

Aitken Spence

## **Interim Statement**

*for the six months ended 30th September 2013*

  
*Aitken Spence*<sup>®</sup>

**Aitken Spence PLC**

## CONSOLIDATED INCOME STATEMENTS

	Quarter ended 30th September		Six months ended 30th September	
	2013 Rs.'000	2012 Rs.'000	2013 Rs.'000	2012 Rs.'000
<b>Revenue</b>	<b>7,252,639</b>	9,944,378	<b>14,889,859</b>	18,558,377
Revenue tax	<b>(123,273)</b>	(134,445)	<b>(240,067)</b>	(254,265)
<b>Net revenue</b>	<b>7,129,366</b>	9,809,933	<b>14,649,792</b>	18,304,112
Other operating income	<b>51,999</b>	(26,310)	<b>198,811</b>	70,579
Changes in inventories of finished goods and work-in-progress	<b>(10,838)</b>	20,592	<b>27,134</b>	20,079
Raw materials and consumables used	<b>(1,191,035)</b>	(3,993,732)	<b>(3,628,056)</b>	(7,466,293)
Employee benefits expense	<b>(1,059,538)</b>	(933,606)	<b>(2,103,671)</b>	(1,876,829)
Depreciation and amortisation	<b>(370,849)</b>	(354,324)	<b>(710,253)</b>	(676,365)
Other operating expenses-direct	<b>(2,270,406)</b>	(2,125,728)	<b>(4,017,682)</b>	(3,934,716)
Other operating expenses-indirect	<b>(1,258,320)</b>	(1,157,725)	<b>(2,291,032)</b>	(2,209,497)
<b>Profit from operations</b>	<b>1,020,379</b>	1,239,100	<b>2,125,043</b>	2,231,070
Finance income	<b>195,773</b>	212,426	<b>399,894</b>	393,178
Finance expenses	<b>(311,440)</b>	(349,581)	<b>(694,975)</b>	(638,529)
<b>Net finance expense</b>	<b>(115,667)</b>	(137,155)	<b>(295,081)</b>	(245,351)
Share of profit of equity-accounted investees (net of tax)	<b>41,666</b>	53,702	<b>53,560</b>	87,840
<b>Profit before tax</b>	<b>946,378</b>	1,155,647	<b>1,883,522</b>	2,073,559
Income tax expenses	<b>(245,345)</b>	(205,626)	<b>(395,667)</b>	(337,557)
<b>Profit for the period</b>	<b>701,033</b>	950,021	<b>1,487,855</b>	1,736,002
<b>Attributable to:</b>				
Equity holders of the parent	<b>559,666</b>	731,411	<b>1,226,608</b>	1,371,980
Non-controlling interests	<b>141,367</b>	218,610	<b>261,247</b>	364,022
<b>Profit for the period</b>	<b>701,033</b>	950,021	<b>1,487,855</b>	1,736,002
Earnings per share - Basic/Diluted (Rs.)	<b>1.38</b>	1.80	<b>3.02</b>	3.38

The above figures are subject to audit.

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Quarter ended 30th September		Six months ended 30th September	
	2013 Rs. '000	2012 Rs. '000	2013 Rs. '000	2012 Rs. '000
<b>Profit for the period</b>	<b>701,033</b>	950,021	<b>1,487,855</b>	1,736,002
<b>Other comprehensive income</b>				
Exchange differences on translation of foreign operations	<b>80,671</b>	(182,064)	<b>227,470</b>	58,939
Net change in fair value of available-for-sale financial assets	<b>(12,874)</b>	60,995	<b>(10,769)</b>	30,670
Net change in fair value of available-for-sale financial assets reclassified to profit or loss	—	—	<b>1,817</b>	—
<b>Other comprehensive income for the period, net of tax</b>	<b>67,797</b>	(121,069)	<b>218,518</b>	89,609
<b>Total comprehensive income for the period</b>	<b>768,830</b>	828,952	<b>1,706,373</b>	1,825,611
<b>Attributable to:</b>				
Equity holders of the parent	<b>599,804</b>	664,052	<b>1,364,882</b>	1,435,436
Non-controlling interests	<b>169,026</b>	164,900	<b>341,491</b>	390,175
<b>Total comprehensive income for the period</b>	<b>768,830</b>	828,952	<b>1,706,373</b>	1,825,611

The above figures are subject to audit.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at	30.09.2013 Rs.'000	30.09.2012 Rs.'000	31.03.2013 Rs.'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant & equipment	24,735,703	23,441,447	24,041,780
Investment property	1,661,220	1,662,349	1,661,596
Intangible assets	971,706	671,742	654,056
Leasehold property	1,498,521	1,517,729	1,463,930
Pre-paid operating leases	1,019,668	1,002,710	980,731
Finance lease receivables	2,344,581	2,455,633	2,325,091
Investments in equity-accounted investees	1,984,766	1,850,065	1,931,205
Deferred tax assets	199,699	202,600	222,147
Other financial assets	427,774	396,479	462,117
	<u>34,843,638</u>	<u>33,200,754</u>	<u>33,742,653</u>
<b>Current assets</b>			
Inventories	2,007,203	1,831,674	1,824,723
Finance lease receivables	169,023	138,606	168,964
Trade and other receivables	7,026,771	8,997,094	9,972,627
Current tax receivable	226,388	172,206	180,918
Deposits and prepayments	1,075,902	1,344,142	1,129,843
Other financial assets	7,452,329	4,632,022	6,764,163
Cash and short-term deposits	2,603,700	2,415,286	2,217,994
	<u>20,561,316</u>	<u>19,531,030</u>	<u>22,259,232</u>
Assets classified as held for sale	149,125	149,125	149,125
<b>Total Assets</b>	<u>55,554,079</u>	<u>52,880,909</u>	<u>56,151,010</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	12,834,066	12,518,140	12,695,793
Retained earnings	13,845,989	11,368,612	13,222,324
	<u>28,815,195</u>	<u>26,021,892</u>	<u>28,053,257</u>
Non-controlling interests	5,887,783	4,861,656	5,449,444
<b>Total Equity</b>	<u>34,702,978</u>	<u>30,883,548</u>	<u>33,502,701</u>
<b>Non-current liabilities</b>			
Interest bearing liabilities	7,183,210	6,253,035	6,245,351
Deferred tax liabilities	587,088	469,140	504,743
Employee benefits	487,649	408,146	447,390
	<u>8,257,947</u>	<u>7,130,321</u>	<u>7,197,484</u>
<b>Current liabilities</b>			
Interest bearing liabilities	1,375,823	1,952,825	1,370,093
Provisions	466,263	138,651	277,103
Trade and other payables	5,063,814	6,433,629	7,713,638
Current tax payable	435,884	304,626	501,238
Other financial liabilities	493	7,518	-
Bank overdrafts and other short-term borrowings	5,250,877	6,029,791	5,588,753
	<u>12,593,154</u>	<u>14,867,040</u>	<u>15,450,825</u>
<b>Total Equity and Liabilities</b>	<u>55,554,079</u>	<u>52,880,909</u>	<u>56,151,010</u>
<b>Net Assets per share (Rs.)</b>	<b>70.97</b>	64.09	69.10

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

Colombo,  
12th November, 2013

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

Sgd.  
Ms. N. Sivapragasam  
Chief Financial Officer

## STATEMENT OF CHANGES IN EQUITY

### GROUP

For the six months ended 30th September 2013

	Attributable to equity holders of the parent						Retained earnings	Total	Non-controlling interests	Total equity
	Stated capital	Capital reserves	General reserves	Revaluation reserve	Foreign currency translation reserve	Available for sale reserve				
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
<b>Balance as at 01st April 2013</b>	2,135,140	127,521	6,359,580	5,478,094	707,064	23,534	13,222,324	28,053,257	5,449,444	33,502,701
Profit for the period	–	–	–	–	–	–	1,226,608	1,226,608	261,247	1,487,855
Other comprehensive income for the period	–	–	–	–	145,378	(7,105)	–	138,273	80,245	218,518
<b>Total comprehensive income for the period</b>	–	–	–	–	145,378	(7,105)	1,226,608	1,364,881	341,492	1,706,373
Effect of acquisitions, disposals and change in percentage holding in subsidiaries	–	–	–	–	–	–	6,051	6,051	444,528	450,579
Transfer to general reserve	–	–	–	–	–	–	–	–	–	–
Dividends for 2012/2013	–	–	–	–	–	–	(608,994)	(608,994)	–	(608,994)
Dividends paid by subsidiary companies to minority shareholders	–	–	–	–	–	–	–	–	(347,681)	(347,681)
<b>Total contributions and distributions, recognised directly in equity</b>	–	–	–	–	–	–	(602,943)	(602,943)	96,847	(506,096)
<b>Balance as at 30th September 2013</b>	<b>2,135,140</b>	<b>127,521</b>	<b>6,359,580</b>	<b>5,478,094</b>	<b>852,442</b>	<b>16,429</b>	<b>13,845,989</b>	<b>28,815,195</b>	<b>5,887,783</b>	<b>34,702,978</b>

For the six months ended 30th September 2012

	Attributable to equity holders of the parent						Retained earnings	Total	Non-controlling interests	Total equity
	Stated capital	Capital reserves	General reserves	Revaluation reserve	Foreign currency translation reserve	Available for sale reserve				
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
<b>Balance as at 01st April 2012*</b>	2,135,140	127,521	6,327,782	5,269,337	743,671	(13,627)	10,564,698	25,154,522	4,708,800	29,863,322
Profit for the period	–	–	–	–	–	–	1,371,980	1,371,980	364,022	1,736,002
Other comprehensive income for the period	–	–	–	–	31,754	31,702	–	63,456	26,153	89,609
<b>Total comprehensive income for the period</b>	–	–	–	–	31,754	31,702	1,371,980	1,435,436	390,175	1,825,611
Share of net assets of equity accounted investees	–	–	–	–	–	–	328	328	203	531
Dividends for 2011/2012	–	–	–	–	–	–	(568,394)	(568,394)	–	(568,394)
Dividends paid by subsidiary companies to minority shareholders	–	–	–	–	–	–	–	–	(237,522)	(237,522)
<b>Total contributions and distributions, recognised directly in equity</b>	–	–	–	–	–	–	(568,066)	(568,066)	(237,319)	(805,385)
<b>Balance as at 30th September 2012</b>	<b>2,135,140</b>	<b>127,521</b>	<b>6,327,782</b>	<b>5,269,337</b>	<b>775,425</b>	<b>18,075</b>	<b>11,368,612</b>	<b>26,021,892</b>	<b>4,861,656</b>	<b>30,883,548</b>

\* As reported in the annual report 2012/2013.

## COMPANY INCOME STATEMENTS

	Quarter ended 30th September		Six months ended 30th September	
	2013 Rs.'000	2012 Rs.'000	2013 Rs.'000	2012 Rs.'000
<b>Revenue</b>	<b>140,614</b>	143,443	<b>317,591</b>	282,441
Revenue tax	<b>(2,363)</b>	(2,462)	<b>(5,597)</b>	(4,941)
<b>Net revenue</b>	<b>138,251</b>	140,981	<b>311,994</b>	277,500
Other operating income	<b>305,992</b>	298,482	<b>548,566</b>	498,992
Employee benefits expense	<b>(78,035)</b>	(64,884)	<b>(167,813)</b>	(142,941)
Depreciation and amortisation	<b>(15,812)</b>	(15,690)	<b>(31,227)</b>	(28,717)
Other operating expenses-indirect	<b>(79,846)</b>	(60,278)	<b>(145,647)</b>	(120,912)
<b>Profit from operations</b>	<b>270,550</b>	298,611	<b>515,873</b>	483,922
Finance income	<b>150,006</b>	182,102	<b>326,579</b>	339,247
Finance expenses	<b>(134,517)</b>	(147,096)	<b>(268,786)</b>	(266,421)
<b>Net finance income</b>	<b>15,489</b>	35,006	<b>57,793</b>	72,826
<b>Profit before tax</b>	<b>286,039</b>	333,617	<b>573,666</b>	556,748
Income tax expenses	<b>(4,105)</b>	(2,734)	<b>(4,421)</b>	(3,181)
<b>Profit for the period</b>	<b>281,934</b>	330,883	<b>569,245</b>	553,567
Earnings per share - Basic/Diluted (Rs.)	<b>0.69</b>	0.81	<b>1.40</b>	1.36

The above figures are subject to audit.

## COMPANY STATEMENTS OF COMPREHENSIVE INCOME

	Quarter ended 30th September		Six months ended 30th September	
	2013 Rs. '000	2012 Rs. '000	2013 Rs. '000	2012 Rs. '000
<b>Profit for the period</b>	<b>281,934</b>	330,883	<b>569,245</b>	553,567
<b>Other comprehensive income</b>				
Net change in fair value of available-for-sale financial assets	(1,430)	3,287	(2,177)	2,706
<b>Other comprehensive income for the period, net of tax</b>	<b>(1,430)</b>	3,287	<b>(2,177)</b>	2,706
<b>Total comprehensive income for the period</b>	<b>280,504</b>	334,170	<b>567,068</b>	556,273

*The above figures are subject to audit.*

## COMPANY STATEMENT OF FINANCIAL POSITION

As at	30.09.2013 Rs. '000	30.09.2012 Rs. '000	31.03.2013 Rs. '000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant & equipment	154,906	150,448	141,046
Investment property	3,454,242	3,455,551	3,455,995
Intangible assets	65,236	81,164	76,037
Investments in subsidiaries and joint ventures - unquoted	5,695,649	4,852,126	4,946,407
Investments in subsidiaries - quoted	2,458,287	2,458,287	2,458,287
Investments in equity-accounted investees	165,000	165,000	165,000
Other financial assets	206,655	165,046	232,403
	<u>12,199,975</u>	<u>11,327,622</u>	<u>11,475,175</u>
<b>Current assets</b>			
Inventories	3,087	3,770	2,484
Trade and other receivables	2,980,339	4,396,036	3,315,508
Current tax receivable	194,082	151,757	168,596
Deposits and prepayments	51,894	55,366	53,075
Other financial assets	4,225,922	2,807,395	3,227,060
Cash and short-term deposits	175,325	794,896	62,885
	<u>7,630,649</u>	<u>8,209,220</u>	<u>6,829,608</u>
Assets classified as held for sale	57,237	57,237	57,237
<b>Total Assets</b>	<u>19,887,861</u>	<u>19,594,079</u>	<u>18,362,020</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	6,326,793	6,297,654	6,328,970
Retained earnings	4,629,778	4,708,504	4,669,527
<b>Total Equity</b>	<u>13,091,711</u>	<u>13,141,298</u>	<u>13,133,637</u>
<b>Non-current liabilities</b>			
Interest bearing liabilities	3,631,784	2,647,500	2,542,500
Employee benefits	77,796	60,559	73,405
	<u>3,709,580</u>	<u>2,708,059</u>	<u>2,615,905</u>
<b>Current liabilities</b>			
Interest bearing liabilities	277,500	436,500	157,500
Trade and other payables	1,955,643	2,007,602	2,355,097
Bank overdrafts and other short-term borrowings	853,427	1,300,620	99,881
	<u>3,086,570</u>	<u>3,744,722</u>	<u>2,612,478</u>
<b>Total Equity and Liabilities</b>	<u>19,887,861</u>	<u>19,594,079</u>	<u>18,362,020</u>
<b>Net Assets per share (Rs.)</b>	<b>32.25</b>	32.37	32.35

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,  
12th November, 2013



## STATEMENT OF CHANGES IN EQUITY

### COMPANY

For the six months ended 30th September 2013

	Stated capital	General reserve	Revaluation reserve	Available for sale reserve	Retained earnings	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Balance as at 01st April 2013</b>	2,135,140	6,332,868	–	(3,898)	4,669,527	13,133,637
Profit for the period	–	–	–	–	569,245	569,245
Other comprehensive income for the period	–	–	–	(2,177)	–	(2,177)
<b>Total comprehensive income for the period</b>	–	–	–	(2,177)	569,245	567,068
Dividends for 2012/2013	–	–	–	–	(608,994)	(608,994)
<b>Balance as at 30th September 2013</b>	<b>2,135,140</b>	<b>6,332,868</b>	<b>–</b>	<b>(6,075)</b>	<b>4,629,778</b>	<b>13,091,711</b>

For the six months ended 30th September 2012

	Stated capital	General reserve	Revaluation reserve	Available for sale reserve	Retained earnings	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Balance as at 01st April 2012 *</b>	2,135,140	6,301,070	–	(6,122)	4,723,331	13,153,419
Profit for the period	–	–	–	–	553,567	553,567
Other comprehensive income for the period	–	–	–	2,706	–	2,706
<b>Total comprehensive income for the period</b>	–	–	–	2,706	553,567	556,273
Dividends for 2011/2012	–	–	–	–	(568,394)	(568,394)
<b>Balance as at 30th September 2012</b>	<b>2,135,140</b>	<b>6,301,070</b>	<b>–</b>	<b>(3,416)</b>	<b>4,708,504</b>	<b>13,141,298</b>

\* As reported in the annual report 2012/2013.

## CASH FLOW STATEMENTS

<i>For the six months ended 30th September</i>	<b>Group</b>		<b>Company</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>
<b>Cash flow from operating activities</b>				
Net profit before taxation	<b>1,883,522</b>	2,073,559	<b>573,666</b>	556,748
<b>Adjustments for</b>				
Depreciation and amortisation	<b>710,253</b>	676,365	<b>31,227</b>	28,717
Interest expense	<b>646,704</b>	590,683	<b>267,922</b>	263,713
Gain on disposal of property plant & equipment	<b>(6,671)</b>	(20,869)	–	–
Gain on disposal of group investments	–	(4,566)	–	(6,212)
Gain on disposal of available-for-sale financial assets reclassified from equity	<b>(26,438)</b>	–	–	–
Interest income	<b>(399,894)</b>	(393,178)	<b>(326,579)</b>	(339,247)
Share of equity-accounted investees' profit after tax	<b>(53,560)</b>	(87,840)	–	–
Provision for impairment of trade & other receivables	<b>38,632</b>	87,815	–	–
Net foreign exchange (gain)/loss	<b>(58,311)</b>	8,551	<b>(16,619)</b>	(7,392)
Provision for retirement benefit obligations	<b>58,197</b>	50,080	<b>7,738</b>	7,180
	<b>908,912</b>	907,041	<b>(36,311)</b>	(53,241)
<b>Operating profit before working capital changes</b>	<b>2,792,434</b>	2,980,600	<b>537,355</b>	503,507
(Increase)/decrease in trade and other receivables	<b>2,907,224</b>	(137,527)	<b>335,169</b>	(781,583)
(Increase)/decrease in inventories	<b>(182,480)</b>	(48,357)	<b>(603)</b>	(2,119)
(Increase)/ decrease in deposits & prepayments	<b>53,941</b>	(588,384)	<b>1,181</b>	4,810
Increase/(decrease) in trade and other payables	<b>(2,652,499)</b>	(289,452)	<b>(402,127)</b>	(323,026)
Increase/(decrease) in provisions	<b>189,160</b>	(352,011)	–	–
	<b>315,346</b>	(1,415,731)	<b>(66,380)</b>	(1,101,918)
<b>Cash generated from / (used in) operations</b>	<b>3,107,780</b>	1,564,869	<b>470,975</b>	(598,411)
Interest paid	<b>(643,994)</b>	(590,683)	<b>(265,212)</b>	(263,713)
Income tax paid	<b>(463,335)</b>	(295,065)	<b>(29,907)</b>	(14,455)
Retirement benefit obligations paid	<b>(20,808)</b>	(31,137)	<b>(3,347)</b>	(3,015)
	<b>(1,128,137)</b>	(916,885)	<b>(298,466)</b>	(281,183)
<b>Net cash flow from operating activities</b>	<b>1,979,643</b>	647,984	<b>172,509</b>	(879,594)
<b>Cash flow from investing activities</b>				
Investment in subsidiaries, joint ventures & equity-accounted investees	<b>(169,202)</b>	(6,512)	<b>(749,242)</b>	(18,249)
Effect of changes in percentage holding in subsidiaries & joint ventures	<b>90,149</b>	(1,021)	–	–
Purchase of property, plant and equipment	<b>(763,474)</b>	(1,450,889)	<b>(31,141)</b>	(9,018)
Purchase of intangible assets	<b>(2,088)</b>	(68,223)	<b>(1,393)</b>	(41,595)
Proceeds from disposal of property, plant and equipment	<b>58,454</b>	69,582	–	–
Refund of pre-paid lease rentals	–	38,859	–	–
Receipts of finance lease receivables	<b>79,093</b>	9,659	–	–
Proceeds from sale of equity and debt securities	<b>307,110</b>	8,974	<b>23,854</b>	7,978
Proceeds / (purchase) of other financial assets & liabilities (net)	<b>(939,171)</b>	(10,989)	<b>(994,742)</b>	(337,229)
Dividends and dividend taxes paid by subsidiary companies to outside shareholders	<b>(347,681)</b>	(237,522)	–	–
Dividends received from equity-accounted investees	–	9,936	–	–
<b>Net cash flow from investing activities</b>	<b>(1,686,810)</b>	(1,638,146)	<b>(1,752,664)</b>	(398,113)

## CASH FLOW STATEMENTS – CONTD.

For the six months ended 30th September

	Group		Company	
	2013 Rs. '000	2012 Rs. '000	2013 Rs. '000	2012 Rs. '000
<b>Cash flow from financing activities</b>				
Interest received from deposits	396,830	344,968	322,176	339,247
Proceeds from interest bearing liabilities	1,330,965	1,233,827	1,265,363	600,000
Repayment of interest-bearing liabilities	(748,099)	(960,786)	(67,500)	(160,000)
Dividends paid	(606,321)	(565,766)	(606,321)	(565,766)
<b>Net cash flow from financing activities</b>	<b>373,375</b>	52,243	<b>913,718</b>	213,481
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>666,208</b>	(937,919)	<b>(666,437)</b>	(1,064,226)
Cash and cash equivalents at the beginning of the period (Note A)	(3,313,385)	(2,676,586)	(11,665)	558,502
<b>Cash and cash equivalents at the end of the period</b>	<b>(2,647,177)</b>	(3,614,505)	<b>(678,102)</b>	(505,724)
<b>Cash and cash equivalents at the end of the period</b>				
Cash at bank and in hand & deposits	2,603,700	2,415,286	175,325	794,896
Short-term bank borrowings	(5,250,877)	(6,029,791)	(853,427)	(1,300,620)
<b>Cash and cash equivalent at the end of the period</b>	<b>(2,647,177)</b>	(3,614,505)	<b>(678,102)</b>	(505,724)
<b>Note A</b>				
<b>Cash and cash equivalents at the beginning of the period</b>				
Cash at bank and in hand & deposits	2,217,994	2,176,837	62,885	819,042
Short-term bank borrowings	(5,588,753)	(4,867,493)	(99,881)	(267,932)
<b>Cash and cash equivalent as previously reported</b>	<b>(3,370,759)</b>	(2,690,656)	<b>(36,996)</b>	551,110
Effect of exchange rate changes	57,374	14,070	25,331	7,392
<b>Cash and cash equivalent as restated</b>	<b>(3,313,385)</b>	(2,676,586)	<b>(11,665)</b>	558,502

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Segment analysis

#### 1.1 Segment analysis of Group revenue and profit

For the six months ended 30th September	Tourism sector		Cargo logistics sector		Strategic investments		Services sector		Total	
	2013 Rs. '000	2012 Rs. '000	2013 Rs. '000	2012 Rs. '000	2013 Rs. '000	2012 Rs. '000	2013 Rs. '000	2012 Rs. '000	2013 Rs. '000	2012 Rs. '000
Total revenue generated	7,045,768	6,439,764	3,415,265	3,145,410	5,597,223	10,068,972	418,042	359,032	16,476,298	20,013,178
Inter - segmental revenue	14,316	22,601	124,393	221,228	120,483	112,382	96,283	95,633	355,475	451,844
Intra-segmental revenue	757,771	534,841	99,701	83,142	35,807	36,523	15,032	10,101	908,311	664,607
Total revenue with equity-accounted investees	6,273,681	5,882,322	3,191,171	2,841,040	5,440,933	9,920,067	306,727	253,298	15,212,512	18,896,727
Share of equity-accounted investees' revenue	—	—	—	—	(322,653)	(338,350)	—	—	(322,653)	(338,350)
<b>Revenue from external customers</b>	<b>6,273,681</b>	<b>5,882,322</b>	<b>3,191,171</b>	<b>2,841,040</b>	<b>5,118,280</b>	<b>9,581,717</b>	<b>306,727</b>	<b>253,298</b>	<b>14,889,859</b>	<b>18,558,377</b>
Profit from operations	1,198,119	967,167	352,557	321,654	471,481	856,046	102,886	86,203	2,125,043	2,231,070
Finance income	154,723	142,556	28,977	22,440	205,671	220,703	10,523	7,479	399,894	393,178
Finance expenses	(133,357)	(159,543)	(38,132)	(36,495)	(521,266)	(440,540)	(2,220)	(1,951)	(694,975)	(638,529)
Share of profit of equity- accounted investees (net of tax)	24,332	36,625	—	—	29,228	51,215	—	—	53,560	87,840
<b>Profit before tax</b>	<b>1,243,817</b>	<b>986,805</b>	<b>343,402</b>	<b>307,599</b>	<b>185,114</b>	<b>687,424</b>	<b>111,189</b>	<b>91,731</b>	<b>1,883,522</b>	<b>2,073,559</b>
Income tax expense	(271,505)	(207,059)	(71,209)	(80,742)	(22,760)	(27,044)	(30,193)	(22,712)	(395,667)	(337,557)
<b>Profit for the period</b>	<b>972,312</b>	<b>779,746</b>	<b>272,193</b>	<b>226,857</b>	<b>162,354</b>	<b>660,380</b>	<b>80,996</b>	<b>69,019</b>	<b>1,487,855</b>	<b>1,736,002</b>

#### 1.2 Segment analysis of Group assets

As at 30th September	Tourism sector		Cargo logistics sector		Strategic investments		Services sector		Total	
	2013 Rs. '000	2012 Rs. '000	2013 Rs. '000	2012 Rs. '000	2013 Rs. '000	2012 Rs. '000	2013 Rs. '000	2012 Rs. '000	2013 Rs. '000	2012 Rs. '000
Segment assets	21,884,333	19,836,951	7,184,078	5,477,849	20,490,971	22,254,741	3,022,901	2,777,186	52,582,283	50,346,727
Investments in equity -accounted investees	1,330,612	1,269,382	—	—	654,154	580,683	—	—	1,984,766	1,850,065
Goodwill on consolidation	—	—	—	—	—	—	—	—	837,905	534,992
Assets classified as held for sale	—	—	—	—	—	—	—	—	149,125	149,125
<b>Total assets</b>	<b>23,214,945</b>	<b>21,106,333</b>	<b>7,184,078</b>	<b>5,477,849</b>	<b>21,145,125</b>	<b>22,835,424</b>	<b>3,022,901</b>	<b>2,777,186</b>	<b>55,554,079</b>	<b>52,880,909</b>

- 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 Standards - LKAS 34 - Interim Financial Reporting.
- A first & final ordinary dividend of Rs. 1.50 per share for the year ended 31st March 2013 was paid on 15th July 2013, after it was approved at the Annual General Meeting on the 27th June 2013. The total dividend payment for the year ended 31st March 2013 amounted to Rs. 608,994,067.50.
- During the period under review the Group acquired 51% shares in Ports Terminal Limited through a public-private partnership and took over the managerial and operational responsibilities at the Fiji Ports Corporation.
- Recently Aitken Spence Hotel Holdings PLC., a subsidiary company entered into a shareholders' agreement with RIU Hotels of Spain to build a 500 room five star luxury resort in Ahungalla, costing approximately USD 100m.
- There were no liabilities for management fees or any other similar expenditure not provided for in the interim financial statements.
- During the period under review there were no material change in the nature of contingent liabilities disclosed in the annual report for the year ended 31st March 2013.
- There were no material events that occurred after the balance sheet date that require adjustments to or disclosure in the financial statements.
- 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>30.09.2013</b>
<b>1. Stated Capital</b>	
Number of shares represented by the stated capital (31.03.2013 - 405,996,045)	405,996,045
Percentage of shares held by the Public	40.07%
<b>2. Shares Traded</b>	
Market Price per Share - Last traded (Rs.)	115.00
Market Price per Share - Highest (Rs.)	129.90
Market Price per Share - Lowest (Rs.)	112.00

### 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>30.09.2013</b>	<b>31.03.2013</b>
1 D. H. S. Jayawardena	Chairman	Nil	Nil
2 J. M. S. Brito	Deputy Chairman/ Managing Director	294,495	294,495
3 R. M. Fernando	Director	Nil	Nil
4 M. P. Dissanayake	Director	Nil	Nil
5 G.C. Wickremasinghe	Director	7,308,240	7,308,240
6 C. H. Gomez	Director	Nil	Nil
7 N. J. de Silva Deva Aditya	Director	Nil	Nil
8 V. M. Fernando	Director	Nil	Nil
9 R. N. Asirwatham	Director	1,000	1,000
10 C.R. De Silva	Director	Nil	Nil

### 4. Substantial Shareholdings

The twenty largest shareholding as at 30th September 2013, are as follows ;

<b>Name of the Shareholder</b>	<b>Share Holding</b>	<b>%</b>
1 Melstacorp (Private) Limited	161,629,983	39.81
2 Rubicond Enterprises Limited	65,990,145	16.25
3 HSBC International Nominees Limited-BPSS LUX-Aberdeen Global-Asian Smaller Companies Fund	40,025,300	9.86
4 HSBC International Nominees Limited -BPSS LDN- Aberdeen Asia Pacific Fund	17,192,300	4.24
5 HSBC International Nominees Limited-BPSS LUX-Aberdeen Global-Emerging Markets Smaller Companies Fund	10,040,000	2.47
6 Mr. G. C. Wickremasinghe	7,308,240	1.80
7 HSBC International Nominees Limited -BP2S Luxembourg-Aberdeen Global-Frontier Markets Equity Fund	5,809,707	1.43
8 Placidrange Holdings Limited	5,521,500	1.36
9 HSBC International Nominees Limited -SSBT-National Westminster Bank PLC as depositary of First State Asia Pacific Fund, a sub fund of First State investments ICVC	4,757,254	1.17
10 Employees Provident Fund	4,561,063	1.12
11 HSBC International Nominees Limited -BP2S London-Aberdeen New Dawn Investment Trust Xcc6	4,503,555	1.11
12 Milford Exports (Ceylon) (Private) Limited	4,321,500	1.06
13 Mellon Bank N.A.-Florida Retirement System	4,149,815	1.02
14 HSBC International Nominees Limited -BP2S London-Aberdeen Asia Smaller Companies Investment Trust	3,400,000	0.84
15 HSBC International Nominees Limited- SSBT-Aberdeen Institutional Commingled funds, LLC	3,265,500	0.80
16 Stassen Exports Limited	3,244,500	0.80
17 Ms. A.T. Wickremasinghe	3,211,975	0.79
18 Ms. K. Fernando	3,135,070	0.77
19 Mr. G.Wickremasinghe	3,019,090	0.74
20 Pictet & CIE	2,790,900	0.69

## **CORPORATE INFORMATION**

*as at 30th September 2013*

### **DIRECTORS**

Deshamanya D. H. S. Jayawardena - Chairman

Mr. J. M. S. Brito - Deputy Chairman & Managing Director

Dr. R. M. Fernando

Dr. M. P. Dissanayake

Mr. G. C. Wickremasinghe

Mr. C. H. Gomez

Mr. V. M. Fernando

Mr. N. J. de Silva Deva Aditya

Mr. R. N. Asirwatham

Mr. C.R. De Silva, P.C. (Deceased on 7th November 2013)

Mr. A. L. Gooneratne (Alternate Director to Mr. N.J. de Silva Deva Aditya)

### **SECRETARY**

Mr. R. E. V. Casie Chetty

### **REGISTERED OFFICE**

Aitken Spence Tower II

315, Vauxhall Street,

Colombo 02.

Sri Lanka