



SECRETARIES & REGISTRARS (PRIVATE) LIMITED

COMPANY REGISTRATION NO. PV 479

SPONSOR FIRM REGISTERED UNDER 12 OF THE LISTING RULES OF THE COLOMBO STOCK EXCHANGE

First Floor, No. 32 A
Sir Mohamed Macan Markar Mawatha,
P.O. Box 710,
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25th November 2010

Mr. Renuke Wijayawardane
Assistant General Manager – Regulatory Affairs
Colombo Stock Exchange, World Trade Centre
Echelon Square, Colombo 01

Dear Sir,

ROYAL CERAMICS LANKA PLC

ISSUE OF SHARES CREDITED AS FULLY PAID UP BY WAY OF CAPITALISATION OF RESERVES 1:1

The Board of Directors of Royal Ceramics Lanka PLC, at a meeting held today, has resolved to recommend to the shareholders of the Company an issue of shares credited as fully paid up by way of capitalization of reserves subject to obtaining shareholders approval at a General Meeting.

The Board has reasonable ground for believing that the Company would satisfy the Solvency test immediately after the capitalization is made and a certified copy of the certificate signed by the Directors of the Company in this regard would be forwarded separately.

The Board shall also forward to Colombo Stock Exchange, a certified copy of the certificate by the Auditors to the effect that the Company is able to satisfy the Solvency test immediately after the capitalization as soon as same is issued.

Details of proposed capitalization of Reserves

The number of Shares to be issued	- 55,394,692
The proportion in which the shares are to be issued	- 1 : 1 (1 new ordinary share to be issued for every 1 share held)
The consideration for which the shares are to be issued	- Rs.10/- per share
The current stated capital of the Entity	- Rs. 814,726,453/-
The Value of Reserve/s to be capitalized for the issue	- Revaluation Reserve – Rs. 350,423,938/- Revenue Reserve – Rs.203,522,982/-

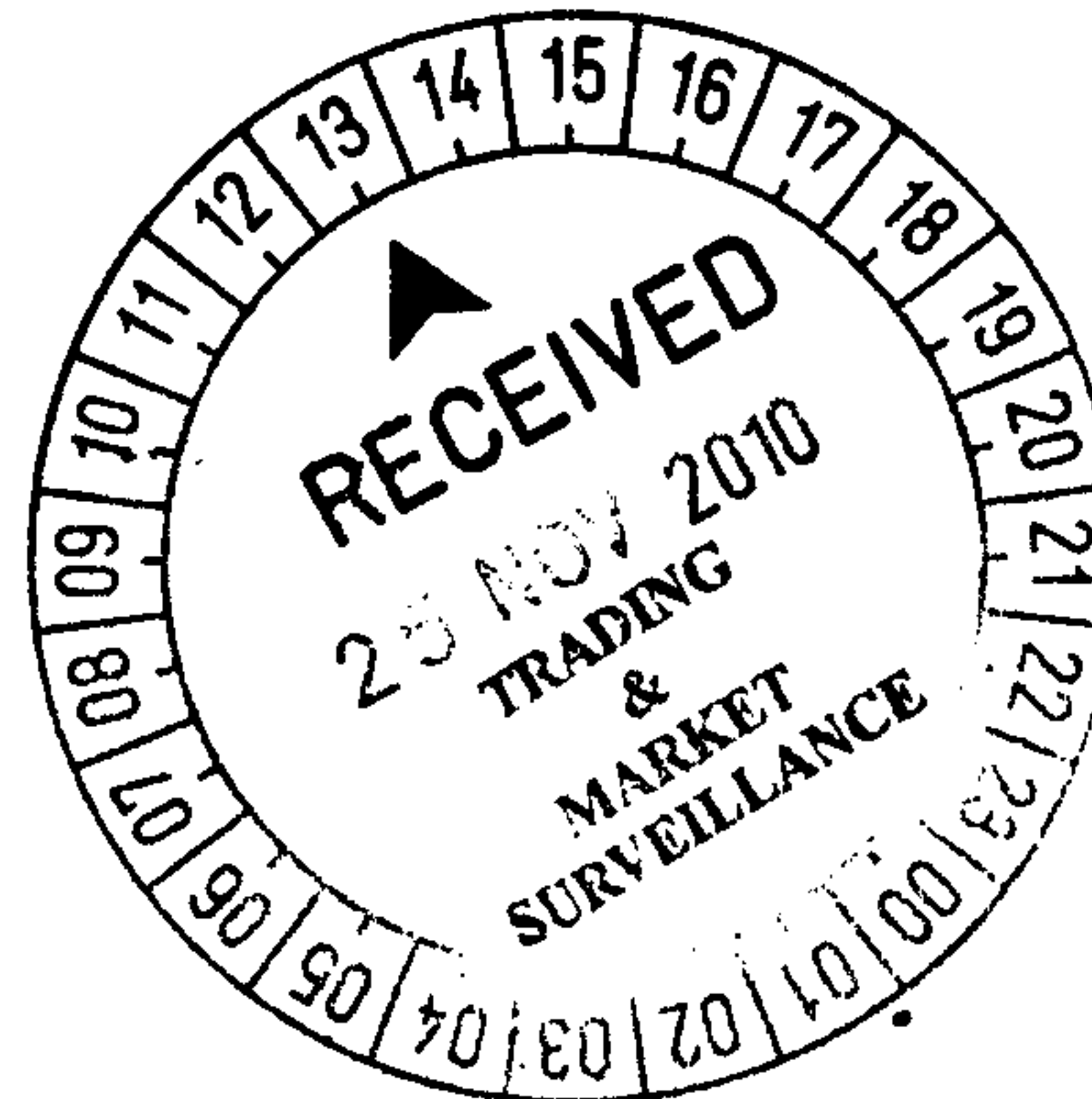
The issue of Shares credited as fully paid up by way of Capitalization of Reserves is subject to the Exchange approving in principle the issue and listing of shares.

BY ORDER OF THE BOARD OF
ROYAL CERAMICS LANKA PLC
SECRETARIES & REGISTRARS (PRIVATE) LIMITED

SECRETARIES

Directors:

A.N. Fernando F.C.A. (Chairman) S. Sirikananathan F.C.A.
M.R. Mihular F.C.A., C.P. Jayatilake F.C.A.
Suresh R.I Perera L.L.B. Attorney at-Law, M.D. Kalyani Jayawardena L.L.B. Attorney at-Law,



D.M.

Announcement

25/11