee paid special attention to ensuring that the business and operational risks are identified, assessed and managed at acceptable levels.

On the recommendation of the Audit Committee, internal audits of the Company and its subsidiaries were carried out, specifically focused on internal controls and procedures on financial, operational, human resources, payroll management and regulatory compliance by PriceWaterhouseCoopers (PWC) at ORCPLC and by B R de Silva and Company, Chartered Accountants at its Mireka subsidiaries. The Committee invites Internal Auditors to discuss their observations and recommendations with the Committee and appraise the conduct of their assignment. The Audit Committee reviews the recommendation made by the respective Internal Audit reports and the Board is advised of the effectiveness thereof.

The Audit Committee recommended the implementation of a fully fledged ERP system with emphasis being the greater compliance of internal control requirements. Policy guidelines on key operational matters were developed and recommended for approval, including a rental policy guideline and Group treasury management policy.

The Audit Committee has recommended to the Board that Messrs. Ernst & Young, Chartered Accountants be re-appointed as Auditors for the financial year ending 31st December 2009 to audit the Financial Statements of the Company and the Group, subject to approval of shareholders at the Annual General Meeting.



C.J.E. Anthonisz
Chairman

Audit Committee
2nd February 2009



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“Our passion is to be the most successful and innovative real estate solutions provider in the region.”



Annual Report of the Board of Directors

The details set out herein provide the pertinent information required by the Companies Act No. 7 of 2007, the Colombo Stock Exchange Listing Rules and are guided by recommended best accounting practices.

The Directors of Overseas Realty (Ceylon) PLC have the pleasure in presenting to the members their report together with the Audited Financial Statements for the year ended 31st December 2008.

Principal Activities

The principal activities of the Company are investment in properties, property development, trading and management. The Company owns 84% of the space at the World Trade Center in Colombo and manages the facility. Mireka Capital Land (Private) Limited is a subsidiary of the Company which has undertaken the development of the 'Havelock City' Project. The development of residential apartments is being undertaken by Mireka Homes (Private) Limited, a wholly owned subsidiary of Mireka Capital Land (Private) Limited. During the year under review, Havelock City (Private) Limited was incorporated, as a Group subsidiary to undertake the development of the commercial component of the Havelock City project.

There have been no significant changes in the nature of the principal activities of the Company and the Group during the period under review.

Review of Business

A review of the financial and operational performance of the Company and its subsidiaries during the year, is contained in the Chairman's Statement (page 5), Business Review (pages 10-11) and Financial Review (pages 12-13) sections of this Annual Report. The Audited Financial Statements are given on pages 32-35 of this Report. These reports together reflect the state of affairs of the Company and its subsidiaries.

Financial Statements

The Financial Statements of the Company and its subsidiaries are given on pages 32-35.

Auditors Report

The Auditors' report on the Financial Statements is given on page 31.

Accounting Policies

Significant accounting policies adopted in the preparation of the Financial Statements are given on pages 36-45.

Interests Register

The Company maintains an Interests Register as per the Companies Act No. 07 of 2007. The Directors of the Company have duly declared the information as provided for in section 192 (2) of the Companies Act No. 07 of 2007 and at the meeting of the Board held on 3rd February 2009, the declarations made were tabled for the information of the Directors and the entries in the Interests Register were made and/or updated accordingly. The Interest Register is kept at the registered office of the Company.

Directors' Interests in Transactions

The Directors of the Company have made the general disclosures as provided for in section 192 (2) of the Companies Act No. 07 of 2007 and note 25 to the Financial Statements on pages 59-60 dealing with the related party disclosures includes the details of their interests in transactions.

Interests in Shares of the Company

Shares held by Directors directly or indirectly as at 31st December 2008 were as follows:

• Name of Director	No. Shares	Nature of Interest
• Mr. S.P. Tao	516,455,933	Director of the Holder
• Mrs. Mildred Tao Ong	369,684,941	Director of the Holder
• Mr. C.J.E. Anthonisz	1,000	Holder
• Mr. H.Z. Cassim	Nil	
• Mr. Anil Kumar Hirjee	Nil	
• Mr. Ajit M. De S. Jayaratne	Nil	
• Mr. Baku Mahadeva	Nil	
• Mrs. Rohini Nanayakkara	Nil	
• Mr. Melvin Yap Boh Pin	Nil	
• Mr. Peter Rogowski	Nil	
• Mr. Paul Tao	Nil	

Mr. Shing Pee Tao and Mrs. Mildred Tao Ong are both Directors of the holder of 374, 464, 391 Non Convertible Cumulative Redeemable Preference Shares of a Nominal Value of Rs 10/- each with a dividend rate of 2%.

Directors' Remuneration

Directors' remuneration, in respect of the Company for the financial year ended 31st December 2008 is given in note 25.3 to the Financial Statements, on page 60.

Directorships held in Other Entities

Directors have made a general disclosure of their directorships and positions held in other entities and the directorships held by some of the Directors of the Company in subsidiaries and associate companies are as follows:

Name of parent/subsidiary/associate company

1. Mireka Capital Land (Private) Limited
2. Mireka Homes (Private) Limited
3. Havelock City (Private) Limited
4. Realty Management (Private) Limited
5. Shing Kwan Investments Company Limited
6. Shing Kwan Investment (Singapore) Pte Limited

Name of the Director Company ref.

Mr. Shing Pee Tao	1,5,6
Mr. Hussein Zubire Cassim	1,2,3,4
Mr. Ajit Mahendra De Silva Jayaratne	1,2
Mrs. Rohini Lettitia Nanayakkara	1,2
Mrs. Mildred Tao Ong	1,5,6

Internal Controls

The Board ensures that there is an effective and comprehensive process for identifying, evaluating and managing any significant risks faced by the Company and carry out financial operations, compliance controls and risk management to safeguard the assets and to assure proper accounting records and the reliability of financial information. The Audit Committee of the Company received the reports of the remuneration committee, internal audit reviews, and monitors the effectiveness of internal control systems of the Company.

Corporate Governance

The Statement of Corporate Governance on pages 18-21 in this Report enumerate the extent to which the Company has complied with good governance practices outlined by the Colombo Stock Exchange, Companies Act no 07 of 2007 and other regulations and practices.

Directors' Responsibilities for Financial Reporting

Directors' responsibilities for financial reporting is detailed on page 30.

Board of Directors

The members of the Board of Directors of the Company are listed under Corporate Information and their profiles are on pages 7-9.

Mr. Anil Kumar Hirjee and Mr. Peter Rogowski resigned as Directors of the Company with effect from 10th February and 12th February 2009 respectively.

Mr. Porn Taochaifu who retires by rotation in terms of Article 29 of the Articles of Association of the Company at this Annual General Meeting has by notice in writing dated 5th February 2009, informed the Company that he seeks to retire from his Directorship and therefore shall not offer himself for re-election. As such Mr. Porn Taochaifu shall cease to be a Director of the Company immediately after the Annual General Meeting of the Company.

Board Sub Committees

The Board of Directors of the Company has formed the following sub committees;

Executive Committee

Shing Pee Tao
Mildred Tao Ong
Melvin Yap Boh Pin
Hussein Zubire Cassim (Alternate to Shing Pee Tao)

Audit Committee

Christopher James Edward Anthonisz (Chairman)
Hussein Zubire Cassim
Ajit Mahendra De Silva Jayaratne
Melvin Yap Boh Pin

Remuneration Committee

Hussein Zubire Cassim (Chairman)
Ajit Mahendra De Silva Jayaratne
Rohini Lettitia Nanayakkara

Annual Report of the Board of Directors

Turnover

The turnover of the Company, excluding the subsidiaries was Rupees Eight hundred forty six million five hundred eighty eight thousand four hundred and ninety (Rs 846,588,490/-), in the year under review while the turnover of the Group was Rupees One billion four hundred forty four million one hundred and forty eight thousand two hundred and thirty seven (Rs 1,444,148,237/-). A detailed analysis of the Group's turnover, profits and asset allocation relating to different segments of the Groups' business is given in Note 4 to the Financial Statements.

Financial Results

The Company recorded a consolidated net profit of Rs One billion seven hundred thirty three million one hundred sixty nine thousand five hundred and sixty seven (Rs 1,733,169,567/-) for the year. The Consolidated Income Statement along with the Company's Income Statement for the year is given on page 33.

Dividend

The Directors recommend the payment of a first and final dividend of Rs 0.40 per share for the year ended 31st December 2008. The dividend is exempt from tax in terms of the BOI concession granted to the Company.

The Directors have confirmed that the Company satisfies the solvency test requirement under Section 56 and 57 of the Companies Act No.07 of 2007 for the dividend proposed.

Property, Plant & Equipment

Capital expenditure during the year, on property plant & equipment by the Group and Company amounted to Rs 10,613,271/- and Rs 9,640,732/- respectively. Information relating to details and movements in property, plant & equipment is given in Note 6 to the Financial Statements on pages 49-51.

Market Value of Freehold Properties

The value of freehold properties owned by the Group as at 31st December 2008 is included in the accounts at Rs 14,258,633,071 (31st December 2007- Rs 12,870,372,296) based on the valuation undertaken by Chartered Valuers - P B Kalugalagedara & Associates in December 2008.

The Directors are of the opinion that this value is not in excess of the current market value.

Details of revaluations, carrying values and market values are provided in Note 5 to the Financial Statements. The value of Real Estate on page 52 (note 9) gives details of freehold land held by the Group.

Investments

The details of investments held by the Company are disclosed in note 8 on page 51 of the Financial Statements.

Stated Capital and Reserves

The Company had issued 566,322,906 ordinary shares and 374,464,391 Non Convertible Cumulative Redeemable Preference Shares of Rs 10/-. The Stated Capital of the Company was Rs 9,713,307,520/-.

Total Group Reserves as at 31st December 2008 was Rs 5,353,026,584/- (2007 Rs 3,892,991,431/-) comprising fair value gains of Rs 4,905,762,157/- (2007 Rs 3,517,501,382/-) and Revenue Reserves of Rs 447,264,427/- (2007 Rs 375,490,049/-). The movement of these reserves is shown in the Statement of Changes in Equity in the Financial Statements on page 34.

Shareholdings

There were 2960 registered shareholders of ordinary shares as at 31st December 2008. The distribution of shareholdings is given on page 62 of this Report. The Company has made every endeavour to ensure the equitable treatment of all shareholders.

Shareholder Information

Information relating to earnings, dividends, net assets, market value per share and share trading is given on page 63 and in the Financial Review section (pages 12-13) of this Report.

Major Shareholders

The twenty largest shareholders of the Company as at 31st December 2008 together with an analysis of the shareholdings are given on page 63 of this Report.

Information to Shareholders

The Board of Directors strive to be transparent and provide accurate information to shareholders in all published materials.

Human Resources

The Group continues to implement legitimate Human Resources Management policies and practices, to develop its employees to ensure their optimum contribution towards the achievement of corporate goals. Employment policies of the Group embody the principle of equal opportunity.

The number of persons employed by the Company at the year-end was 208.

Environment Protection

The Policy of the Company and its Subsidiaries is to minimize any adverse effects, its activities have on the environment and to promote cooperation and compliance with the relevant authorities and regulations.

Directors' Responsibilities for Financial Reporting

The Directors are responsible for the preparation of Financial Statements of the Company to reflect a true and fair view of the state of affairs of the Company. The Directors are of the view that these Financial Statements have been prepared in conformity with the requirements of the Sri Lanka Accounting Standards, Companies Act No 07 of 2007, Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995, Inland Revenue Act No. 30 of 2000 and amendments thereto and the Listing Rules of the Colombo Stock Exchange.

Compliance with Laws and Regulations

The Company has not engaged in any activities contravening the Laws and Regulations of the country.

Statutory Payments

The Directors to the best of their knowledge and belief are satisfied that all statutory payments due to the government and in relation to the employees have been made in full and on time.

Events after Balance Sheet Date

There have not been any material events that have occurred subsequent to the date of the Balance Sheet that required adjustments to the Financial Statements, other than those disclosed in Note 29 to the Financial Statements.

Going Concern

The Board of Directors is satisfied that the Company has adequate resources to continue its operations in the foreseeable future. Accordingly, the Financial Statements are prepared on the going concern concept.

Auditors

In accordance with the Companies Act No. 7 of 2007, a resolution proposing the re-appointment of Messrs Ernst & Young, Chartered Accountants, as Auditors to the Company will be submitted at the Annual General Meeting.


The Auditors, Messrs. Ernst & Young, Chartered Accountants were paid Rs 425,000/- (2007 - Rs 650,800/-) and Rs 905,750/- (2007 - Rs 1,478,205/-) as audit fees by the Company and the Group respectively. In addition, they were paid Rs 585,550/- (2007 - Rs 382,550/-) and Rs 1,047,780/- (2007 - Rs 496,950/-), by the Company and the Group, for permitted non-audit related services.

The Auditors have confirmed that they do not have any relationship with or interest in the Company other than those disclosed above.

Annual General Meeting

The Annual General Meeting will be held at Level 36, East Tower, World Trade Center, Echelon Square, Colombo 1 at 4.00 p.m. on 26th March 2009. The Notice of the Annual General Meeting appears on pages 64-65.

For and on behalf of the Board


Director
Director
Company Secretary

Colombo on this 16th day of February 2009

Statement of Directors' Responsibilities

The Companies Act No 7 of 2007 requires the Directors of the Company to be responsible for the preparation and presentation of the Financial Statements to the shareholders in accordance with the relevant provisions of the Act, the Sri Lanka Accounting and Auditing Standards and the Listing Rules of the Colombo Stock Exchange.

The Directors confirm that the Financial Statements of the Company and its subsidiaries are in conformity with the above. The Directors also confirm that relevant accounting policies have been selected and applied consistently. Material departures if any from accounting policies have been disclosed and explained in the Financial Statements.

The Directors have adopted the going concern basis in preparing these Financial Statements and are of the view that the Company has adequate resources to continue in operation.

The Directors accept responsibility in ensuring that the Companies in the Group maintain adequate and accurate records to disclose with reasonable accuracy the financial position of its Companies.

The Directors have taken reasonable steps to institute appropriate systems of internal controls in order to prevent and detect fraud and other irregularities. The Directors have taken reasonable steps to safeguard the assets of the Company and its subsidiaries.

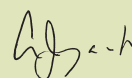
The Directors have provided the Auditors with every opportunity to take whatever steps and undertake whatever reviews and tests that they consider appropriate and necessary for the performance of their responsibilities.

Further, as required by Section 56(2) of the Companies Act No 7 of 2007, the Directors confirm that the Company based on the information available, satisfies the solvency test immediately after the distribution is made and has obtained a certificate from the Auditors prior to declaring a final dividend of Rs 0.40 per share this year, to be paid on 2nd April 2009.

For and on behalf of the Board



H. Z. Cassim



Ajith M. De S. Jayaratne

16th February 2009

Independent Auditor's Report



Chartered Accountants

201 De Saram Place
P.O. Box 101
Colombo 10
Sri Lanka

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Fax Gen : (0) 11 2697369
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eysl@lk.ey.com

TO THE SHAREHOLDERS OF OVERSEAS REALTY (CEYLON) PLC

Report on the Financial Statements

We have audited the accompanying Financial Statements of Overseas Realty (Ceylon) PLC ('Company'), the consolidated Financial Statements of the Company and its subsidiaries (together 'Group') which comprise the Balance Sheets as at 31 December 2008, and the Income Statements, statements of changes in equity and Cash Flow statements for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with Sri Lanka Accounting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Scope of Audit and Basis of Opinion

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with Sri Lanka Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant

estimates made by management, as well as evaluating the overall Financial Statement presentation.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. We therefore believe that our audit provides a reasonable basis for our opinion.

Opinion

Company

In our opinion, so far as appears from our examination, the Company maintained proper accounting records for the year ended 31 December 2008 and the Financial Statements give a true and fair view of the Company's state of affairs as at 31 December 2008 and its profit and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Group

In our opinion, the consolidated Financial Statements give a true and fair view of the state of affairs as at 31 December 2008 and the profit and cash flows for the year then ended, in accordance with Sri Lanka Accounting Standards, of the Company and its subsidiaries dealt with thereby, so far as concerns the shareholders of the Company.

Report on Other Legal and Regulatory Requirements

In our opinion, these Financial Statements also comply with the requirements of Sections 151(2) and 153(2) to 153(7) of the Companies Act No. 07 of 2007.

16 February 2009
Colombo.

Partners: A D B Talwatte FCA FCMA T K Bandaranayake FCA M P D Cooray FCA FCMA Ms. Y A De Silva ACA W R H Fernando FCA FCMA
W K B S P Fernando FCA ACMA A P A Gunasekera FCA FCMA A Herath FCA D K Hulangamuwa FCA FCMA LLB (Lond)
A S M Ismail FCA FCMA H M A Jayasinghe FCA FCMA Ms. G S S Manatunga ACA Ms. L C G Nanayakkara FCA FCMA B E Wijesuriya ACA ACMA

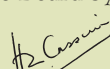
Balance Sheet

As At 31st December		Group		Company	
	Note	2008 Rs.	2007 Rs.	2008 Rs.	2007 Rs.
ASSETS					
Non-Current Assets					
Investment Property	5	14,258,633,071	12,870,372,296	14,258,633,071	12,870,372,296
Property, Plant & Equipment	6	236,388,820	214,724,107	222,835,584	194,298,325
Intangible Assets	7	6,567,960	6,932,847	6,567,960	6,932,847
Goodwill		8,794,884	8,794,884	-	-
Investments in Subsidiaries	8	-	-	1,125,010,020	1,125,010,020
		14,510,384,735	13,100,824,134	15,613,046,635	14,196,613,488
Current Assets					
Inventories	9	4,225,816,861	3,108,367,721	-	-
Trade and Other Receivables	10	971,001,760	579,116,440	45,408,289	118,003,524
Amounts Due From Related Parties	11	21,555,855	2,574,907	60,138,270	4,194,806
Cash and Cash Equivalents	19	243,545,053	902,210,184	215,816,716	377,679,763
		5,461,919,529	4,592,269,252	321,363,275	499,878,093
Total Assets		19,972,304,264	17,693,093,386	15,934,409,910	14,696,491,581
EQUITY AND LIABILITIES					
Equity Attributable to Equity Holders of the Parent					
Stated Capital	12	9,713,307,520	9,713,307,520	9,713,307,520	9,713,307,520
Revaluation Reserve	13	112,444,473	79,530,022	112,444,473	79,530,022
Retained Earnings		5,240,582,111	3,813,461,409	5,177,240,127	3,800,219,477
		15,066,334,104	13,606,298,951	15,002,992,120	13,593,057,019
Minority Interest		790,661,260	757,261,226	-	-
Total Equity		15,856,995,364	14,363,560,177	15,002,992,120	13,593,057,019
Non-Current Liabilities					
Interest Bearing Loans and Borrowings	14	566,649,000	1,135,185,585	395,829,000	446,910,585
Non Interest Bearing Loans	15	3,093,750	4,218,750	-	-
Employee Benefit Liability	16	18,143,590	15,298,368	18,143,590	15,298,368
Total Non-Current Liabilities		587,886,340	1,154,702,703	413,972,590	462,208,953
Current Liabilities					
Trade and Other Payables	17	1,921,163,972	2,055,896,838	462,881,390	549,872,780
Amounts Due to Related Parties	18	13,189,776	18,678,546	-	-
Interest Bearing Loans and Borrowings	14	1,587,380,000	50,000,000	50,000,000	50,000,000
Non Interest Bearing Loans	15	1,125,000	1,125,000	-	-
Income Tax Payable		3,547,350	10,702,353	3,547,348	2,925,060
Dividends Payable	20	1,016,462	38,427,769	1,016,462	38,427,769
Total Current Liabilities		3,527,422,560	2,174,830,506	517,445,200	641,225,609
Total Liabilities		4,115,308,900	3,329,533,209	931,417,790	1,103,434,562
Total Equity and Liabilities		19,972,304,264	17,693,093,386	15,934,409,910	14,696,491,581

These Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.


Group Finance Manager

The Board of Directors is responsible for the preparation and presentation of these Financial Statements. Signed for and on behalf of the Board by


Director


Director

The accounting policies and notes on pages 36 through 60 form an integral part of the Financial Statements.

16 February 2009
Colombo

Income Statement

For the Year Ended 31st December	Note	Group		Company	
		2008 Rs.	2007 Rs.	2008 Rs.	2007 Rs.
Rental Income		805,026,451	716,381,709	805,026,451	716,381,709
Sale of Apartments		597,559,747	378,918,044	-	-
Other Services	3	41,562,039	35,350,908	41,562,039	35,350,908
Total Revenue		1,444,148,237	1,130,650,661	846,588,490	751,732,617
Direct Operating Expenses		(350,303,551)	(271,347,534)	(350,303,551)	(271,347,534)
Cost of Sales of Apartments		(402,723,401)	(327,651,845)	-	-
Gross Profit		691,121,285	531,651,282	496,284,939	480,385,083
Fair Value Gain on					
Investment Property	5	1,388,260,775	1,834,316,986	1,388,260,775	1,834,316,986
Administration Expenses		(270,550,415)	(151,338,839)	(161,772,756)	(136,763,583)
Marketing & Promotional Expenses		(19,247,118)	(27,152,667)	-	-
Finance Cost	21.1	(9,401,305)	(10,020,000)	(9,401,305)	(10,020,000)
Finance Income	21.2	52,818,352	53,390,997	27,414,669	17,888,040
Profit before Tax	22	1,833,001,574	2,230,847,759	1,740,786,322	2,185,806,526
Income Tax Expense	23.1	(16,331,922)	(17,381,174)	(7,616,755)	(5,491,011)
Profit after Tax for the Year		1,816,669,652	2,213,466,585	1,733,169,567	2,180,315,515
Attributable to:					
Equity Holders of the Parent		1,783,269,618	2,197,628,249		
Minority Interest		33,400,034	15,838,336		
		<u>1,816,669,652</u>	<u>2,213,466,585</u>		
Earnings Per Share - Basic	24	3.10	3.80		
Dividend Per Share	20	0.50	0.30		

The accounting policies and notes on pages 36 through 60 form an integral part of the Financial Statements.

Statement of Changes in Equity

Group	Stated Capital Rs.	Share Capital Rs.	Revaluation Reserve Rs.	Redemption Reserve Fund Rs.	Share Premium Rs.	Retained Earnings Rs.	Minority Interest Rs.	Total Rs.
Balance as at								
01 January 2007	-	9,367,872,970	-	148,550	345,286,000	1,938,952,931	741,422,890	12,393,683,341
Profit for the year	-	-	-	-	-	2,197,628,249	15,838,336	2,213,466,585
Trf. to Stated Capital	9,713,307,520	(9,367,872,970)	-	(148,550)	(345,286,000)	-	-	-
Transfer to								
Revaluation Reserve	-	-	79,530,022	-	-	(79,530,022)	-	-
Dividends Paid for								
Preference Shares	-	-	-	-	-	(74,892,878)	-	(74,892,878)
Dividends Paid for Ordinary								
Shares (For Y/E 31/12/2006)	-	-	-	-	-	(168,696,871)	-	(168,696,871)
Balance as at								
31 December 2007	9,713,307,520	-	79,530,022	-	-	3,813,461,409	757,261,226	14,363,560,177
Transitional								
Provision-Gratuity	-	-	-	-	-	(94,586)	-	(94,586)
Profit for the Year	-	-	-	-	-	1,783,269,618	33,400,034	1,816,669,652
Transfer to Revaluation								
Reserve	-	-	32,914,451	-	-	-	-	32,914,451
Dividends Paid for								
Preference Shares	-	-	-	-	-	(74,892,878)	-	(74,892,878)
Dividends Paid for Ordinary								
Shares (For Y/E 31/12/2007)	-	-	-	-	-	(281,161,453)	-	(281,161,453)
Balance as at 31								
December 2008	9,713,307,520	-	112,444,473	-	-	5,240,582,111	790,661,260	15,856,995,364

Company	Stated Capital Rs.	Share Capital Rs.	Revaluation Reserve Rs.	Share Premium Rs.	Redemption Reserve Fund Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 01 January 2007	-	9,367,872,970	-	345,286,000	148,550	1,943,023,733	11,656,331,253
Profit for the Year	-	-	-	-	-	2,180,315,515	2,180,315,515
Transfer to Revaluation Reserve	-	-	79,530,022	-	-	(79,530,022)	-
Transfer to Stated Capital	9,713,307,520	(9,367,872,970)	-	(345,286,000)	(148,550)	-	-
Dividends Paid for Preference Shares	-	-	-	-	-	(74,892,878)	(74,892,878)
Dividends Paid for Ordinary							
Shares (For Y/E 31/12/2006)	-	-	-	-	-	(168,696,871)	(168,696,871)
Balance as at 31 December 2007	9,713,307,520	-	79,530,022	-	-	3,800,219,477	13,593,057,019
Transitional Provision-Gratuity	-	-	-	-	-	(94,586)	(94,586)
Profit for the Year	-	-	-	-	-	1,733,169,567	1,733,169,567
Transfer to Revaluation Reserve	-	-	32,914,451	-	-	-	32,914,451
Dividends Paid for Preference Shares	-	-	-	-	-	(74,892,878)	(74,892,878)
Dividends Paid for Ordinary							
Shares (For Y/E 31/12/2007)	-	-	-	-	-	(281,161,453)	(281,161,453)
Balance as at 31 December 2008	9,713,307,520	-	112,444,473	-	-	5,177,240,127	15,002,992,120

The accounting policies and notes on pages 36 through 60 form an integral part of the Financial Statements.

Cash Flow Statement

For the Year Ended 31st December	Note	Group		Company	
		2008 Rs.	2007 Rs.	2008 Rs.	2007 Rs.
Cash Flow from Operating Activities					
Profit before Tax Expense		1,833,001,574	2,230,847,759	1,740,786,322	2,185,806,526
Adjustments for:					
Depreciation	22	11,485,002	14,015,892	10,701,624	6,600,402
Amortization of Intangible Assets	7	364,887	364,887	364,887	364,887
Provision for Retiring Gratuity	16.1	4,277,851	4,235,616	4,277,851	4,235,616
Recovery of Gratuity		(1,921,913)	-	(1,921,913)	-
Unrealized (Gain)/Loss on Exchange		88,054,064	-	599,384	-
Finance Cost	21.1	9,401,305	10,020,000	9,401,305	10,020,000
Finance Income	21.2	(52,818,352)	(53,390,997)	(27,414,669)	(17,888,040)
(Profit)/Loss on sale of Property, Plant & Equipment		1,029,550	(3,773)	1,030,552	(3,773)
Write back of loans payable by HIL			(3,531,250)	-	-
Provision for fall in Value of Investments		-	10,010,020	-	-
Fair Value Gain on Investment Property		(1,388,260,775)	(1,834,316,986)	(1,388,260,775)	(1,834,316,986)
Operating Profit/(Loss) before Working Capital Changes		504,613,193	378,251,168	349,564,568	354,818,632
(Increase)/Decrease in Amounts due from Related Parties		(17,659,406)	13,952,435	(54,621,922)	12,332,536
(Increase)/Decrease in Receivables		(418,187,840)	(110,963,508)	72,595,235	(68,144,803)
(Increase)/Decrease in Inventories		(1,110,398,743)	(898,700,642)	-	-
Increase/(Decrease) in Payables		(126,369,816)	1,210,689,180	(86,991,390)	101,513,206
Increase/(Decrease) in Amounts due to Related Parties		(5,488,770)	8,446,346	-	-
Cash Generated From/ (Used in) Operations		(1,173,491,382)	601,674,979	280,546,491	400,519,571
Income Tax Paid		(23,532,133)	(9,394,713)	(6,994,467)	(5,281,847)
Finance Cost Paid	21.1	(9,401,305)	(10,020,000)	(9,401,305)	(10,020,000)
Defined Benefit Plan Costs Paid	16	(1,527,215)	(1,221,309)	(1,527,215)	(1,221,309)
Net Cash Generated From/ (Used in) Operating Activities		(1,207,952,035)	581,038,957	262,623,504	383,996,415
Cash Flows from Investing Activities					
Proceeds from sale of Property, Plant & Equipment		2,299,045	15,727	2,286,735	15,728
Acquisition of Property, Plant & Equipment		(10,613,271)	(10,855,228)	(9,640,732)	(5,458,134)
Interest Received	21.2	52,818,352	53,390,997	27,414,669	17,888,040
Net Cash Used in Investing Activities		44,504,126	42,551,496	20,060,672	12,445,634
Cash Flows from Financing Activities					
Redemption of Redeemable Secured Loan Stock		-	-	-	-
Repayment of Interest Bearing Loans & Borrowings	14.4	(51,081,585)	(3,089,415)	(51,081,585)	(3,089,415)
Loans Obtained		950,455,000	82,075,000	-	-
Repayment of Non Interest Bearing Loans & Borrowings		(1,125,000)	(19,416,782)	-	(18,291,782)
Dividends Paid		(393,465,638)	(242,916,199)	(393,465,639)	(242,916,199)
Net Cash Flow from Financing Activities		504,782,777	(183,347,396)	(444,547,224)	(264,297,396)
Net Increase/(Decrease) in Cash and Cash Equivalents		(658,665,132)	440,243,055	(161,863,047)	132,144,653
Cash and Cash Equivalents at the beginning of the year	19	902,210,184	461,967,129	377,679,763	245,535,110
Cash and Cash Equivalents at the end of the year	19	243,545,053	902,210,184	215,816,716	377,679,763

The accounting policies and notes on pages 36 through 60 form an integral part of the Financial Statements.

Notes to the Financial Statements

1. CORPORATE INFORMATION

1.1 General

Overseas Realty (Ceylon) PLC ('Company') is a Public Quoted Company with limited liability' incorporated and domiciled in Sri Lanka. The registered office of the Company is located at Level #18-01, East Tower, World Trade Center, Colombo 01, which is the principal place of its business.

1.2 Principal Activities and Nature of Operations

During the year, the principal activities of the Company were the business of investment in properties, property development, trading and management.

Mireka Capital Land (Private) Limited is engaged in purchasing, hiring and acquiring real estate properties, real estate development and providing infrastructure facilities to real estate development projects.

Mireka Homes (Private) Limited is engaged in constructing and developing housing complexes and commercial buildings and related infrastructure and is involved in the sale, lease, management or any similar transactions in respect of the same and any other business carried on by land investment, land development and real estate companies.

1.3 Parent Enterprise and Ultimate Parent Entity

In the opinion of the Directors, the Company's immediate parent enterprise is Shing Kwan Investments Co. Limited, a member of the Shing Kwan Group of Companies headquartered in Singapore.

1.4 Date of Authorization for Issue

The Financial Statements of Overseas Realty (Ceylon) PLC for the year ended 31 December 2008 were authorised for issue in accordance with a resolution of the Board of Directors on 03 February 2009.

2. BASIS OF PREPARATION

The Financial Statements have been prepared on a historical cost basis except for the revaluation of certain items of Property, Plant & Equipment and Investment Property, which have been measured at fair value. The Financial Statements are presented in Sri Lankan Rupees. The preparation and presentation of these Financial Statements is in compliance with the Companies Act No. 07 of 2007.

2.1.1 Statement of Compliance

The Financial Statements of Overseas Realty (Ceylon) PLC ('Company') and its subsidiary companies (together 'Group') have been prepared in accordance with Sri Lanka Accounting Standards (SLAS).

2.1.2 Consolidation Policies

The Financial Statements of the Group represent the consolidation of the Financial Statements of the Company, its subsidiaries, after elimination of all material intra Group transactions.

a) Subsidiaries

Subsidiaries are those enterprises controlled by the parent. Control exists when the parent has the power, directly or indirectly to govern the financial and operating policies of an enterprise. Subsidiaries are controlled from the date the parent obtains control until the date that control ceases. The following companies have been consolidated.

- Overseas Realty (Ceylon) PLC (Parent)
- Mireka Capital Land (Private) Limited (Subsidiary)
- Mireka Homes (Private) Limited (Subsidiary)
- Hospitality International (Private) Limited (Subsidiary)
- Realty Management Services (Private) Limited (Subsidiary)

All subsidiaries are incorporated in Sri Lanka.

b) The total profits and losses for the year of the Company and of its subsidiaries included in consolidation are shown in the consolidated Income Statement with the proportion of profit or loss after taxation pertaining to minority shareholders of subsidiaries being deducted as 'minority interest'. All assets and liabilities of the Company and of its subsidiaries included in consolidation are shown in the consolidated Balance Sheet. The interest of minority shareholders of subsidiaries in the fair value of net assets of the Group are indicated separately in the consolidated Balance Sheet under the heading 'minority interest'. The consolidated Cash Flow Statement includes the cash flows of the Company and its subsidiaries.

c) **Goodwill**

Goodwill represents the excess of the cost of the acquisition over the fair value of identifiable net assets of a subsidiary as at the date of acquisition. In accordance with SLAS 25 (revised 2004), goodwill arising on business combinations after 1 June 2005 are not amortised, but tested for impairment annually.

2.1.3 Segment Reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. The primary segment reporting format is determined to be business segments.

2.1.4 Comparative Information

The accounting policies have been consistently applied by the Company and the Group with those used in the previous year, except as given in 2.2.

2.2 Changes In Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except where the Group has made changes to be in compliance with the revised SLAS 16: Employee Benefits as discussed below.

Change in Accounting Policy for the measurement of post employment benefit cost:

During the year ended 31 December 2008, the Group changed its accounting policy for the measurement of post employment benefit cost. The Group now measures the present value of the promised retirement benefits of gratuity by using actuarial methods as further explained in 2.4.11. The transitional liability as at the first date of adopting this Standard being 1 January 2008 was adjusted to the opening balance of the retained earnings as at that date. The effect of this change on the current year's results is not material.

2.3 Significant Accounting Judgments, Estimates And Assumptions

2.3.1 Critical judgments in applying the accounting policies

In the process of applying the Group's accounting policies management has made the following judgments, apart from those involving estimations, which has the most significant effect on the amounts recognized in the Financial Statements.

Notes to the Financial Statements

a) Distinction between Investment Properties and Owner-occupied Properties

The Group determines whether a property qualifies as Investment Property by considering whether the property generates cash flows largely independently of the other assets held by the entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions can be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions cannot be sold separately, the property is accounted for as Investment Property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as Investment Property. The Group considers each property separately in making its judgment.

b) Stage of completion and Revenue & Cost of sales recognition thereon

Revenue from Sale of apartments is recognized based

on 'substantial percentage completion' of apartments for which advances have been received from buyers or when 25% of the sales price of each apartment is received in cash, whichever is lower. The Board has decided that the 'substantial percentage completion' to be 25% of the total project activities involved in the completion process of apartments.

c) Revenue recognition from sale of apartments

In recognizing revenue from Sale of Apartments, management applies judgment ascertaining if the risks and rewards of ownership has passed to the buyers. In this regard, Management sought professional legal advice in determining the point at which equitable interest passes to the buyer and accordingly recognizes revenue at the point of entering in to Sale and Purchase agreements.

2.3.2 Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation of uncertainty at the Balance Sheet date, that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below. The respective carrying amounts of assets and liabilities are given in related notes to the Financial Statements.

(a) Estimation of fair value of Investment Properties

The Group carries its Investment Properties at fair value, with changes in fair values being recognised in the

Income Statement. The Group engaged an independent valuer to determine the fair value as at 31 December 2008.

The best evidence of fair value is usually the current price in an active market for similar lease and other contracts. In the absence of such information, the Group determines the amount within a range of reasonable fair value estimates. In making its judgement, the Group considers information from a variety of sources including:

- (i) Current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;
 - (ii) Recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and
 - (iii) Discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.
- (b) **Principal assumptions for management's estimation of fair value**
- If information on current or recent prices of assumptions

underlying the discounted cash flow approach of Investment Properties are not available, the fair values of Investment Properties are determined using discounted cash flow valuation techniques. The Group uses assumptions that are mainly based on market conditions existing at each Balance Sheet date.

The principal assumptions underlying management's estimation of fair value are those related to: the future rentals, maintenance requirements, and appropriate discount rates/yields. These valuations are regularly compared to actual market yield data and actual transactions by the Group and those reported by the market.

The determined fair value of the Investment Properties is most sensitive to the estimated yield as well as the growth in future rentals and other assumptions given in Note 5.2.

(c) **Defined Benefit Plans**

The cost as well as the present value of defined benefit plan: gratuity is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of employee benefits, such estimates are subject to significant uncertainty. Further details are given in Note 16.

- (d) **Deferred tax assets arising from sources that are not covered by tax exemptions**
- Deferred tax assets are recognised for all unused tax

Notes to the Financial Statements

losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax that can be recognised based upon the likely timing and the levels of future taxable profits. Further details are given in Note 23.3.

2.4 Summary of Significant Accounting Policies

2.4.1 Foreign Currency Translation

The Financial Statements are presented in Sri Lanka Rupees, which is the Group's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the Balance Sheet date. All differences are taken to profit or loss. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. All exchange variances are charged to the profit or loss.

2.4.2 Taxation

Current Taxes

Companies in the Group have entered into agreements with Board of Investment of Sri Lanka, as specified below. Such agreements specify that the sections of the Inland Revenue Act relating to the imposition, payment and recovery of income tax should not apply to the respective Companies.

Overseas Realty (Ceylon) PLC

Pursuant to the Agreement between the Company and the Board of Investment of Sri Lanka, the Company is entitled to a fifteen year 'tax exemption period' on its accounting profits and income, commencing from the first year of making profit. The company entered into a supplementary agreement with Board of Investment of Sri Lanka on 12 August 2005 with regard to the above.

The 15 year tax exemption period commenced on April 1, 2005 and will end on March 31, 2020.

Mireka Capital Land (Private) Limited

Pursuant to the agreement with Board of Investment of Sri Lanka (BOI) dated 28th April 2005, Mireka Capital Land (Private) Limited is exempted from Income Tax for a period of 8 years. Such exemption period is reckoned from the year in which the Company commences to make profit or any year of assessment not later than 2 years from the date of commencement of commercial operations, which ever is earlier, as may be specified in a certificate by BOI.

The 8 year tax exemption period commenced on April 1, 2006 and will end on March 31, 2014.

Mireka Homes (Private) Limited

Pursuant to the agreement with Board of Investment of Sri Lanka (BOI) dated 26th August 2005, Mireka Homes (Private) Limited is exempted from Income Tax for a period of 12 years. Such exemption period is reckoned from the year in which the Company commences to make profits or any year of assessment not later than 2 years from the date of commencement of commercial operations, which ever

is earlier, as may be specified in a certificate by BOI.

The 12 year tax exemption period commenced on April 1, 2007 and will end on March 31, 2019.

Deferred Taxation

As the Inland Revenue Act does not apply as stated above, temporary differences do not arise during the tax exemption period. Any deferred tax assets arising from source that are not covered by tax exemptions are re-assessed at each Balance Sheet date.

Sales Tax

Revenues, expenses and assets are recognized net of the amount of sales tax except where the sales tax incurred on purchase of assets or service is not recoverable from the taxation authorities in which case the sales tax is recognized as a part of the cost of the asset or part of the expense items as applicable and receivable and payable that are stated with the amount of sales tax included. The amount of sales tax recoverable and payable in respect of taxation authorities is included as a part of receivables and payables in the Balance Sheet.

2.4.3 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets are not capitalised and expenditure is reflected in the Income Statement in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Income Statement in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Income Statement when the asset is derecognised.

2.4.4 Trade and Other Receivables

Trade receivables are stated at the amounts they are estimated to realize net of provision for bad and doubtful debts.

Notes to the Financial Statements

Other receivables and dues from Related Parties are recognized at cost less provision for bad and doubtful receivables.

2.4.5 Inventory

Inventory represents property held by the Group intended for resale and costs connected with projects.

The Project Under Development comprises acquisition costs, purchase taxes and any directly attributable costs to bring the asset to intended sale. Administrative expenses are not included unless these can be directly attributed to specific projects. Directly attributable costs are costs incurred for bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2.4.6 Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits and short term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of Cash Flow Statement, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts. Investments with short term maturities i.e. three months or less from the date of acquisition are also treated as cash equivalents.

2.4.7 Property, Plant and Equipment

Property, plant and equipment except for buildings are stated at cost, excluding the costs of day to day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of the property, plant and equipment when that cost is incurred, if the recognition criteria are met.

Buildings are measured at fair value less depreciation and impairment charged subsequent to the date of the revaluation.

Depreciation is calculated on a straight line basis over the useful life of the assets as follows.

Building - Level 18	Over 60 Years
Temporary Building	Over 5 Years
Furniture & Fittings	Over 10 Years
Office Equipment	
- Computer & Other Electronic Equipment	Over 4 Years
- Other Office Equipment	Over 5 Years
Motor Vehicles	Over 5 Years
Furniture, Fitting & Equipment - Restaurant	Over 3 Years

Valuations are performed with sufficient regularity, to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

When an item of Property, Plant & Equipment is revalued, any accumulated depreciation at the date of the valuation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Any revaluation surplus (related to Property, Plant & Equipment category) is credited to the revaluation reserve included in the equity section of the Balance Sheet, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except that a deficit directly offsetting a previous surplus on the same asset is directly offset against the surplus in the asset revaluation reserve.

2.4.8 Investments

a) Initial Recognition

Cost of investment includes purchase cost and acquisition charges such as brokerages, fees and duties. The Group distinguishes and presents current and non current investments in the Balance Sheet.

b) Measurement

Current Investments:

Current investments are carried at the lower of cost and market value, determined on the basis of aggregate portfolio.

Long Term Investments: Investment in Subsidiaries

Long term investments are stated at cost. Carrying amounts are reduced to recognize a decline other than temporary, determined for each investment individually. These reductions for other than temporary declines in carrying amounts are charged to Income Statement.

c) Disposal of Investment

On disposal of an investment, the difference between net disposals and proceeds and the carrying amounts is recognized as either income or expense.

2.4.9 Investment Property

Property that is held for long term rental yields or for capital appreciation or both and that is not occupied by the entities in the consolidated Group, is classified as Investment Property.

Investment Property comprises freehold land, freehold buildings together with the integral parts of such properties.

Investment Property is measured initially at its cost, including related transaction costs. After initial recognition, Investment Property is carried at fair value.

The fair value of Investment Property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions, as appraised by an independent valuer, annually.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Income Statement during the financial period in which they are incurred.

Changes in fair value are recorded in the Income Statement.

If an Investment Property becomes owner-occupied, it is reclassified as Property, Plant and Equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes. Property that is being constructed or developed for future use as Investment Property is classified as Property, Plant and Equipment and stated at cost until construction or development is complete. At that time, it is reclassified and subsequently accounted for as Investment Property.

Notes to the Financial Statements

2.4.10 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Income Statement net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

2.4.11 Retirement Benefit Obligations

a) Defined Benefit Plan - Gratuity

The Group measures the present value of the promised retirement benefits of gratuity, which is a defined benefit plan with the advice of an independent actuary every 3 years using Projected Unit Credit method.

For the purpose of determining the charge for any period before the next regular actuarial valuation falls due, an approximate estimation provided by the qualified actuary is used.

The gratuity liability is not externally funded. This item is stated under Employee Benefit Liability in the Balance Sheet.

b) Defined Contribution Plans - Employees' Provident Fund & Employees' Trust Fund

Employees are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in line with the respective statutes and regulations. The Group contributes 12% and 3% of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund respectively.

2.4.12 Impairment of Non Financial Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an

appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Impairment losses of continuing operations are recognised in the Income Statement in those expense categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to equity. In this case the impairment is also recognised in equity up to the amount of any previous revaluation.

For assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of the recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Income Statement unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

2.4.13 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of trade discounts and sales taxes.

a) Sale of Apartments

In the case of sale of apartments, equitable interest in the property has vested in the buyer before legal title passes and the risks and rewards of ownership of such have been transferred at the time of entering into Sale and Purchase agreement. Therefore, revenue from sale of apartments is recognized based on 'substantial percentage completion' of apartments for which advances have been received from buyers or when 25% of the sales price of each apartment is received in cash. The Board has decided that the 'substantial percentage completion' to be 25% of the total project activities involved in the completion process of the apartment.

b) Rental Income

Rental income arising on Investment Properties is accounted for on a straight-line basis over the lease terms.

c) Rendering of Services

Revenue from rendering of services is recognized in the accounting period in which the services are rendered or performed.

d) Interest Income

Interest Income is recognized as the interest accrues unless collectibility is in doubt.

e) Others

Other Income is recognized on an accrual basis.

Notes to the Financial Statements

3. OTHER SERVICES

	Group		Company	
	2008 Rs.	2007 Rs.	2008 Rs.	2007 Rs.
Property Facility Fee	22,440,000	20,400,000	22,440,000	20,400,000
Net Income from Rented Car Park	2,140,637	3,179,571	2,140,637	3,179,571
Support Services	6,800,000	8,457,410	6,800,000	8,457,410
Other Services	8,437,060	3,313,927	8,437,060	3,313,927
Default Interest	23,338	-	23,338	-
Management Fees	1,721,004	-	1,721,004	-
	41,562,039	35,350,908	41,562,039	35,350,908

4. SEGMENTAL INFORMATION

The Group mainly comprises two business segments viz, 'Rental & Other Services' and 'Sale of Apartments' which are derived through two individual Companies in the Group. The 'Rental & Other Services' are derived by Overseas Realty (Ceylon) PLC and the 'Sale of Apartments' are derived through Mireka Homes (Private) Limited. Overseas Realty (Ceylon) PLC earns rental income by way of renting out the space at 'World Trade Center' located at Echelon square, Colombo 1. Mireka Homes (Private) Limited recognizes revenue through the sale of condominium units of Havelock City.

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment.

4.1 Segment Results

2008	Rental and Other Services Rs.	Sale of Apartments Rs.	Consolidated Rs.
Revenue	846,588,490	597,559,747	1,444,148,237
Direct Operating Expenses	(350,303,551)	-	(350,303,551)
Cost of Sales		(402,723,401)	(402,723,401)
Gross Profit/(Loss)	496,284,939	194,836,346	691,121,285
Fair Value Adjustment	1,388,260,775	-	1,388,260,775
Administration Expenses	(161,772,756)	(109,842,286)	(270,550,415)
Marketing & Promotional Expenses	-	(19,247,118)	(19,247,118)
Finance Cost	(9,401,305)	-	(9,401,305)
Finance Income	27,414,669	25,403,683	52,818,352
Net Profit Before Tax	1,740,786,322	91,150,625	1,833,001,574

Notes to the Financial Statements

4.1 Segment Results (Cont...)

2007	Rental and Other Services Rs.	Sale of Apartments Rs.	Consolidated Rs.
Revenue	751,732,617	378,918,044	1,130,650,661
Direct Operating Expenses	(271,347,534)	-	(271,347,534)
Cost of Sales	-	(327,651,845)	(327,651,845)
Gross Profit/(Loss)	480,385,083	51,266,199	531,651,282
Fair Value Adjustment	1,834,316,986	-	1,834,316,986
Administration Expenses	(136,763,583)	(11,357,937)	(148,121,520)
Marketing & Promotional Expenses	-	(30,369,987)	(30,369,987)
Finance Cost	(10,020,000)	-	(10,020,000)
Finance Income	17,888,040	35,502,957	53,390,997
Net Profit Before Tax	2,185,806,526	45,041,232	2,230,847,758

4.2 Segment Assets and Liabilities

2008	Rental and Other Services Rs.	Sale of Apartments Rs.	Unallocated Rs.	Consolidated Rs.
Total Assets	15,934,409,910	5,192,637,252	(1,154,742,897)	19,972,304,264
Total Liabilities	(15,934,409,910)	(5,192,637,252)	1,154,742,897	(19,972,304,264)
2007				
Total Assets	14,696,491,581	2,935,838,186	60,763,618	17,693,093,386
Total Liabilities	(14,696,491,581)	(2,935,838,186)	(60,763,618)	(17,693,093,386)

4.3 Other Segment Information

2008	Rental and Other Services Rs.	Sale of Apartments Rs.	Unallocated Rs.	Consolidated Rs.
Total cost incurred during the year to acquire				
- Property, Plant & Equipment	9,640,732	972,539	-	10,613,271
Depreciation	10,701,624	7,833,775	-	18,535,399
Amortization	364,887	-	-	364,887
Employee Benefit Costs	4,277,851	-	-	4,277,851

Notes to the Financial Statements

5. INVESTMENT PROPERTY

	2008 Rs.	Group 2007 Rs.	2008 Rs.	Company 2007 Rs.
As at 1 January	12,870,372,296	11,203,016,898	12,870,372,296	11,203,016,898
Transfers to Property, Plant & Equipment	-	(166,961,588)	-	(166,961,588)
Net gain from Fair Value Adjustment	1,388,260,775	1,834,316,986	1,388,260,775	1,834,316,986
As at 31 December	14,258,633,071	12,870,372,296	14,258,633,071	12,870,372,296

- 5.1 The Company filed a Deed of Declaration No. 237 dated 27th June 2001 attested by Ms. A. R. Edirimane, Notary Public, sub dividing the Company's property, (i.e. World Trade Center at Echelon Square) into 219 condominium units in accordance with the Condominium Plan No. 1824 dated 25th April, 2001 made by Mr. M.T. Rathnayake, Licensed Surveyor of Survey Engineering Co. Limited. The Urban Development Authority approved the said plan under Section 594 (b) and 5(2) of the Apartment Ownership Law No. 11 of 1973 as amended by Act No. 45 of 1982, on 14th June 2001.

The said Condominium Plan and Deed of Declaration were registered with the Land Registry on 4th July 2001, thus resulting in the creation of the 'Management Corporation Condominium Plan No. 1824' under the provisions of the Apartment Ownership Law.

The Company owns 185 Condominium Units that are held to earn rentals. These units constitute the Investment Property of the Group.

- 5.2 Fair value of the Investment Property is ascertained by annual independent valuations carried out by Messrs. P.B Kalugalagedera & Associates, Chartered Valuer. Investment Property was appraised in accordance with SLAS 40 and 8th edition of International Valuation Standards published by the International Valuation Standards Committee (IVSC), by the independent valuer. In determining the fair value, the capitalization of net income method and the discounting of future cash flows to their present value have been used which are based upon assumptions including future rental income, anticipated maintenance costs, appropriate discount rate and making reference to market evidence of transaction prices for similar properties, with appropriate adjustments for size and location. The appraised fair values are approximated within appropriate range of values.

The significant assumptions used by the valuer in the years 2007 and 2008 are as follows:

Growth in future rentals	:	1 to 5 years 10% p.a and 6 to 10 years 5% p.a.
Anticipated maintenance cost	:	45% of rentals
Risk adjusted yields	:	6.5% p.a.

6. PROPERTY PLANT & EQUIPMENT (GROUP)

6.1 Gross Carrying Amounts

	Balance As at 01.01.2008	Additions	Transfers	Increase in Reval'n	Disposals	Balance As at 31.12.2008
At Cost	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Temporary Building	30,834,524	359,300	-	-	-	31,193,824
Office Equipment	24,161,598	3,359,507	2,085,080	-	(1,427,680)	28,178,505
Computer Equipment	3,735,403	124,650	-	-	(3,434)	3,856,619
Furniture & Fittings	24,872,089	468,302	(2,085,080)	-	(1,659,468)	21,595,843
Motor Vehicles	24,639,713	6,301,512	-	-	(2,637,095)	28,304,130
Total Value of Depreciable Assets	108,243,327	10,613,271	-	-	(5,727,677)	113,128,921
At Valuation						
Furniture Fittings & Equipment- Restaurant	7,822,700	-	-	-	-	7,822,700
Buildings- Level 18	166,961,588	-	(2,782,692)	32,914,451	-	197,093,347
	174,784,288	-	(2,782,692)	32,914,451	-	204,916,047
Total Value of Depreciable Assets	283,027,615	10,613,271	(2,782,692)	32,914,451	(5,727,677)	318,044,968

6.2 Depreciation

	Balance As at 01.01.2008	Charge for the Year	Transfers	Increase in Reval'n	Disposals	Balance As at 31.12.2008
At Cost	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Temporary Building	16,000,023	6,189,241	-	-	-	22,189,264
Office Equipment	17,328,171	2,337,002	1,744,218	-	(299,090)	21,110,301
Computer Equipment	1,547,156	918,134	-	-	(1,001)	2,464,289
Furniture & Fittings	16,864,350	1,294,762	(1,744,218)	-	(218,437)	16,196,458
Motor Vehicles	8,741,108	5,013,568	-	-	(1,881,540)	11,873,136
Total Depreciation	60,480,808	15,752,707	-	-	(2,400,068)	73,833,448
At Valuation						
Furniture Fittings & Equipment- Restaurant	7,822,700	-	-	-	-	7,822,700
Buildings- Level 18	-	2,782,692	-	(2,782,692)	-	-
	7,822,700	2,782,692	(2,782,692)	(2,782,692)	-	7,822,700
Total Depreciation	68,303,508	18,535,399	(2,782,692)	(2,782,692)	(2,400,068)	81,656,148

6.3 Net Book Value

At Cost	2008 Rs.	2007 Rs.
Temprory Building	9,004,560	14,834,501
Office Equipment	7,068,204	6,833,427
Computer Equipment	1,392,330	2,188,247
Furniture & Fittings	5,399,385	8,007,739
Motor Vehicles	16,430,994	15,898,605
At Valuation		
Furniture Fittings & Equipment- Restaurant	-	-
Buildings- Level 18	197,093,347	166,961,588
	236,388,820	214,724,107

Notes to the Financial Statements

6. PROPERTY PLANT & EQUIPMENT (COMPANY) Cont...

6.4 Gross Carrying Amounts

	Balance As At 01.01.2008	Additions	Transfers	Increase in Reval'n	Disposals	Balance As At 31.12.2008
At Cost	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Motor Vehicles	24,397,714	6,301,512	-	-	(2,637,095)	28,062,131
Office Equipment	22,886,214	2,953,471	2,085,080	-	(1,415,845)	26,508,920
Furniture & Fittings	21,861,873	385,749	(2,085,080)	-	(1,659,468)	18,503,074
	69,145,801	9,640,732	-	-	(5,712,408)	73,074,125
At Valuation						
Furniture Fittings & Equipment- Restaurant	7,822,700	-	-	-	-	7,822,700
Buildings - Level 18	166,961,588	-	(2,782,692)	32,914,451	-	197,093,347
	174,784,288	-	(2,782,692)	32,914,451	-	204,916,047
Total Value of Depreciable Assets	243,930,089	9,640,732	(2,782,692)	32,914,451	(5,712,408)	277,990,172

6.5 Depreciation

	Balance As at 01.01.2008	Charge for the Year	Transfers	Transfers to Reval'n Reserve	Disposals	Balance As at 31.12.2008
At Cost	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Motor Vehicles	8,731,025	4,953,068	-	-	(1,881,540)	11,802,553
Office Equipment	16,895,559	1,976,804	1,744,218	-	(296,131)	20,320,449
Furniture & Fittings	16,182,480	989,060	(1,744,218)	-	(218,437)	15,208,886
	41,809,064	7,918,932	-	-	(2,396,108)	47,331,888
At Valuation						
Furniture Fittings & Equipment- Restaurant	7,822,700	-	-	-	-	7,822,700
Buildings - Level 18	-	2,782,692	-	(2,782,692)	-	-
	7,822,700	2,782,692	-	(2,782,692)	-	7,822,700
Total Depreciation	49,631,764	10,701,624	-	(2,782,692)	(2,396,108)	55,154,588

6.6 Net Book Value

At Cost	2008 Rs.	2007 Rs.
Motor Vehicles	16,259,578	15,666,689
Office Equipment	6,188,471	5,990,655
Furniture & Fittings	3,294,188	5,679,393
At Valuation		
Furniture Fittings & Equipment- Restaurant	-	-
Buildings - Level 18	197,093,347	166,961,588
	222,835,584	194,298,325

Notes to the Financial Statements

6.7 Property, Plant and Equipment - Restaurant, includes fully depreciated assets having a gross carrying amount of Rs 38,758,426/- .(2007 : Rs 38,365,718/-).

6.8 The Furniture, Fittings & Equipment - Restaurant were revalued during the financial year 2001 by Messrs. P.B. Kalugalagedara & Associates, an independent Chartered Valuer. The results of such revaluation were incorporated in these Financial Statements from its effective date which was 30th June 2001. Such assets were valued on an open market value for existing use basis. These assets are fully depreciated as at 31 December 2008.

6.9 Cash payments amounting to Rs 9,640,732/- (2007 : Rs 10,855,228/-) were made during the year for purchase of Property, Plant & Equipment.

7. INTANGIBLE ASSETS

	Group		Company	
	2008 Rs.	2007 Rs.	2008 Rs.	2007 Rs.
Membership Fee -WTCA (7.1)	6,932,847	7,297,734	6,932,847	7,297,734
	6,932,847	7,297,734	6,932,847	7,297,734
Amortization for the Year	364,887	364,887	364,887	364,887
Net Book Value	6,567,960	6,932,847	6,567,960	6,932,847

7.1 During the year ended 30 June 1994 the Company has paid a Membership fee of US \$ 150,000 to the World Trade Centers Association and obtained the license for the use of the trade name 'World Trade Center'. The license requires an annual subscription fee amounting to US\$ 10,000 to renew the eligibility of using the Trade Name. The Management of the Company has determined the useful life of the asset as twenty years (20) and amortisation has been made on a straight line basis in the Income Statement with effect from the year ended 31 December 2007.

8. INVESTMENTS IN SUBSIDIARIES

		Group		Company	
	% Holding	2008 Rs.	2007 Rs.	2008 Rs.	2007 Rs.
Non-Quoted Investment at cost					
Mireka Capital Land (Private) Limited (Ordinary shares of Rs 10/- each)	60%	-	-	1,125,000,000	1,125,000,000
Hospitality International (Private) Limited (Ordinary shares of Rs 10/- each)	100%	-	-	112,159,107	112,159,107
Provision for the fall in value of HIL Investment		-	-	(112,159,107)	(112,159,107)
Realty Management Services (Private) Limited (Ordinary shares of Rs 10/- each) (8.1)	100%	-	-	10,020	10,020
		-	-	1,125,010,020	1,125,010,020

8.1 Realty Management Services (Private) Limited which is incorporated in Sri Lanka has not commenced commercial operations. The Directors' view is that the value of this investment is Rs 10,020/- (2007- Rs 10,020/-).

Notes to the Financial Statements

9. INVENTORIES

	2008 Rs.	Group 2007 Rs.	2008 Rs.	Company 2007 Rs.
Real Estate intended for Sale	958,003,749	1,106,244,162	-	-
Project Under Development	3,267,813,112	2,002,123,559	-	-
	4,225,816,861	3,108,367,721	-	-

10. TRADE AND OTHER RECEIVABLES

	2008 Rs.	Group 2007 Rs.	2008 Rs.	Company 2007 Rs.
Trade Debtors	224,376,702	417,491,868	53,045,003	22,980,203
Less: Allowance for Doubtful Debts	(23,813,967)	(2,615,949)	(23,813,967)	(2,615,949)
	200,562,735	414,875,920	29,231,036	20,364,255
Other Debtors	741,165,557	161,011,212	3,868,738	93,800,456
Less: Allowance for Doubtful Debts	(5,198,189)	(3,853,876)	-	-
	936,530,103	572,033,256	33,099,774	114,164,711
Advances & Prepayments	34,471,657	7,083,184	12,308,515	3,838,813
	971,001,760	579,116,440	45,408,289	118,003,524

11. AMOUNTS DUE FROM RELATED PARTIES

	2008 Rs.	Group 2007 Rs.	2008 Rs.	Company 2007 Rs.
Management Corporation				
Condominium Plan No. 1824	21,555,855	769,176	21,555,855	769,176
Mireka Capital Land (Private) Limited	-	-	38,501,379	3,425,630
Realty Management Services (Private) Limited	-	-	81,036	-
Shing Kwan Management Limited	-	1,805,731	-	-
	21,555,855	2,574,907	60,138,270	4,194,806

12. STATED CAPITAL

12.1 Stated Capital as at 31 December 2008

	2008 Rs.	2007 Rs.
562,322,906 Ordinary Shares of Rs 10/- each	5,623,229,060	5,623,229,060
374,464,391 Non-Convertible Cumulative Redeemable Preference Shares	3,744,643,910	3,744,643,910
	9,367,872,970	9,367,872,970
Add: Balance in Share Premium	345,286,000	345,286,000
Add: Balance in Redemption Reserve Fund	148,550	148,550
Stated Capital	9,713,307,520	9,713,307,520

Notes to the Financial Statements

12.2 Rights, Preferences and Restrictions of Capital

During the year 2006, the Company issued 374,464,391 Non Convertible Cumulative Redeemable Preference Shares (CRPS) of Rs 10/- each at a dividend rate of 2% per annum amounting to Rs 3,744,643,910/- as part of the Financial Restructuring process. Tenor of the Preference Share issue is 5 years and redeemable on 28 November 2010. The Company has also been given the option of redeeming the principal in full or in multiples of Rs 1 Mn, on each dividend payment date. The 2% dividend is payable on a semi-annual basis.

12.3 Dividends amounting to Rs 74,892,878/- accumulated on 2% CRPS have been paid during the year.

13. RESERVES

13.1 Capital Reserves

	2008 Rs.	2007 Rs.
Revaluation Reserve (13.2)	112,444,473	79,530,022
	112,444,473	79,530,022

13.2 Revaluation Reserve

	2008 Rs.	2007 Rs.
Balance as at the Beginning of the Year	79,530,022	-
Transfer of Surplus/(Deficit) during the Year	32,914,451	79,530,022
Balance as at the End of the Year	112,444,473	79,530,022

14. INTEREST BEARING LIABILITIES

14.1 Interest Bearing Liabilities (Group)

	2008 Amounts Repayable within 1 Year Rs.	2008 Amounts Repayable after 1 Year Rs.	2008 Total Rs.	2007 Amounts Repayable within 1 Year Rs.	2007 Amounts Repayable after 1 Year Rs.	2007 Total Rs.
Loan - BOC (14.3)	1,537,380,000	170,820,000	1,708,200,000	-	688,275,000	688,275,000
SR & CC & T Fund Loan (14.4)	50,000,000	395,829,000	445,829,000	50,000,000	446,910,585	496,910,585
	1,587,380,000	566,649,000	2,154,029,000	50,000,000	1,135,185,585	1,185,185,585

14.2 Interest Bearing Liabilities (Company)

	2008 Amounts Repayable within 1 Year Rs.	2008 Amounts Repayable after 1 Year Rs.	2008 Total Rs.	2007 Amounts Repayable within 1 Year Rs.	2007 Amounts Repayable after 1 Year Rs.	2007 Total Rs.
SR & CC & T Fund Loan (14.4)	50,000,000	395,829,000	445,829,000	50,000,000	446,910,585	496,910,585
Total Loans	50,000,000	395,829,000	445,829,000	50,000,000	446,910,585	496,910,585

Notes to the Financial Statements

14.3 This loan has been granted to Mireka Capital Land (Private) Limited as per the funding commitments contained in the Joint venture agreement between Overseas Realty (Ceylon) PLC, Bank of Ceylon and Mireka Capital Land (Private) Limited. The agreement provides for a shareholder loan facility of US\$ 40 Mn in proportion to the share holding of Overseas Realty (Ceylon) PLC and Bank of Ceylon in Mireka Capital Land (Private) Limited. The shareholders funding is arranged through the Bank of Ceylon. Shing Kwan Group provides funding support to ORC PLC as its principal shareholder. During the year US\$ 8.7Mn was drawn down out of this facility arrangement bringing the total loan outstanding at the year end to US\$ 15Mn.

14.4 Unsecured Bank Loans

	As At 01.01.2008 Rs.	Loans Obtained during the Year Rs.	Repayments Rs.	As At 31.12.2008 Rs.
SR & CC & T Fund Loan (14.5)	496,910,585	-	(51,081,585)	445,829,000
	496,910,585	-	(51,081,585)	445,829,000

14.5 The Company signed an unsecured Term Loan Agreement on 30th March 1998 with Bank of Ceylon (BOC) to borrow Rs 500 million at a concessionary rate of interest of 2% p.a. repayable over a period of ten years following a grace period of five years. Accordingly, the repayment was to begin in April 2003. Following negotiations, the repayment of capital was extended by a further 5 years, as per the letter from the Ministry of Finance dated 11th September 2003. The first capital repayment therefore commenced in December 2007.

15. NON-INTEREST BEARING LIABILITIES (Group)

	2008 Amounts Repayable within 1 Year Rs.	2008 Amounts Repayable after 1 Year Rs.	2008 Total Rs.	2007 Amounts Repayable within 1 Year Rs.	2007 Amounts Repayable after 1 Year Rs.	2007 Total Rs.
HIL Loan - BOC (15.1)	1,125,000	3,093,750	4,218,750	1,125,000	4,218,750	5,343,750
	1,125,000	3,093,750	4,218,750	1,125,000	4,218,750	5,343,750

15.1 HIL Loan - SR & CC & T Fund

	As at 01.01.2008 Rs.	Loan Obtained During the Year Rs.	Repayments Rs.	As at 31.12.2008 Rs.
Loan payable by Hospitality International (Private) Limited (15.2)	5,343,750	-	(1,125,000)	4,218,750

15.2 The Company's Subsidiary, Hospitality International (Private) Limited (HIL), had obtained an unsecured SR & CC & T Loan of Rs 19,917,795/- from SR & CC & T Fund, at a concessionary rate of interest of 4% p.a. According to the settlement in Court reached with the disbursing bank, Bank of Ceylon, case No. HC Civil 188/2002 (i), an amount of Rs 10,000,000/- is repayable by the subsidiary, spread over a period of 8 years, beginning August 2004.

Notes to the Financial Statements

16. EMPLOYEE BENEFIT LIABILITY

	Group		Company	
	2008 Rs.	2007 Rs.	2008 Rs.	2007 Rs.
Balance as at 1 January 2008	15,298,368	12,284,061	15,298,368	12,284,061
Transitional Provision	94,586	-	94,586	-
Charge for the Year (16.1)	4,277,851	4,235,616	4,277,851	4,235,616
Payments made during the Year	(1,527,215)	(1,221,309)	(1,527,215)	(1,221,309)
Balance as at 31 December 2008 (16.2)	18,143,590	15,298,368	18,143,590	15,298,368

16.1 Retirement Benefit Expense for Year Ended 31 December

	Group 2008 Rs.	Company 2008 Rs.
Current Service Cost as at 01/01/2008	2,575,584	2,575,584
Interest Cost as at 31/12/2008	1,796,853	1,796,853
Transitional Provision recognised immediately	(94,586)	(94,586)
Retirement Benefit Expense for Plan Year ending 31/12/2008	4,277,851	4,277,851

16.2 Net Liability Recognised in the Balance Sheet as at 31/12/2008

	Group 2008 Rs.	Company 2008 Rs.
Present value of Defined Benefit Obligation as at 31/12/2008	19,242,247	19,242,247
Transitional Liability/(Assets)	(94,586)	(94,586)
Actuarial Gains/(Losses)	(1,004,071)	(1,004,071)
Retirement Benefit Liability recognised in Balance Sheet as at 31/12/2008	18,143,590	18,143,590

16.3 Messrs. Piyal S Goonetilleke and Associates Actuaries, carried out an actuarial valuation of the defined benefit plan gratuity of the group on 31 December 2008. Appropriate and compatible assumptions were used in determining the cost of post employment benefits. The principal assumptions used are as follows:

a. Demographic Assumptions

Retirement Age : 55 Years

Assumed rate of employee turnover is 10% from age 20 to age 30 .Thereafter it will decrease from 5% to 3 % in respect of ages 35 to 40. Thereafter rate of turnover is 1% up to retirement.

b. Financial Assumptions

Rate of Interest Net of Tax per Annum 10%
Salary Increment Rate 10%

Notes to the Financial Statements

17. TRADE AND OTHER PAYABLES

	Group		Company	
	2008	2007	2008	2007
	Rs.	Rs.	Rs.	Rs.
Trade Creditors - Others	823,490,342	500,362,866	-	-
Rental Income Received in Advance	34,455,547	80,505,397	34,455,547	80,505,397
Rental Deposits	362,099,839	363,062,708	362,099,839	363,062,708
Customer Deposits	562,700,576	917,951,518	-	-
Sundry Creditors including Accrued Expenses	138,417,668	194,014,349	66,326,004	106,304,675
	1,921,163,972	2,055,896,838	462,881,390	549,872,780

18. AMOUNTS DUE TO RELATED PARTIES

	Group		Company	
	2008	2007	2008	2007
	Rs.	Rs.	Rs.	Rs.
Shing Kwan Investment (S) Pte Limited	23,724	315,661	-	-
Shing Kwan Management Limited	13,166,052	18,362,885	-	-
	13,189,776	18,678,546	-	-

19. CASH AND CASH EQUIVALENTS IN CASH FLOW STATEMENT

Components of Cash and Cash Equivalents

	Group		Company	
	2008	2007	2008	2007
	Rs.	Rs.	Rs.	Rs.
Favourable Cash & Cash Equivalent Balances				
Cash & Bank Balances	134,372,879	202,844,475	106,644,542	59,571,268
Fixed & Call Deposits	109,172,174	699,365,708	109,172,174	318,108,494
Total Cash and Cash Equivalents for the Purpose of Cash Flow Statement	243,545,053	902,210,184	215,816,716	377,679,763

20. DIVIDENDS PAID AND PAYABLE

20.1 Declared and Paid during the Year

	Company	
	2008	2007
	Rs.	Rs.
Equity Dividends on Ordinary Shares		
- Final dividend for 2007 : Rs 0.50 per share(2006-Rs 0.30)	281,161,451	168,696,871
Preference Dividend	74,892,878	74,892,878
	356,054,329	243,589,749

Notes to the Financial Statements

20.2 Dividends Payable as at 31 December

	Company	
	2008	2007
	Rs.	Rs.
Dividends on Ordinary Shares	1,016,465	673,550
Dividends on Preference Shares	(3)	37,754,219
	1,016,462	38,427,769

21. FINANCE COST AND INCOME

21.1 Finance Cost

	Group		Company	
	2008	2007	2008	2007
	Rs.	Rs.	Rs.	Rs.
Interest Expense on Interest Bearing Loans & Borrowings	9,401,305	10,020,000	9,401,305	10,020,000
	9,401,305	10,020,000	9,401,305	10,020,000

21.2 Finance Income

	Group		Company	
	2008	2007	2008	2007
	Rs.	Rs.	Rs.	Rs.
Income from Investments				
- Interest on Fixed Deposits	52,818,352	53,390,997	27,414,669	17,888,040
	52,818,352	53,390,997	27,414,669	17,888,040

22. PROFIT/(LOSS) FROM CONTINUING OPERATIONS

Stated after Charging/(Crediting)

	Group		Company	
	2008	2007	2008	2007
	Rs.	Rs.	Rs.	Rs.
Depreciation	11,485,002	14,015,892	10,701,624	6,600,402
Exchange (Gain)/Loss	88,054,064	804,647	599,384	1,020,617
(Profit)/Loss on Disposal of Property, Plant and Equipment	1,029,550	(3,773)	1,030,552	(3,773)
Employee Benefit Expenses including the following;	66,007,366	64,223,464	66,007,366	64,223,464
- Defined Benefit Plan Cost - Gratuity	4,277,851	4,235,616	4,277,851	4,235,616
- Defined Contribution Plan Cost - EPF & ETF	5,649,355	4,959,128	5,649,355	4,959,128
Amortization of Intangible Assets	364,887	364,887	364,887	364,887

Notes to the Financial Statements

23. TAX EXPENSES

23.1 Reconciliation between tax expense and the product of accounting profit multiplied by the statutory tax rate is as follows :

	Group		Company	
	2008	2007	2008	2007
	Rs.	Rs.	Rs.	Rs.
Accounting Profit before Tax	1,833,001,574	2,230,847,759	1,740,786,322	2,185,806,526
Income Exempt from Tax	1,775,361,840	2,187,317,862	1,707,756,147	2,161,909,186
Tax Liab Income	57,639,734	57,513,736	33,030,175	23,897,340
Deductions Allowed	(11,560,561)	(8,364,069)	(11,560,561)	(8,364,069)
Taxable Income	49,149,667	49,149,667	21,469,614	15,533,271
Income Tax at the Statutory Rate of 35% (2007 - 35%)	16,127,711	17,202,384	7,514,365	5,436,645
Social Responsibility Levy	176,965	172,024	75,144	54,366
Under/Over Provision in respect of Last Year	27,246	6,766	27,246	-
	16,331,922	17,381,174	7,616,755	5,491,011

23.2 The above tax expense relates to the interest income and other miscellaneous income that are not covered by the tax exemptions enjoyed by Overseas Realty (Ceylon) PLC and its subsidiaries as detailed in note 2.4.2

23.3 Deferred Tax asset amounting to Rs 109,238,798/- (2007-Rs 112,855,612/-) arising as a result of pre-operational interest has not been recognized in these Financial Statements as there is an uncertainty of the availability of such tax losses amounting to Rs 312,110,851/- (2007- Rs 322,444,608/-) for set off against taxable income after the tax holiday period enjoyed by the Group. The Group will continue to re-asses unrecognized deferred tax assets at each Balance Sheet date.

24. EARNINGS PER SHARE

24.1 Basic Earnings Per Share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the number of ordinary shares outstanding during the year. The weighted average number of ordinary shares outstanding during the year and the previous year are adjusted for events that have changed the number of ordinary shares outstanding, without a corresponding change in the resources such as a bonus issue.

24.2 The following reflects the income and share data used in the basic earnings per share computation.

	Group	
	2008	2007
	Rs.	Rs.
Amounts Used as the Numerator		
Net Profit/(Loss) attributable to Shareholders for Basic Earnings per Share	1,816,669,652	2,213,466,585
Dividends on Redeemable Preference Shares	(74,892,878)	(74,892,878)
Net Profit/(Loss) attributable to Ordinary Shareholders for Basic Earnings per Share	1,741,776,774	2,138,573,707
Number of Ordinary Shares Used as the Denominator		
Weighted Average number of Ordinary Shares in issue applicable to basic Earnings per Share	562,322,906	562,322,906
	562,322,906	562,322,906

25. RELATED PARTY DISCLOSURES

25.1 Transactions with the Parent and Related Entities

	Transactions with Subsidiaries		Transactions with Other Affiliate Companies	
	2008 Rs.	2007 Rs.	2008 Rs.	2007 Rs.
Amounts Receivable as at 31 December	38,582,415	3,425,630	-	460,507
Amounts Payable as at 31 December	-	-	2,743,680	-
Interest on Temporary Loan	(308,899)	-	-	-
Management Fee Earned	-	-	(1,721,004)	-
Management Fee	-	-	13,182,528	15,789,475
Central Costs Allocated				
: Employee Benefits	-	22,535,975	-	-
Rendering of Services	(20,760,288)	(33,748,684)	-	-
Receipt of Services	19,830,936	-	10,000,000	4,048,539
Reimbursements	17,603	7,787,079	(18,717,843)	(20,828,908)
Loan Received	(34,164,000)	-	-	-

The above transactions are included in Current Liabilities as Balances Due to Related Parties and in Current Assets as Balances due from Related Parties.

Terms and Conditions

Services to related parties were made on the basis of the price agreed between related parties. Outstanding balance with related parties at Balance Sheet date are unsecured and interest free. Settlement will take place in cash.

25.2 Other Related Party Disclosures

Group	Relationship	Nature of Transaction	2008 Rs.	2007 Rs.
Bank of Ceylon (BOC)	Significant	As at 01 January	1,190,529,335	1,130,960,532
		Shareholder Loans Granted	950,455,000	82,075,000
		Loan Repayment	(52,206,585)	(22,506,197)
		As at 31 December	2,088,777,750	1,190,529,335

The above transactions are included in Interest Bearing Loans. Further, Group has current accounts at BOC amounting to Rs 60,992,032/- (2007 - Rs 132,105,222/-), Call & Fixed deposits amounting to Rs 28,470,000/- (2007- Rs 102,919,333/-). During the year interest expense on account of financial accommodation obtained from BOC amounted to Rs 9,449,313/- (2007 - Rs 10,020,000/-), while interest earned amounted to Rs 17,759,416/- (2007- Rs 6,385,030/-).

Other matters related to financial accommodation are given in Note 14 and 15.

Notes to the Financial Statements

25.3. Transactions with Key Management Personnel of the Company or its Parent

The key management personnel of the Company are the members of its Board of Directors and that of its parent. Payments made to key management personnel during the year were as follows:

	2008 Rs.	2007 Rs.
Directors Fee	2,150,000	750,000
Other Short Term Benefits	575,000	1,554,421

26. CAPITAL EXPENDITURE COMMITMENTS

- The company has commitments amounting to Rs 14,323,000/- (2007-Nil) as at the Balance Sheet date in respect of the planned ERP implementation.
- Mireka Capital Land (Private) Limited has commitments amounting to Rs 476,758,705/- (2007- Rs 199,022,529/-) as at the Balance Sheet date in respect of the Havelock City Project.
- Mireka Homes (Private) Limited has commitments amounting to Rs 466,283,658/- (2007 - Rs 1,165,138,572/-) as at the Balance Sheet date in respect of the Havelock City Project.

27. CONTINGENCIES

Legal Claims:

The following entities in the Group are involved in legal actions described below. Although there can be no assurance, the Directors believe, based on the information currently available, that the ultimate resolution of such legal procedures would not likely have a material adverse effect on the results of operations or financial position. Accordingly, no provision for any liability has been made in these Financial Statements.

- The Company is a defendant in a lawsuit in respect of a case filed by a tenant for recovery of Deposit and Rent paid in advance in terms of the Indenture executed with the said party for which its maximum liability is Rs 5,835,583/- with an interest rate at 28%.
- The Company is a defendant in a lawsuit in respect of a Labour Tribunal case filed by an employee for which its maximum liability cannot be ascertained as at the year end.
- Mireka Capital Land (Private) Limited is in litigation to obtain a waiver against a fine imposed by the Customs on the importation of engineering drawings sent to the Company by their Consultant Architect. An initial fine of Rs 46Mn was imposed on the interpretation that the value of the drawings should equal to the total value of fees paid to the Consultant for their entire scope of services. The fine paid under protest was followed by litigation. Subsequently the Company has been granted a waiver of Rs 21 Mn by the Ministry of Finance, the refund of which is pending. Litigation is proceeding in respect of the balance amount of the fine.

28. ASSETS PLEDGED

The Company has not pledged any asset for any business transaction.

29. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There have been no material events occurring after the Balance Sheet date that require adjustments to or disclosure in the Financial Statements.

Company Performance - Five Year Summary

Profit & Loss Statement

For the Year Ended	30th June 2004	30th June 2005	18 mths ended 31st Dec 2006	31st Dec 2007	31st Dec 2008
Rental Income	387,174,969	508,459,741	873,618,934	716,381,709	805,026,451
Income from Other Services	24,459,107	31,667,988	47,890,217	35,350,908	41,562,039
Sale of Condo Units	1,251,320,066	333,354,099	-	-	-
Total Revenue	1,662,954,142	873,481,828	921,509,151	751,732,617	846,588,490
Cost of Sales	(1,334,790,797)	(419,548,022)	-	-	-
Gross Profit	328,163,345	453,933,806	921,509,151	751,732,617	846,588,490
Fair Value Adj	-	-	1,683,184,396	1,834,316,986	1,388,260,775
Rev'n Gain Realised	381,547,783	73,006,865			
Net Operating Exp	(310,852,560)	(326,872,390)	(464,770,548)	(408,111,117)	(512,076,307)
Profit from Optg Activities	398,858,568	200,068,281	2,139,922,999	2,195,826,526	1,722,772,958
Net Finance (Exp)/Income	(495,620,149)	(205,046,184)	(109,213,771)	(7,868,040)	18,013,364
Net Profit before Tax	(96,761,581)	(4,977,903)	2,030,709,228	2,185,806,526	1,740,786,322
Income Tax	-	(2,014,413)	(5,872,939)	(5,491,011)	(7,616,755)
Net Profit after Tax	(96,761,581)	(6,992,316)	2,024,836,289	2,180,315,515	1,733,169,567

BALANCE SHEET as at

ASSETS

Investment Property	6,509,697,945	6,789,204,083	11,203,016,898	12,870,372,296	14,258,633,071
Property Plant & Equipment	9,232,870	6,571,373	28,490,959	194,298,325	222,835,584
Intangible Assets	7,297,734	7,297,734	7,297,734	6,932,847	6,567,960
Inv in Subsidiaries	10,020	10,020	1,125,010,020	1,125,010,020	1,125,010,020
	6,526,238,569	6,803,083,210	12,363,815,611	14,196,613,488	15,613,046,635
WTC Condominium Units for sale	3,080,348,634	2,730,628,418	-	-	-
Current Assets	232,581,068	334,725,419	311,921,173	499,878,093	321,363,275
TOTAL ASSETS	9,839,168,271	9,868,437,047	12,675,736,784	14,696,491,581	15,934,409,910

EQUITY & LIABILITIES

Capital Reserves					
Issued Share Capital	5,137,351,560	5,839,547,575	-	-	-
Stated Capital	-	-	9,713,158,970	9,713,307,520	9,713,307,520
Reserves	3,180,170,800	2,684,474,052	-	-	-
Share Premium	-	-	148,550	79,530,022	-
Cap Redemption Reserve Fund	-	-	-	-	-
Revaluation Reserve	-	-	-	-	112,444,473
Accumulated profit/(loss)	(3,584,223,692)	(3,591,216,008)	1,943,023,733	3,800,219,477	5,177,240,127
Equity Attributable to Equity Holders	4,733,298,668	4,932,805,619	11,656,331,253	13,593,057,019	15,002,992,120
Non-Current Liabilities	4,354,159,989	2,275,785,968	512,284,061	462,208,953	413,972,590
Current Liabilities	751,709,614	2,659,845,460	507,121,470	641,225,609	517,445,200
TOTAL EQUITY & LIABILITIES	9,839,168,271	9,868,437,047	12,675,736,784	14,696,491,581	15,934,409,910

Earnings Per Share	(Rs)	(0.42)	(0.012)	3.67	3.74	2.95
Average Occupancy	(%)	67.43	77.44	81.89	84.73	83.20
Net Asset Value per Share	(Rs)	4.25	2.03	14.93	17.51	20.02
Share Value (High)	(Rs)	14.25	12.50	23.25	15.50	15.00
Share Value (Low)	(Rs)	5.00	5.75	9.50	9.00	5.75
Current Ratio		4.41	1.15	0.62	0.78	0.62
Return on Equity	(%)	-2	0	24	17	12
Total Debt to Total Assets	(%)	52	50	8	8	6
Debt/Equity Ratio		0.92	0.46	0.04	0.03	0.03
Asset Turnover	(%)	16	9	8	5	6
Yield in Investment Property	(%)	5.9	7.5	7.8	5.6	5.6
Return on Assets	(%)	4	5	8	5	6

Shareholder Information

General

Stated Capital of the Company as defined by the Companies Act No 07 of 2007 was Rs 9,713,307,520 as at 31st December 2008.

Stock Exchange Listing

Overseas Realty (Ceylon) PLC is a public listed Company, the issued ordinary shares of which are listed on the Colombo Stock Exchange.

Analysis of Ordinary Shareholders as at 31st December, 2008

Shareholdings	Resident			Non Resident			Total		
	No of Share holders	No of Shares	%	No of Share holders	No of Shares	%	No of Share holders	No of Shares	%
1 - 1,000	1790	689,724	0.12	19	9,222	0.00	1809	698,946	0.12
1,001 - 5,000	739	2,033,547	0.36	10	28,187	0.01	749	2,061,734	0.37
5,001 - 10,000	198	1,549,543	0.28	0	-	-	198	1,549,543	0.28
10,001 - 50,000	147	3,365,867	0.60	7	215,500	0.04	154	3,581,367	0.64
50,001 - 100,000	16	1,106,481	0.20	3	214,800	0.04	19	1,321,281	0.23
100,001 - 500,000	16	3,533,059	0.63	2	275,100	0.05	18	3,808,159	0.68
500,001 - 1,000,000	4	2,607,190	0.46	0	-	-	4	2,607,190	0.46
Over 1,000,000	2	22,056,153	3.92	7	524,638,533	93.30	9	546,694,686	97.22
	2912	36,941,564	6.57	48	525,381,342	93.43	2960	562,322,906	100.00

Categories of Shareholders

Category	As of 31st Dec 2008	
	No of Share holders	No of Shares
Individual	2847	14,852,126
Institutional	113	547,470,780
	2960	562,322,906

Analysis of 2% Cumulative Redeemable Preference Shares (Non-convertible) as at 31st December 2008

	No of Shareholders			Total Holding (No. of Shares)			%	
	Foreign	Local	Total	Foreign	Local	Total	Foreign	Local
Over 1,000,000	1	-	1	374,464,391	-	374,464,391	100	-
	1	-	1	374,464,391	-	374,464,391	100	-

Categories of Shareholders

	No of Shareholders	No of Shares
Institutional	1	374,464,391

Performance at the Colombo Stock Exchange

Year Ending	31st December 2008		31st December 2007	
	Date	Price (Rs)	Date	Price (Rs)
Highest	17.04.2008	15.00	08.02.2007	15.50
Lowest	30.12.2008	5.75	15.05.2007	9.00
Last Traded Price	31.12.2008	6.50	31.12.2007	10.75

Shareholder Information

For the Year Ended	31st December 2008	31st December 2007
Ordinary Shares		
Closing Share Price (Rs)	6.50	10.75
Number of Transactions	7,122	23,264
Number of Shares Traded	11,071,600	58,219,600
Value of Shares Traded (Rs)	113,757,700	1,063,039,025

Top Twenty Shareholders as at 31st December 2008

Name	No of shares	Percentage (%)
1 Shing Kwan Investments Co. Limited	302,244,387	53.75
2 Unity Builders Limited	146,770,992	26.10
3 Shing Kwan Investment (Singapore) Pte Limited	67,440,554	11.99
4 Peoples Bank	20,722,353	3.69
5 Chipperfield Investments Limited	5,100,000	0.91
6 Oriental Pearl Inc	1,700,000	0.30
7 Sandwave Limited	1,382,600	0.25
8 Mrs. Amarasekera Saumya	1,333,800	0.24
9 Mr. Jayasooriya Goodson Prabha Ranjith	800,000	0.14
10 Mr. Arunashantha Sarukkali Witharanage Upali	725,200	0.13
11 Mr. Rajanthan Yogarajah	542,500	0.10
12 Alchemy Heavy Metals (Private) Limited	539,490	0.10
13 Mr. Hirdaramani Janak Bhagwandas	469,338	0.08
14 Dr. Gulamhusein Shabbir Husein Abbas	374,201	0.07
15 Mr. Cader Mohamed Naizer	362,900	0.06
16 Mr. Esufally Husein Nuruddain	300,000	0.05
17 Mr. Galhenage Indika Prasad	248,000	0.04
18 Mrs. Sirinivasan Vanaja	214,000	0.04
19 DPMC Financial Services (Private) Limited	207,200	0.04
20 Mr. Esufally Imtiaz Abidhusen Hassanally	200,000	0.04
Subtotal	551,677,515	98.11
Balance held by 2940 Share Holders	10,645,391	1.89
Total No of Ordinary Shares	562,322,906	100
Public Holding	45,885,549	8.16
Others	516,437,357	91.84
Total	562,322,906	100

Public Shareholding as at 31st December 2008

Parent Company/(Group)	No of Shares
Shing Kwan Investments Co. Limited	302,244,387
Unity Builders Limited	146,770,992
Shing Kwan Investment (Singapore) Pte Limited	67,440,554
Subtotal	516,455,933
Issued number of ordinary shares as at 31st December 2008	562,322,906
Less:	
Parent Company	516,455,933
Subsidiaries	-
Over 10% holding	-
Directors' Shareholding	1,000
Spouses of Directors & CEO	-
Public Holding	45,865,973
Public Holding as a percentage of Issued Ordinary Shares	8.16%

Notice of Meeting

Notice is hereby given that the Twenty Seventh Annual General Meeting of OVERSEAS REALTY (CEYLON) PLC will be held at Level 36, East Tower, World Trade Center, Echelon Square, Colombo 1 on 26th March 2009 at 4.00 p.m. for the transaction of the following business:

AGENDA

1. To receive and consider the report of the Board of Directors and the Statement of Accounts as at 31st December 2008 and the Report of the Auditors thereon.
2. To declare a first and final dividend of Rs 0.40 per Ordinary Share in respect of the financial year ending 31st December 2008 as recommended by the Directors.
3. To pass the following Ordinary Resolutions in accordance with the provisions of the Companies Act declaring that the age limit of 70 years shall not apply to the following Directors.

i) Ordinary Resolution

It is hereby resolved and it is further specially declared that the age limit of 70 years referred to in Section 211 of the Companies Act No. 07 of 2007 shall not apply to SHING PEE TAO who attained the age of 70 years on 25th December 1986 and whose age was previously declared and appointment approved by an Ordinary Resolution passed on 23rd July 1992.

ii) Ordinary Resolution

It is hereby resolved and it is further specially declared that the age limit of 70 years referred to in Sec. 211 of the Companies Act No. 07 of 2007 shall not apply to HUSSEIN ZUBIRE CASSIM who attained the age of 70 years on 9th September 1995 and whose age was previously declared and appointment approved by an Ordinary Resolution passed on 7th December 1995.

iii) Ordinary Resolution

It is hereby resolved and it is further specially declared that the age limit of 70 years referred to in Section 211 of the Companies Act No. 07 of 2007 shall not apply to CHRISTOPHER JAMES EDWARD ANTHONISZ who attained the age of 70 years on 19th March 1992 and

whose age was previously declared and appointment approved by an Ordinary Resolution passed on 23rd July 1992.

iv) Ordinary Resolution

It is hereby resolved and it is further specially declared that the age limit of 70 years referred to in Section 211 of the Companies Act No. 07 of 2007 shall not apply to BALAKUMARA MAHADEVA who attained the age of 70 years on 29th October 1991 and whose age was previously declared and appointment approved by an Ordinary Resolution passed on 9th December 1994.

v) Ordinary Resolution

It is hereby resolved and it is further specially declared that the age limit of 70 years referred to in Section 211 of the Companies Act No. 07 of 2007 shall not apply to ROHINI LETTITIA NANAYAKKARA, who attained the age of 70 years on 12th April 2006 and whose age was previously declared and appointment approved by an Ordinary Resolution passed on 26th March 2007.

4. i) To re-elect MELVIN YAP BOH PIN a Director who retires by rotation in terms of Article 29 of the Articles of Association of the Company and being eligible has offered himself for re-election.

- ii) To re-elect DESHAMANYA BALAKUMARA MAHADEVEVA a Director who retires by rotation in terms of Article 29 of the Articles of Association of the Company and being eligible has offered himself for re-election.

5. To re-appoint the retiring Auditors Messrs. Ernst & Young Chartered Accountants to audit the Financial Statements of the Company and the Group, for the accounting period next after the balance sheet date for which Financial Statements were audited, having expressed their consent to continue, be and is hereby re-appointed in terms of Article 45 (4) of the Articles of Association to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Directors to determine their remuneration.

Notice of Meeting

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her in accordance with the provisions of the Company's Articles of Association. A proxy need not be a member. Proxies in the form contained herein must be lodged at Overseas Realty (Ceylon) PLC, Level 18, East Tower, World Trade Center, Echelon Square, Colombo 1, not later than forty-eight hours before the time fixed for holding of the meeting.

By Order of the Board
Overseas Realty (Ceylon) PLC (Signed)



Jayanga Wegodapola
Company Secretary

17th February 2009

Notes

[illegible]

Form of Proxy

I/We.....
.....being a member/members of OVERSEAS REALTY (CEYLON) PLC, hereby appoint,

1.
of.....
failing him,

2. One of the Directors of the Company as my/our Proxy to vote as indicated hereunder on my/our behalf at the Annual General Meeting of the Company to be held on the 26th of March 2009 at 4.00 p.m. and at any adjournment thereof.

	FOR	AGAINST
1 To receive and consider the report of the Board of Directors and the Statement of Accounts as at 31st December 2008 and the Report of the Auditors thereon.	<input type="checkbox"/>	<input type="checkbox"/>
2 To declare a first and final dividend of Rs 0.40 per Ordinary Share in respect of the financial year ending 31st December 2008 as recommended by the Directors.	<input type="checkbox"/>	<input type="checkbox"/>
3 To pass the following Ordinary Resolutions in accordance with the provisions of the Companies Act declaring that the age limit of 70 years shall not apply to the following Directors.	<input type="checkbox"/>	<input type="checkbox"/>

i) Ordinary Resolution

It is hereby resolved and it is further specially declared that the age limit of 70 years referred to in Section 211 of the Companies Act No. 07 of 2007 shall not apply to SHING PEE TAO who attained the age of 70 years on 25th December 1986 and whose age was previously declared and appointment approved by an Ordinary Resolution passed on 23rd July 1992.

<input type="checkbox"/>	<input type="checkbox"/>
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ii) Ordinary Resolution

It is hereby resolved and it is further specially declared that the age limit of 70 years referred to in Section 211 of the Companies Act No. 07 of 2007 shall not apply to HUSSEIN ZUBIRE CASSIM who attained the age of 70 years on 9th September 1995 and whose age was previously declared and appointment approved by an Ordinary Resolution passed on 7th December 1995.

<input type="checkbox"/>	<input type="checkbox"/>
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iii) Ordinary Resolution

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<input type="checkbox"/>	<input type="checkbox"/>
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iv) Ordinary Resolution

It is hereby resolved and it is further specially declared that the age limit of 70 years referred to in Section 211 of the Companies Act No. 07 of 2007 shall not apply to BALAKUMARA MAHADEVA who attained the age of 70 years on 29th October 1991 and whose age was previously declared and appointment approved by an Ordinary Resolution passed on 9th December 1994.

<input type="checkbox"/>	<input type="checkbox"/>
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Form of Proxy

v) Ordinary Resolution

It is hereby resolved and it is further specially declared that the age limit of 70 years referred to in Section 211 of the Companies Act No. 07 of 2007 shall not apply to ROHINI LETTITIA NANAYAKKARA who attained the age of 70 years on 12th April 2006 and whose age was previously declared and appointment approved by an Ordinary Resolution passed on 26th March 2007.

☐☐

- 4 i) To re-elect MELVIN YAP BOH PIN a Director who retires by rotation in terms of Article 29 of the Articles of Association of the Company and being eligible has offered himself for re-election.

☐☐

- ii) To re-elect DESHAMANYA BALAKUMARA MAHADEVA a Director who retires by rotation in terms of Article 29 of the Articles of Association of the Company and being eligible has offered himself for re-election.

☐☐

- 5 To re-appoint the retiring Auditors Messrs. Ernst & Young Chartered Accountants to audit the Financial Statements of the company and if the company is required to complete Group Financial Statements, those Group Financial Statements for the accounting period next after the balance sheet date for which Financial Statements were audited, having expressed their consent to continue, be and is hereby re-appointed in terms of Article 45 (4) of the Articles of Association to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Directors to determine their remuneration.

☐☐

As witness my/our hands this..... day of2009.

.....

Signature

Note: Instructions as to completion.

1. To be valid, this Form of Proxy must be deposited at the Registered Office of the Company at Level 18, East Tower, World Trade Center, Echelon Square, Colombo -01, before 4.00 P.M on 24th March 2009.
2. In perfecting the Form of Proxy, please ensure that all details are legible and that the Form is signed and dated by the shareholder appointing the proxy.
3. If you wish to appoint a person other than a Director as your proxy, please insert the relevant details at (1) overleaf and initial against this entry.
4. Please indicate clearly with a "✓" how your proxy is to vote on each resolution. If no indication is given the proxy in his/her discretion will vote as he/she thinks fit.
5. In the case of a Company/Corporation, the proxy must be under its Common Seal which should be affixed and attested in the manner prescribed by its Articles of Association.

Corporate Information

Name of the Company

Overseas Realty (Ceylon) PLC

Company Registration No.

PQ 39

Legal Form

A Public Listed Company with Limited Liability, incorporated in Sri Lanka on 28th October, 1980 under the Companies Ordinance (Cap. 145) bearing Company Registration No. PBS 1084 and listed on the Colombo Stock Exchange since 1982. The Company was re-registered under the Companies Act No.07 of 2007.

Registered Office

Overseas Realty (Ceylon) PLC
Level 18 - East Tower
World Trade Center
Echelon Square
Colombo 01.
Tel: 2346333

Directors

Shing Pee Tao - Chairman
Hussein Zubire Cassim - Deputy Chairman
Christopher James Edward Anthonisz
Ajit Mahendra De Silva Jayaratne
Balakumara Mahadeva
Rohini Lettitia Nanayakkara
Mildred Tao Ong
Melvin Yap Boh Pin
Porn Taochaifu (alias Paul Tao) (will retire on 26th March 2009)

Anil Kumar Hirjee (resigned w.e.f. 10th February 2009)
Ernst Peter Ludwig Franz Rogowski (resigned w.e.f. 12th February 2009)

Lee Kang Ho (alternate to Melvin Yap Boh Pin)
Tao Ben Nien (alternate to Shing Pee Tao)
Martin Boniface Pereira (alternate to Mildred Tao Ong)

Executive Committee

Shing Pee Tao
Mildred Tao Ong
Melvin Yap Boh Pin
Hussein Zubire Cassim (alternate to Shing Pee Tao)

Audit Committee

Christopher James Edward Anthonisz - Chairman
Hussein Zubire Cassim
Melvin Yap Boh Pin
Ajit Mahendra De Silva Jayaratne

Remuneration Committee

Hussein Zubire Cassim
Rohini Lettitia Nanayakkara
Ajit Mahendra De Silva Jayaratne

Company Secretary

Jayanga Wegodapola - Attorney - at - Law

Auditors

Messrs. Ernst & Young
201, De Saram Place
Colombo 10
Tel: 2463500

Registrars

SSP Corporate Services (Private) Limited
101, Inner Flower Road
Colombo 03
Tel: 2573894

Subsidiaries

Mireka Capital Land (Private) Limited
Level 18 - East Tower
World Trade Center
Echelon Square
Colombo 01.
Tel: 2502247/2505100

Mireka Homes (Private) Limited
Level 18 - East Tower
World Trade Center
Echelon Square
Colombo 01.
Tel: 2502247/2505100

Havelock City (Private) Limited
Level 18 - East Tower
World Trade Center
Echelon Square
Colombo 01.
Tel: 2346333

Website

www.orcl.lk
www.wtc.lk
www.havelockcity.lk

