

Aitken Spence

**Interim Statement**

*for the nine months ended 31st December 2011*

Aitken Spence® 

**Aitken Spence PLC**

## CONSOLIDATED INCOME STATEMENT

	Quarter ended		Nine months ended	
	31st December		31st December	
	2011	2010	2011	2010
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Revenue</b>	<b>8,056,269</b>	6,207,035	<b>21,023,490</b>	18,210,230
Revenue tax	<u>(120,005)</u>	(101,093)	<u>(345,588)</u>	(278,031)
<b>Net revenue</b>	<b>7,936,264</b>	6,105,942	<b>20,677,902</b>	17,932,199
Other operating income	<u>(29,142)</u>	66,450	<u>76,428</u>	180,893
Changes in inventories of finished goods and work-in-progress	<u>(39,318)</u>	9,245	<u>(17,303)</u>	28,920
Raw materials and consumables used	<u>(2,740,770)</u>	(1,437,510)	<u>(6,505,874)</u>	(5,152,799)
Employee benefits expense	<u>(917,093)</u>	(769,415)	<u>(2,543,494)</u>	(2,201,028)
Depreciation and amortisation expense	<u>(322,345)</u>	(565,742)	<u>(1,397,858)</u>	(1,544,048)
Other operating expenses – direct	<u>(1,558,061)</u>	(1,522,946)	<u>(4,316,833)</u>	(4,010,348)
Other operating expenses – indirect	<u>(964,756)</u>	(964,798)	<u>(2,914,879)</u>	(2,628,048)
<b>Profit from operations</b>	<b>1,364,779</b>	921,226	<b>3,058,089</b>	2,605,741
Finance income	<u>131,222</u>	119,636	<u>369,745</u>	348,831
Finance expenses	<u>(178,634)</u>	(195,797)	<u>(473,731)</u>	(589,380)
<b>Net finance expense</b>	<b>(47,412)</b>	(76,161)	<b>(103,986)</b>	(240,549)
Share of associate companies profit (net of tax)	<u>21,263</u>	29,526	<u>64,683</u>	71,909
<b>Profit before tax</b>	<b>1,338,630</b>	874,591	<b>3,018,786</b>	2,437,101
Income tax expenses	<u>(214,600)</u>	(99,274)	<u>(451,293)</u>	(243,961)
<b>Profit for the period</b>	<b>1,124,030</b>	775,317	<b>2,567,493</b>	2,193,140
<b>Attributable to:</b>				
Equity holders of the parent	<u>818,741</u>	579,043	<u>1,952,661</u>	1,625,056
Minority interest	<u>305,289</u>	196,274	<u>614,832</u>	568,084
<b>Profit for the period</b>	<b>1,124,030</b>	775,317	<b>2,567,493</b>	2,193,140
Earnings per share				
Basic/Diluted (Rs.)	<b>2.02</b>	1.43	<b>4.81</b>	4.00

The above figures are subject to audit.

The Chief Financial Officer certifies that the financial statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

Sgd.  
D.H.S. Jayawardena  
Chairman

Sgd.  
J. M. S. Brito  
Deputy Chairman &  
Managing Director

Sgd.  
Ms. N. Sivapragasam  
Chief Financial Officer

Colombo,  
10th February, 2012

## CONSOLIDATED BALANCE SHEET

As at

	31.12.2011 Rs. '000	31.12.2010 Rs. '000 (Re-stated)	31.03.2011 Rs. '000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	25,853,319	24,237,653	23,925,653
Leasehold properties	1,371,383	1,379,018	1,359,483
Intangible assets	469,497	157,858	134,026
Investment property	102,344	28,936	102,799
Investments in associates	1,420,789	568,993	1,335,002
Long term investment	383,495	473,945	473,945
Deferred tax assets	128,162	137,898	138,314
	<u>29,728,989</u>	<u>26,984,301</u>	<u>27,469,222</u>
<b>Current assets</b>			
Inventories	1,684,676	1,720,732	1,607,724
Trade and other receivables	6,234,699	3,898,487	4,148,373
Amounts due from associates	5,051	12,930	23,326
Current investments	234,114	261,436	261,436
Deposits and prepayments	1,014,008	570,300	547,022
Current tax receivable	156,392	141,039	122,298
Short-term deposits	5,842,549	5,649,245	5,047,926
Cash at bank and in hand	1,102,635	1,280,261	736,009
	<u>16,274,124</u>	<u>13,534,430</u>	<u>12,494,114</u>
Assets classified as held for sale	161,663	161,663	181,489
<b>TOTAL ASSETS</b>	<u>46,164,776</u>	<u>40,680,394</u>	<u>40,144,825</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Stated capital	2,135,140	2,135,140	2,135,140
Reserves	11,123,422	9,696,192	11,071,652
Retained earnings	9,860,777	8,779,644	8,309,395
	<u>23,119,339</u>	<u>20,610,976</u>	<u>21,516,187</u>
Minority interest	5,017,550	4,979,799	5,129,687
<b>Total equity</b>	<u>28,136,889</u>	<u>25,590,775</u>	<u>26,645,874</u>
<b>Non-current liabilities</b>			
Interest bearing liabilities	5,783,325	4,570,208	4,143,648
Deferred tax liabilities	298,444	278,334	267,078
Employee benefits	367,150	330,895	335,637
	<u>6,448,919</u>	<u>5,179,437</u>	<u>4,746,363</u>
<b>Current liabilities</b>			
Trade and other payables	5,612,887	3,745,214	3,942,187
Interest bearing liabilities repayable within one year	1,479,713	1,710,286	1,718,328
Amounts due to associates	2,099	11,353	482
Current tax payable	253,934	126,401	179,647
Short-term bank borrowings	4,230,335	4,316,928	2,911,944
	<u>11,578,968</u>	<u>9,910,182</u>	<u>8,752,588</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>46,164,776</u>	<u>40,680,394</u>	<u>40,144,825</u>
Net Assets per share (Rs.)	56.94	50.77	53.00

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Chief Financial Officer

Colombo,  
10th February, 2012

## COMPANY INCOME STATEMENT

	Quarter ended		Nine months ended	
	31st December		31st December	
	2011 Rs. '000	2010 Rs. '000	2011 Rs. '000	2010 Rs. '000
<b>Revenue</b>	<b>85,840</b>	80,293	<b>296,344</b>	271,462
Revenue tax	<b>(1,712)</b>	(2,665)	<b>(5,695)</b>	(8,135)
<b>Net revenue</b>	<b>84,128</b>	77,628	<b>290,649</b>	263,327
Other operating income	<b>399,707</b>	620,065	<b>1,120,912</b>	1,449,431
Employee benefits expense	<b>(76,943)</b>	(63,728)	<b>(184,029)</b>	(163,158)
Depreciation and amortisation expense	<b>(13,391)</b>	(12,733)	<b>(38,289)</b>	(30,180)
Other operating expenses-indirect	<b>(44,953)</b>	(55,902)	<b>(159,339)</b>	(162,003)
<b>Profit from operations</b>	<b>348,548</b>	565,330	<b>1,029,904</b>	1,357,417
Finance income	<b>113,277</b>	79,852	<b>308,051</b>	242,014
Finance expenses	<b>(94,229)</b>	(90,809)	<b>(261,190)</b>	(289,161)
<b>Net finance income/(expense)</b>	<b>19,048</b>	(10,957)	<b>46,861</b>	(47,147)
<b>Profit before tax</b>	<b>367,596</b>	554,373	<b>1,076,765</b>	1,310,270
Income tax expenses	<b>(1,218)</b>	-	<b>(3,653)</b>	-
<b>Profit for the period</b>	<b>366,378</b>	554,373	<b>1,073,112</b>	1,310,270
Earnings per share	<b>0.90</b>	1.37	<b>2.64</b>	3.23
Basic/Diluted (Rs.)				

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## COMPANY BALANCE SHEET

As at

	31.12.2011 Rs. '000	31.12.2010 Rs. '000	31.03.2011 Rs. '000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	217,661	214,122	209,129
Investment property	673,183	685,847	675,888
Investments in subsidiaries and joint ventures – unquoted	4,736,381	4,618,305	4,599,972
Investments in subsidiaries – quoted	2,458,287	2,458,287	2,458,287
Investments in associates	165,000	165,000	165,000
Long term investments	167,873	167,873	167,873
	<u>8,418,385</u>	<u>8,309,434</u>	<u>8,276,149</u>
<b>Current assets</b>			
Inventories	2,713	2,472	1,755
Trade and other receivables	183,244	163,773	274,359
Amounts due from subsidiaries & joint ventures	2,251,544	2,020,339	2,003,004
Amounts due from associates	4,505	4,814	8,143
Current investments	436	436	436
Deposits and prepayments	50,304	26,589	23,205
Current tax receivable	132,127	81,271	109,659
Short-term deposits	3,469,717	2,498,943	2,700,285
Cash at bank and in hand	159,618	194,867	20,554
	<u>6,254,208</u>	<u>4,993,504</u>	<u>5,141,400</u>
Assets classified as held for sale	57,337	57,337	70,837
<b>TOTAL ASSETS</b>	<u>14,729,930</u>	<u>13,360,275</u>	<u>13,488,386</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Stated capital	2,135,140	2,135,140	2,135,140
Reserves	5,737,726	4,352,211	5,737,726
Retained earnings	1,734,436	2,105,943	1,067,320
	<u>9,607,302</u>	<u>8,593,294</u>	<u>8,940,186</u>
<b>Non-current liabilities</b>			
Interest bearing liabilities	2,100,000	924,000	844,000
Employee benefits	52,729	46,715	46,936
	<u>2,152,729</u>	<u>970,715</u>	<u>890,936</u>
<b>Current liabilities</b>			
Trade and other payables	344,244	483,835	334,209
Interest bearing liabilities repayable within one year	624,000	548,000	568,000
Amounts due to subsidiaries & joint ventures	1,999,764	1,198,510	1,940,706
Amounts due to associates	1,891	790	45
Short term bank borrowings	–	1,565,131	814,304
	<u>2,969,899</u>	<u>3,796,266</u>	<u>3,657,264</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>14,729,930</u>	<u>13,360,275</u>	<u>13,488,386</u>
Net Assets per share (Rs.)	23.66	21.17	22.02

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## STATEMENT OF CHANGES IN EQUITY

### Group

For the nine months ended 31st December 2011

	Attributable to equity holders of the parent					
	Stated Capital Rs. '000	Reserves Rs. '000	Retained Earnings Rs. '000	Total Rs. '000	Minority Interest Rs. '000	Total Equity Rs. '000
<b>Balance as at 01st April 2011</b>	2,135,140	11,071,652	8,309,395	21,516,187	5,129,687	26,645,874
Currency translation difference	-	51,770	-	51,770	31,379	83,149
Share of net assets of associate companies	-	-	(882)	(882)	(2,971)	(3,853)
Effect of acquisitions, disposals and change in percentage holding in subsidiaries	-	-	5,599	5,599	(11,101)	(5,502)
<b>Net income directly recognised in the equity statement</b>	-	51,770	4,717	56,487	17,307	73,794
Profit for the period	-	-	1,952,661	1,952,661	614,832	2,567,493
<b>Total recognised income and expenses for the period</b>	-	51,770	1,957,378	2,009,148	632,139	2,641,287
Dividends for 2010/2011	-	-	(405,996)	(405,996)	-	(405,996)
Dividends paid by subsidiary companies to minority share holders	-	-	-	-	(744,276)	(744,276)
<b>Balance as at 31st December 2011</b>	<b>2,135,140</b>	<b>11,123,422</b>	<b>9,860,777</b>	<b>23,119,339</b>	<b>5,017,550</b>	<b>28,136,889</b>

For the nine months ended 31st December 2010

	Attributable to equity holders of the parent					
	Stated Capital Rs. '000	Reserves Rs. '000	Retained Earnings Rs. '000	Total Rs. '000	Minority Interest Rs. '000	Total Equity Rs. '000
<b>Balance as at 01st April 2010</b>	2,135,140	9,317,199	7,497,445	18,949,784	4,566,388	23,516,172
Prior period adjustments *	-	-	(55,314)	(55,314)	-	(55,314)
<b>Balance as at 01st April 2010 (Restated)</b>	2,135,140	9,317,199	7,442,131	18,894,470	4,566,388	23,460,858
Currency translation difference	-	(56,210)	-	(56,210)	(34,435)	(90,645)
Surplus on revaluation	-	435,203	-	435,203	149,656	584,859
Share of net assets of associate companies	-	-	(2,032)	(2,032)	-	(2,032)
Issue of shares by subsidiaries	-	-	-	-	637,286	637,286
Direct cost on share issue by a subsidiary company	-	-	(14,610)	(14,610)	(5,027)	(19,637)
Effect of acquisitions, disposals and change in percentage holding in subsidiaries	-	-	(237)	(237)	(935)	(1,172)
<b>Net income directly recognised in the equity statement</b>	-	378,993	(16,879)	362,114	746,545	1,108,659
Profit for the period	-	-	1,625,056	1,625,056	568,084	2,193,140
<b>Total recognised income and expenses for the period</b>	-	378,993	1,608,177	1,987,170	1,314,629	3,301,799
Dividends for 2009/2010	-	-	(270,664)	(270,664)	-	(270,664)
Dividends paid by subsidiary companies to minority share holders	-	-	-	-	(901,218)	(901,218)
<b>Balance as at 31st December 2010</b>	<b>2,135,140</b>	<b>9,696,192</b>	<b>8,779,644</b>	<b>20,610,976</b>	<b>4,979,799</b>	<b>25,590,775</b>

\* Prior period adjustments represents the effect of application of deferred taxation as per SLAS 14 Income Taxes (Revised 2005) to entities enjoying a tax holiday period under Board of Investment law, as recommended by the "Deferred Tax council ruling for BOI companies" issued by The Institute of Chartered Accountants of Sri Lanka.

The balance sheet as at 31st December 2010 is re-stated to reflect the effect of the above application.

## STATEMENT OF CHANGES IN EQUITY

### Company

For the nine months ended 31st December 2011

	Stated Capital Rs. '000	Reserves Rs. '000	Retained Earnings Rs. '000	Total Rs. '000
<b>Balance as at 01st April 2011</b>	2,135,140	5,737,726	1,067,320	8,940,186
Profit for the period	–	–	1,073,112	1,073,112
<b>Total recognised income and expenses for the period</b>	–	–	1,073,112	1,073,112
Dividends for 2010/2011	–	–	(405,996)	(405,996)
<b>Balance as at 31st December 2011</b>	<b>2,135,140</b>	<b>5,737,726</b>	<b>1,734,436</b>	<b>9,607,302</b>

For the nine months ended 31st December 2010

	Stated Capital Rs. '000	Reserves Rs. '000	Retained Earnings Rs. '000	Total Rs. '000
<b>Balance as at 01st April 2010</b>	2,135,140	4,352,211	1,066,337	7,553,688
Profit for the period	–	–	1,310,270	1,310,270
<b>Total recognised income and expenses for the period</b>	–	–	1,310,270	1,310,270
Dividends for 2009/2010	–	–	(270,664)	(270,664)
<b>Balance as at 31st December 2010</b>	<b>2,135,140</b>	<b>4,352,211</b>	<b>2,105,943</b>	<b>8,593,294</b>

## CASH FLOW STATEMENTS

For the nine months ended 31st December

	Group		Company	
	2011 Rs. '000	2010 Rs. '000	2011 Rs. '000	2010 Rs. '000
<b>Cash flow from operating activities</b>				
Net profit before taxation	3,018,786	2,437,101	1,076,765	1,310,270
<b>Adjustments for</b>				
Depreciation & amortisation	1,397,858	1,129,932	38,289	30,180
Interest expense	422,613	589,380	258,490	289,161
Gain on sale of property plant and equipment	(43,021)	(21,831)	(8,115)	(7,449)
Gain on sale of investments	–	(10,691)	–	(109,485)
Profit on retirement of assets held for sale	(343)	–	(343)	–
Interest income	(369,745)	(348,831)	(308,051)	(242,014)
Surplus on acquisition of companies	(7,784)	(30,127)	–	–
Share of associate companies' profit after tax	(64,683)	(71,909)	–	–
Provision / (write-back) of bad and doubtful debts	9,230	(13,535)	(13,788)	(8,492)
Effect of changes in percentage holding in subsidiaries	(27,046)	(11,096)	–	–
Provision for fall in value of investments	27,321	100	–	–
Foreign exchange (gain) / loss	7,654	(93,705)	–	–
Provision for retirement benefit obligations	61,157	51,470	8,765	7,092
	<u>1,413,211</u>	<u>1,169,157</u>	<u>(24,753)</u>	<u>(41,007)</u>
<b>Operating profit before working capital changes</b>	<b>4,431,997</b>	<b>3,606,258</b>	<b>1,052,012</b>	<b>1,269,263</b>
(Increase)/decrease in trade and other receivables	(2,077,281)	1,578,044	(139,999)	427,044
(Increase)/decrease in inventories	(76,952)	(327,147)	(958)	(680)
Increase/(decrease) in trade & other payables	1,667,646	(437,354)	66,265	77,992
(Increase)/decrease in deposits & prepayments	(466,986)	(79,922)	(27,099)	7,486
	<u>(953,573)</u>	<u>733,621</u>	<u>(101,791)</u>	<u>511,842</u>
<b>Cash generated from operations</b>	<b>3,478,424</b>	<b>4,339,879</b>	<b>950,221</b>	<b>1,781,105</b>
Interest paid	(422,613)	(589,380)	(258,490)	(289,161)
Income tax paid	(381,599)	(326,244)	(26,121)	–
Retirement benefit obligations paid	(36,713)	(16,096)	(2,972)	(2,051)
	<u>(840,925)</u>	<u>(931,720)</u>	<u>(287,583)</u>	<u>(291,212)</u>
<b>Net cash generated from operating activities</b>	<b>2,637,499</b>	<b>3,408,159</b>	<b>662,638</b>	<b>1,489,893</b>
<b>Cash flow from investing activities</b>				
Investments made during the period	(82,001)	(256,817)	(132,909)	(2,028,564)
Acquisition of subsidiaries	(654,095)	(222,689)	–	–
Purchase of property, plant and equipment	(2,682,884)	(1,297,766)	(44,596)	(141,486)
Purchase of investment property	(108)	–	(108)	–
Proceeds from disposal of property, plant and equipment	54,185	30,174	8,704	7,449
Proceeds from disposal of investments	–	289,440	–	280,000
Proceeds on retirement of assets held for sale	20,169	–	10,343	–
Dividends and dividend taxes paid by subsidiary companies to outside shareholders	(744,276)	(901,218)	–	–
<b>Net cash flow from investing activities</b>	<b>(4,089,010)</b>	<b>(2,358,876)</b>	<b>(158,566)</b>	<b>(1,882,601)</b>



## CASH FLOW STATEMENTS – CONTD.

For the nine months ended 31st December

	Group		Company	
	2011 Rs. '000	2010 Rs. '000	2011 Rs. '000	2010 Rs. '000
<b>Cash flow from financing activities</b>				
Interest received from deposits	369,745	348,831	308,051	242,014
Proceeds from interest bearing liabilities	2,628,034	1,242,774	1,800,000	300,000
Repayment of interest-bearing liabilities	(1,336,828)	(1,554,089)	(448,000)	(448,000)
Proceeds from minority shareholders on issue of shares by subsidiaries	–	637,286	–	–
Direct cost on share issue by a subsidiary company	–	(19,637)	–	–
Dividends paid	(401,323)	(270,664)	(401,323)	(270,664)
<b>Net cash flow from financing activities</b>	<b>1,259,628</b>	<b>384,501</b>	<b>1,218,728</b>	<b>(176,650)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(191,883)</b>	<b>1,433,784</b>	<b>1,722,800</b>	<b>(569,358)</b>
Cash and cash equivalents at the beginning of the period (Note A)	2,906,732	1,178,794	1,906,535	1,698,037
<b>Cash and cash equivalents at the end of the period</b>	<b>2,714,849</b>	<b>2,612,578</b>	<b>3,629,335</b>	<b>1,128,679</b>
<b>Cash and cash equivalents at the end of the period</b>				
Cash at bank and in hand	1,102,635	1,280,261	159,618	194,867
Short term deposits	5,842,549	5,649,245	3,469,717	2,498,943
Short-term bank borrowings	(4,230,335)	(4,316,928)	–	(1,565,131)
<b>Cash and cash equivalent at the end of the period</b>	<b>2,714,849</b>	<b>2,612,578</b>	<b>3,629,335</b>	<b>1,128,679</b>
<b>Note A - Cash and cash equivalents at the beginning of the period</b>				
Cash at bank and in hand	736,009	824,915	20,554	13,816
Short term deposits	5,047,926	2,752,209	2,700,285	2,146,059
Bank loans and overdrafts	(2,911,944)	(2,469,889)	(814,304)	(461,838)
<b>Cash and cash equivalent as previously reported</b>	<b>2,871,991</b>	<b>1,107,235</b>	<b>1,906,535</b>	<b>1,698,037</b>
Effect of exchange rate changes	34,741	71,559	–	–
<b>Cash and cash equivalent as restated</b>	<b>2,906,732</b>	<b>1,178,794</b>	<b>1,906,535</b>	<b>1,698,037</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Segment Analysis of Group Revenue and Profit

#### (a) Revenue

For the nine months ended 31st December	Total revenue generated		Inter-segmental revenue		Intra-segmental revenue		Revenue from external customers	
	2011	2010	2011	2010	2011	2010	2011	2010
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Tourism sector*	8,393,172	7,124,667	46,784	13,444	862,974	569,739	7,393,414	6,541,484
Cargo logistics sector	3,990,180	3,531,127	246,392	234,496	121,921	135,266	3,621,867	3,161,365
Strategic investments*	9,424,558	8,092,824	114,664	100,309	37,960	27,576	9,271,934	7,964,939
Services sector	1,324,934	1,264,227	122,301	140,076	11,411	10,188	1,191,222	1,113,963
Total revenue with associates	23,042,844	20,012,845	530,141	488,325	1,034,266	742,769	21,478,437	18,781,751
Share of associate company revenue	(454,947)	(571,521)	–	–	–	–	(454,947)	(571,521)
<b>Total Revenue</b>	<b>22,587,897</b>	<b>19,441,324</b>	<b>530,141</b>	<b>488,325</b>	<b>1,034,266</b>	<b>742,769</b>	<b>21,023,490</b>	<b>18,210,230</b>

\* Includes Associate Companies

#### (b) Profit

For the nine months ended 31st December	Profit from operations		Profit before tax*		Non cash expenses		Income tax expenses	
	2011	2010	2011	2010	2011	2010	2011	2010
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Tourism sector	1,371,076	645,277	1,385,873	623,554	31,643	5,345	202,684	24,227
Cargo logistics sector	627,367	417,422	636,104	409,105	27,915	19,821	166,383	118,346
Strategic investments	366,119	874,406	300,217	733,908	3,914	9,541	59,430	89,136
Services sector	693,527	668,636	696,592	670,534	6,915	3,227	22,796	12,252
	3,058,089	2,605,741	3,018,786	2,437,101	70,387	37,934	451,293	243,961

\* Includes Associate Companies

## NOTES TO THE FINANCIAL STATEMENTS – CONTD.

1. The Financial Statements of the Company and those consolidated with such for the interim period have been prepared on the same basis as the most recent audited financial statements and are in compliance with Sri Lanka Accounting Standard 35 – Interim Financial Reporting.
2. There was no material change in the use of funds raised through rights/debenture issues by the group companies.
3. A first & final ordinary dividend of Rs. 1.00 per share for the year ended 31st March 2011 was paid on 08th July 2011, after it was approved at the Annual General Meeting on the 29th June 2011. The total dividend payment for the year ended 31st March 2011 amounted to Rs. 405,996,045/-.
4. During the period under review the group purchased a further 30% stake in Colombo International Nautical and Engineering College (Private) Ltd., and has accounted for this investment as a joint venture.
5. There were no liabilities for management fees or any other similar expenditure not provided for in the interim financial statements.
6. During the period under review there was no significant change in the nature of the contingent liabilities, disclosed in the annual report for the year ended 31st March 2011.
7. Subsequent to the balance sheet date the Company concluded the sale of its 30% shareholding in Colombo International Container Terminals Limited (CICT) to China Merchants Holdings (International) Company Limited, the joint venture partner. This sale would realise a capital gain of approximately Rs 630 million to the Group during the year 2011/2012.  
There were no other material events that occurred after the balance sheet date that require adjustments to or disclosure in the financial statements.
8. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year. The presentation and classification of the financial statements of the previous period have been adjusted where relevant, for better presentation and to be comparable with year end reporting.

### NON FINANCIAL INFORMATION

	<b>31.12.2011</b>
<b>1. Stated Capital</b>	
Number of shares represented by the stated capital (31.12.2010 - 405,996,045)	<b>405,996,045</b>
Percentage of shares held by the Public	<b>53.86%</b>
<b>2. Shares Traded</b>	
Market Price per Share – Last traded (Rs.)	<b>120.40</b>
Market Price per Share – Highest (Rs.)	<b>145.80</b>
Market Price per Share – Lowest (Rs.)	<b>100.00</b>

## NOTES TO THE FINANCIAL STATEMENTS – CONTD.

### 3. Share Holding of Directors

The number of shares held by the Board of Directors are as follows:

<b>Name of Director</b>	<b>Position</b>	<b>31.12.2011</b>	<b>31.03.2011</b>
D.H.S. Jayawardena	Chairman	Nil	Nil
J.M.S. Brito	Deputy Chairman/Managing Director	294,495	288,495
R.M. Fernando	Director	Nil	Nil
G.M. Perera	Director	Nil	Nil
M. P. Dissanayake	Director	Nil	Nil
G.C. Wickremasinghe	Director	7,308,240	7,308,240
C.H. Gomez	Director	Nil	Nil
N.J. de Silva Deva Aditya	Director	Nil	Nil
V.M. Fernando	Director	Nil	Nil
R.N. Asirwatham	Director	1,000	Nil

### 4. Substantial Share holdings

The twenty largest shareholding as at 31st December 2011, are as follows:

<b>Name of the Share Holder</b>	<b>Share holding</b>	<b>%</b>
Distilleries Company of Sri Lanka Limited	113,728,925	28.01
Rubicond Enterprises Limited	65,990,145	16.25
Employees Provident Fund	29,836,035	7.35
Sri Lanka Insurance Corporation Ltd-General Fund	26,032,575	6.41
Sri Lanka Insurance Corporation Ltd-Life Fund	18,000,000	4.43
HSBC International Nominees Limited – BPSS LDN- Aberdeen Asia Pacific Fund	17,192,300	4.24
HSBC International Nominees Limited-BPSS LUX- Aberdeen Global-Asian Smaller Companies Fund	12,165,300	3.00
HSBC International Nominees Limited-SSBT- Aberdeen Institutional Commingled funds, LLC	10,129,500	2.50
Mr. G. C. Wickremasinghe	7,308,240	1.80
Placidrange Holdings Limited	5,521,500	1.36
HSBC International Nominees Limited - BP2S LONDON-Aberdeen New DA	4,503,555	1.11
HSBC International Nominees Limited -BPSS LDN- Aberdeen Investment Fund - ICVC Aberdeen Emerging Markets Fund	4,342,500	1.07
Milford Exports (Ceylon) Limited	4,321,500	1.06
HSBC International Nominees Limited -BPSS LUX- Aberdeen Global-Emerging Markets Equity Fund	4,311,000	1.06
Mellon Bank N.A.-Florida Retirement System	4,164,200	1.03
HSBC International Nominees Limited – SSBT-Janus Overseas Fund	3,768,000	0.93
Stassen Exports Limited	3,244,500	0.80
Ms. A. T. Wickremasinghe	3,211,975	0.79
Ms. K. Fernando	3,135,070	0.77
Mr. G. Wickremasinghe	3,019,090	0.74

## **DIRECTORS**

D. H. S. Jayawardena – *Chairman*

J. M. S. Brito – *Deputy Chairman & Managing Director*

Dr. R. M. Fernando

G. M. Perera

Dr. M. P. Dissanayake

G. C. Wickremasinghe

C. H. Gomez

N. J. de Silva Deva Aditya

V. M. Fernando

R. N. Asirwatham

## **SECRETARY**

R. E. V. Casie Chetty

## **REGISTERED OFFICE**

Aitken Spence Towers

315, Vauxhall Street,

Colombo 2,

Sri Lanka.