



INITIAL PUBLIC OFFER REPORT

CEYLINCO STOCK BROKERS (PVT) LIMITED

LEVEL 9, CEYLINCO HOUSE, NO. 69, JANADHIPATHI MAWATHA, COLOMBO 01

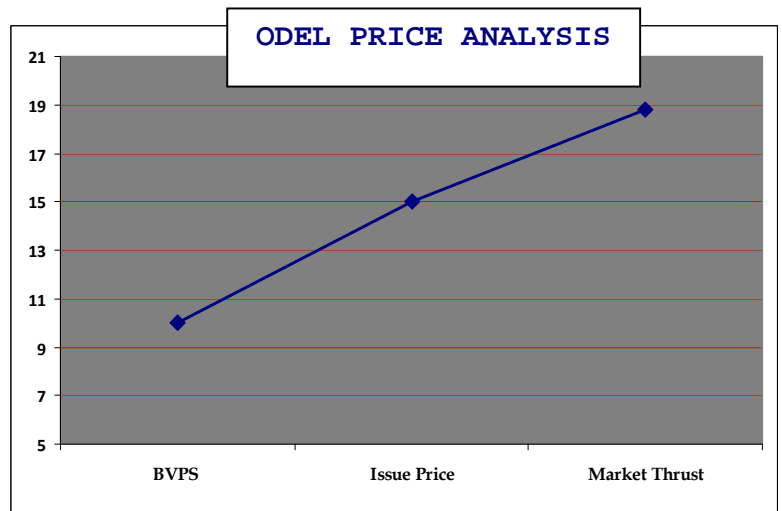
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ODEL.PLC

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| KEY DATA | |
|------------------------------------|---------------|
| Number of Shares on Offer | 16,700,000 |
| Offer Price | 15 |
| Amount Raised- Gross | 250,500,000 |
| | |
| Total number of Shares after issue | 144,950,000 |
| Market Price @ evaluation | 15 |
| Total Capitalization | 2,174,250,000 |
| | |
| Listing Details | |
| ^CSE / DIRI SAVI BOARD | |



The History of ODEL goes back to 1990, the year of its inception and today it is a fine exponent of Sri Lanka's example of a retailing company. With initial focus on the retail garment trade, ODEL has over the years developed and become the first department store in Sri Lanka.

The business ideology of ODEL has been to position itself as what Harrods/ Selfridges have done in London and C.K. Tangs in Singapore, to be not only a department store, but also be a tourist destination.

Apart from the retail focus ODEL Company involves itself in wholesale/ export of garments to countries namely Australia, the Maldives, the Middle East, and Europe

| FINANCIAL DETAILS | 2009 | 2010 | 2011 F-CSB |
|-----------------------------|-----------|-----------|------------|
| <i>In 000 's LKR</i> | | | |
| Net Turnover | 1,950,720 | 2,416,780 | 2,799,000 |
| Cost of Sales | 1,313,905 | 1,574,558 | 1,842,000 |
| Gross Profit | 636,811 | 842,222 | 957,000 |
| Profit before Tax | 63,394 | 211,314 | 257,000 |
| Profit for the Year | 32,212 | 140,692 | 199,000 |
| | | | |
| ASSETS | 1,508,968 | 2,348,564 | 2,498,564 |
| Liabilities | 881,500 | 1,152,200 | 1,052,200 |
| Equity | 627,481 | 1,196,404 | 1,446,364 |
| | | | |
| Key Ratios | | | |
| Earnings per Share – EPS | 0.27 | 1.11 | 1.38 |
| Book Value per Share - BVPS | 4.90 | 9.30 | 9.98 |
| Return on Assets – ROA % | 2.13% | 5.99% | 7.97% |
| Return on Equity – ROE % | 5.13% | 11.76% | 13.76% |

ODEL is offering 16,700,000 shares (new) at an price of Rs.15 per share

Objectives of the offer

The company expects the offer to generate proceeds of Rs.250.5mn which will be primarily utilized to fund the company's expansion including new branches and business infrastructure development

a) Investment of expansion estimated at Rs.150mn during the year ending March 2011 to be funded via the issue proceeds. New branch locations will be finalized after carrying out market surveys and feasibility studies, as well as identifying favourable sites.

b) In addition, the company intends to utilize up to Rs.100 mn of the issue proceeds to settle part of the outstanding debt facilities.

The Company intends to fully utilize the proceeds of the issue by end of this financial year(i.e. by 31 March 2011)

The offer will also facilitate the listing of the company's ordinary shares on the Diru Savi Board of the Colombo Stock Exchange with a view to:

- Strengthen the company's brand identity in the local and global capital markets
- Broaden the ownership of the company
- Enhance the marketability of the company's shares
- Permit the company greater access to the domestic capital market

This offer is not underwritten

Nature of the offered shares, Price and transferability

The offered shares shall rank pari passu with existing ordinary shares of the company with full voting rights and the right to participate in any dividend declared to the ordinary shareholders by the company after the allotment of the offered share

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