

S&P Indices & CSE Launch S&P Sri Lanka 20

New Index launched to meet investor demand for a transparent, rules based benchmark to measure the performance of the Sri Lankan equity market

Colombo, June 26, 2012 – S&P Indices announces today the launch of the S&P Sri Lanka 20, which has been jointly developed with the Colombo Stock Exchange (CSE). The Index is designed to be representative of the Sri Lankan equity market, yet also be efficient to replicate, with possible application for index funds and ETFs.

The Index includes the largest 20 stocks, by total market capitalization, listed on the CSE that meet minimum size, liquidity and financial viability thresholds. The constituents are weighted by float-adjusted market capitalization, subject to a single stock cap of 15%, which is employed to enhance portfolio diversification.

Alka Banerjee, Vice President, Global Equity & Strategy Indices at S&P Indices commented: “The S&P Sri Lanka 20 Index was created to help both local and international investors gauge the performance of the Sri Lankan equity market. In recent years, there has been increased interest in Sri Lankan equities from both domestic and international investors, which has spurred demand for a Sri Lankan equity benchmark capable of supporting index-linked financial products.”

Krishan Balendra, Chairman of Colombo Stock Exchange commented: “The CSE has embarked on a focused transformation programme targeting issuers, investors and intermediaries. In the sequencing of the initiative, launching a co-branded index with S&P Indices was ranked for implementation in Q2 of 2012. I am confident that a credible and transparent index will positively impact the market.”

The S&P Sri Lanka 20 has been designed in accordance with international practices and standards. All stocks are classified according to the Global Industry Classification Standard (GICS®), which was co-developed by S&P Indices and MCSI and is widely used by market participants throughout the world.

The Index employs a transparent, rules-based methodology, adjusts for available float and employs inclusion thresholds necessary to enhance tradability. To be eligible for inclusion, a stock must have a minimum float-adjusted market capitalization of 500 million Sri Lankan rupees (Rs), a six-month average daily value traded of Rs 1 million should have traded at least 10 days of each month for the three months prior to the rebalancing reference date, and a positive net income over the 12 months prior to the rebalancing reference date.

The current 20 stocks in the S&P Sri Lanka 20 are:

John Keells Holdings PLC
Commercial Bank of Ceylon PLC
Bukit Darah Co. Ltd.
Hatton National Bank PLC
Carson Cumberbatch & Co PLC
Sampath Bank PLC
Ceylon Tobacco Co. Ltd..
DFCC Bank
Aitken Spence & Co PLC
National Development Bank PLC
CT Holdings PLC
Distilleries Co of Sri Lanka PLC
Hayleys PLC
Chevron Lubricants Lanka PLC
Dialog Axiata PLC
Cargills Ceylon PLC
Aitken Spence Hotel Holdings PLC
Nestle Lanka
Asian Hotels & Properties
Sri Lanka Telecom PLC

Tickers for the S&P Sri Lanka 20 are listed in the table below:

Index	Bloomberg	Reuters	CSE
S&P Sri Lanka 20 Index (LKR)	SPLK20LP	.SPLK20LP	S&P SL20
S&P Sri Lanka 20 Index TR (LKR)	SPLK20LT		
S&P Sri Lanka 20 Index Net TR (LKR)	SPLK20LN		
S&P Sri Lanka 20 Index (USD)	SPLK20UP		
S&P Sri Lanka 20 Index TR (USD)	SPLK20UT		
S&P Sri Lanka 20 Index Net TR (USD)	SPLK20UN		

For more information, including the complete methodology, please visit:

www.spindices.com

About S&P Indices

S&P Indices, a leading brand of the McGraw-Hill Companies (NYSE:MHP), maintains a wide variety of investable and benchmark indices to meet an array of investor needs. Over \$1.45 trillion is directly indexed to our indices, which includes the S&P 500, the world's most followed stock market index, the S&P/Case-Shiller Home Price Indices, the leading measure of U.S. home prices, the S&P Global BMI, an index with approximately 11,000 constituents, the S&P GSCI, the industry's most closely watched commodities index, and the S&P National AMT-Free Municipal Bond Index, the premier investable index for U.S. municipal bonds. For more information, please visit: www.standardandpoors.com/indices.

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About CSE

The Colombo Stock Exchange (CSE) operates the only share market in Sri Lanka and is responsible for providing a transparent and regulated environment where companies and investors can come together. The CSE is a company that is limited by guarantee established under the Laws of Sri Lanka. The CSE is licensed by the Securities and Exchange Commission of Sri Lanka (SEC) and is a mutual exchange consisting of 15 Members and 14 Trading Members. All Members and Trading Members are licensed by the SEC to operate as Stockbrokers. For more information, please visit: www.cse.lk.

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