

Aitken Spence

**Interim Statement**

*for the nine months ended 31st December 2010*

Aitken Spence<sup>®</sup>

**Aitken Spence PLC**

## CONSOLIDATED INCOME STATEMENT

	Quarter ended		Nine months ended	
	31st December		31st December	
	2010	2009	2010	2009
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Revenue</b>	<b>6,207,035</b>	6,543,877	<b>18,210,230</b>	17,310,969
Revenue tax	<u>(101,093)</u>	(99,899)	<u>(278,031)</u>	(266,461)
<b>Net revenue</b>	<b>6,105,942</b>	6,443,978	<b>17,932,199</b>	17,044,508
Other operating income	<b>66,450</b>	30,440	<b>180,893</b>	81,772
Changes in inventories of finished goods and work-in-progress	<b>9,245</b>	31,705	<b>28,920</b>	61,632
Raw materials and consumables used	<u>(1,619,785)</u>	(1,970,876)	<u>(5,566,915)</u>	(5,615,087)
Employee benefits expense	<u>(769,415)</u>	(610,064)	<u>(2,201,028)</u>	(1,814,216)
Depreciation and amortisation expense	<u>(383,467)</u>	(369,896)	<u>(1,129,932)</u>	(1,079,415)
Other operating expenses – direct	<u>(1,522,946)</u>	(1,345,786)	<u>(4,010,348)</u>	(3,336,746)
Other operating expenses – indirect	<u>(964,798)</u>	(1,080,363)	<u>(2,628,048)</u>	(2,642,571)
<b>Profit from operations</b>	<b>921,226</b>	1,129,138	<b>2,605,741</b>	2,699,877
Finance income	<b>119,636</b>	61,221	<b>348,831</b>	216,733
Finance expenses	<u>(195,797)</u>	(232,482)	<u>(589,380)</u>	(766,308)
<b>Net finance expense</b>	<b>(76,161)</b>	(171,261)	<b>(240,549)</b>	(549,575)
Share of associate companies profit/(Loss)	<b>29,526</b>	(43,483)	<b>71,909</b>	(3,587)
<b>Profit before tax</b>	<b>874,591</b>	914,394	<b>2,437,101</b>	2,146,715
Income tax expenses	<u>(99,274)</u>	(89,215)	<u>(243,961)</u>	(235,145)
<b>Net profit for the period</b>	<b>775,317</b>	825,179	<b>2,193,140</b>	1,911,570
<b>Attributable to:</b>				
Equity holders of the parent	<b>579,043</b>	541,284	<b>1,625,056</b>	1,305,164
Minority interest	<u>196,274</u>	283,895	<u>568,084</u>	606,406
	<b>775,317</b>	825,179	<b>2,193,140</b>	1,911,570
Earnings per share Basic/Diluted (Rs.) (2009 - restated)	<b>1.43</b>	1.33	<b>4.00</b>	3.21

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.

D.H.S. Jayawardena  
Chairman

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

Ms. N. Sivapragasam  
Chief Financial Officer

Colombo,  
01st February, 2011

## CONSOLIDATED BALANCE SHEET

As at

	31.12.2010 Rs. '000	31.12.2009 Rs. '000	31.03.2010 Rs. '000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	24,237,653	22,557,463	23,328,896
Leasehold property	1,379,018	1,489,707	1,468,449
Intangible assets	157,858	169,275	154,185
Investment property	28,936	28,936	28,936
Investments in associates	568,993	744,809	767,498
Long term investment	473,945	408,610	483,580
Deferred tax assets	137,898	76,997	56,823
	<u>26,984,301</u>	<u>25,475,797</u>	<u>26,288,367</u>
<b>Current assets</b>			
Inventories	1,720,732	1,501,051	1,393,586
Trade and other receivables	3,898,487	5,416,171	5,344,272
Amounts due from associates	12,930	142,458	125,309
Current investments	261,436	4,619	4,619
Deposits and prepayments	570,300	882,581	490,378
Current tax receivable	141,039	54,698	158,160
Short-term deposits	5,649,245	1,639,362	2,752,209
Cash at bank and in hand	1,280,261	1,135,639	824,915
	<u>13,534,430</u>	<u>10,776,579</u>	<u>11,093,448</u>
Assets classified as held for sale	161,663	149,124	161,663
<b>TOTAL ASSETS</b>	<u>40,680,394</u>	<u>36,401,500</u>	<u>37,543,478</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	9,696,192	7,279,253	9,317,199
Retained earnings	8,834,958	8,763,302	7,497,445
	<u>20,666,290</u>	<u>18,177,695</u>	<u>18,949,784</u>
Minority interest	4,979,799	4,657,364	4,566,388
<b>Total equity</b>	<u>25,646,089</u>	<u>22,835,059</u>	<u>23,516,172</u>
<b>Non-current liabilities</b>			
Interest bearing liabilities	4,570,208	4,876,428	5,156,762
Deferred tax liabilities	223,020	190,655	223,094
Employee benefits	330,895	269,966	295,266
	<u>5,124,123</u>	<u>5,337,049</u>	<u>5,675,122</u>
<b>Current liabilities</b>			
Trade and other payables	3,745,214	3,498,319	4,190,966
Interest bearing liabilities repayable within one year	1,710,286	1,655,841	1,541,047
Amounts due to associates	11,353	1,909	2,956
Current tax payable	126,401	110,601	147,326
Short-term bank borrowings	4,316,928	2,962,722	2,469,889
	<u>9,910,182</u>	<u>8,229,392</u>	<u>8,352,184</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>40,680,394</u>	<u>36,401,500</u>	<u>37,543,478</u>
Net Assets per share (Rs.)	50.90	44.77	46.67

(31.12.2009 &amp; 31.03.2010 - restated)

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D.H.S. Jayawardena  
Chairman

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

Ms. N. Sivapragasam  
Chief Financial Officer

Colombo,  
01st February, 2011

## COMPANY INCOME STATEMENT

	Quarter ended		Nine months ended	
	31st December		31st December	
	2010 Rs. '000	2009 Rs. '000	2010 Rs. '000	2009 Rs. '000
<b>Revenue</b>	<b>80,293</b>	74,672	<b>271,462</b>	232,963
Revenue tax	<b>(2,665)</b>	(3,277)	<b>(8,135)</b>	(6,722)
<b>Net revenue</b>	<b>77,628</b>	71,395	<b>263,327</b>	226,241
Other operating income	<b>620,065</b>	423,745	<b>1,449,431</b>	1,037,732
Employee benefits expense	<b>(63,728)</b>	(43,291)	<b>(163,158)</b>	(129,821)
Depreciation and amortisation expense	<b>(12,733)</b>	(6,717)	<b>(30,180)</b>	(20,063)
Other operating expenses	<b>(55,902)</b>	(52,884)	<b>(162,003)</b>	(135,318)
<b>Profit from operations</b>	<b>565,330</b>	392,248	<b>1,357,417</b>	978,771
Finance income	<b>79,852</b>	80,910	<b>242,014</b>	243,594
Finance expenses	<b>(90,809)</b>	(82,478)	<b>(289,161)</b>	(291,311)
<b>Net finance expense</b>	<b>(10,957)</b>	(1,568)	<b>(47,147)</b>	(47,717)
<b>Profit before tax</b>	<b>554,373</b>	390,680	<b>1,310,270</b>	931,054
Income tax expenses	-	-	-	-
<b>Net profit for the period</b>	<b>554,373</b>	390,680	<b>1,310,270</b>	931,054
Earnings per share	<b>1.37</b>	0.96	<b>3.23</b>	2.29
Basic/Diluted (Rs.) (2009 - restated)				

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Ms. N. Sivapragasam  
Chief Financial Officer

Colombo,  
01st February, 2011

## COMPANY BALANCE SHEET

As at

	31.12.2010 Rs. '000	31.12.2009 Rs. '000	31.03.2010 Rs. '000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	214,122	50,629	100,177
Investment property	685,847	691,343	688,486
Investments in subsidiaries and joint ventures – unquoted	4,618,305	4,129,978	4,368,728
Investments in subsidiaries – quoted	2,458,287	679,300	679,300
Investments in associates	165,000	335,515	335,515
Long term investments	167,873	182,873	167,873
	<u>8,309,434</u>	<u>6,069,638</u>	<u>6,340,079</u>
<b>Current assets</b>			
Inventories	2,472	2,446	1,791
Trade and other receivables	163,773	176,738	157,922
Amounts due from subsidiaries & joint ventures	2,020,339	2,315,970	2,338,273
Amounts due from associates	4,814	134,552	111,282
Current investments	436	436	436
Deposits and prepayments	26,589	49,657	34,075
Current tax receivable	81,271	43,585	81,271
Short-term deposits	2,498,943	1,400,748	2,146,059
Cash at bank and in hand	194,867	168,308	13,816
	<u>4,993,504</u>	<u>4,292,440</u>	<u>4,884,925</u>
Assets classified as held for sale	57,337	57,237	57,337
<b>TOTAL ASSETS</b>	<u>13,360,275</u>	<u>10,419,315</u>	<u>11,282,341</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Stated capital	2,135,140	2,135,140	2,135,140
Reserves	4,352,211	2,310,561	4,352,211
Retained earnings	2,105,943	2,568,482	1,066,337
<b>Total equity</b>	<u>8,593,294</u>	<u>7,014,183</u>	<u>7,553,688</u>
<b>Non-current liabilities</b>			
Interest bearing liabilities	924,000	1,172,000	1,112,000
Employee benefits	46,715	37,725	41,674
	<u>970,715</u>	<u>1,209,725</u>	<u>1,153,674</u>
<b>Current liabilities</b>			
Trade and other payables	483,835	383,170	432,669
Interest bearing liabilities repayable within one year	548,000	498,000	508,000
Amounts due to subsidiaries & joint ventures	1,198,510	1,073,143	1,172,263
Amounts due to associates	790	1,498	209
Short-term bank borrowings	1,565,131	239,596	461,838
	<u>3,796,266</u>	<u>2,195,407</u>	<u>2,574,979</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>13,360,275</u>	<u>10,419,315</u>	<u>11,282,341</u>

Net Assets per share (Rs.)

(31.12.2009 &amp; 31.03.2010 - restated)

21.17

17.28

18.61

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D.H.S. Jayawardena  
Chairman

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Ms. N. Sivapragasam  
Chief Financial Officer

Colombo,  
01st February, 2011

## STATEMENT OF CHANGES IN EQUITY

### Group

#### 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
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	-	-	(2,302)	(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	-	-	(237)	(237)	(935)	(1,172)
<b>Net income directly recognised in the equity statement</b>	-	378,993	(16,879)	326,114	746,545	1,108,659
Net 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>	-	378,381	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>8,834,958</b>	<b>20,666,290</b>	<b>4,979,799</b>	<b>25,646,089</b>

#### For the nine months ended 31st December 2009

	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 2009</b>	2,135,140	7,227,545	7,715,269	17,077,954	4,553,439	21,631,393
Currency translation difference	-	51,708	-	51,708	12,135	63,843
Effect of acquisitions, disposals and change in percentage holding in subsidiaries	-	-	-	-	(4,847)	(4,847)
<b>Net income directly recognised in the equity statement</b>	-	51,708	-	51,708	7,288	58,996
Net profit for the period	-	-	1,305,164	1,305,164	606,406	1,911,570
<b>Total recognised income and expenses for the period</b>	-	51,708	1,305,164	1,356,872	613,694	1,970,566
Dividends for 2008/2009	-	-	(257,131)	(257,131)	-	(257,131)
Dividends paid by subsidiary companies to minority share holders	-	-	-	-	(509,769)	(509,769)
<b>Balance as at 31st December 2009</b>	<b>2,135,140</b>	<b>7,279,253</b>	<b>8,763,302</b>	<b>18,177,695</b>	<b>4,657,364</b>	<b>22,835,059</b>

## STATEMENT OF CHANGES IN EQUITY

### Company

#### 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
Net 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>

#### For the nine months ended 31st December 2009

	Stated Capital Rs. '000	Reserves Rs. '000	Retained Earnings Rs. '000	Total Rs. '000
<b>Balance as at 01st April 2009</b>	2,135,140	2,310,561	1,894,559	6,340,260
Net profit for the period	–	–	931,054	931,054
<b>Total recognised income and expenses for the period</b>	–	–	931,054	931,054
Dividends for 2008/2009	–	–	(257,131)	(257,131)
<b>Balance as at 31st December 2009</b>	<b>2,135,140</b>	<b>2,310,561</b>	<b>2,568,482</b>	<b>7,014,183</b>

## CASH FLOW STATEMENTS

For the nine months ended 31st December 2010

	Group		Company	
	2010 Rs. '000	2009 Rs. '000	2010 Rs. '000	2009 Rs. '000
<b>Cash flow from operating activities</b>				
Net profit before taxation	2,437,101	2,146,715	1,310,270	931,054
<b>Adjustments for</b>				
Depreciation & amortisation	1,129,932	1,079,415	30,180	20,063
Interest expense	589,380	766,308	289,161	291,311
Profit on sale of property plant and equipment	(21,831)	(7,855)	(7,449)	-
Profit on sale of investments	(10,691)	-	(109,485)	-
Interest income	(348,831)	(216,733)	(242,014)	(243,594)
Surplus on acquisition of companies	(30,127)	-	-	-
Share of associate companies' (profit)/Loss after tax	(71,909)	3,587	-	-
Provision / (write-back) of bad and doubtful debts	(13,535)	(4,066)	(8,492)	(10,536)
Effect of changes in percentage holding in subsidiaries	(11,096)	(4,916)	-	-
Effect of subsidiaries acquired during the period	-	(7,110)	-	-
Provision for fall in value of investments	100	4,976	-	-
Foreign exchange profit	(93,705)	(56,978)	-	-
Gratuity provision	51,470	42,154	7,092	6,068
	<u>1,169,157</u>	<u>1,598,782</u>	<u>(41,007)</u>	<u>63,312</u>
<b>Operating profit before working capital changes</b>	<b>3,606,258</b>	3,745,497	<b>1,269,263</b>	994,336
(Increase)/decrease in trade and other receivables	1,578,044	442,416	427,044	(248,515)
(Increase)/decrease in inventories	(327,147)	(217,440)	(680)	(652)
Increase/(decrease) in trade & other payables	(437,354)	(434,197)	77,992	114,049
(Increase)/decrease in deposits & prepayments	(79,922)	(350,061)	7,486	(4,879)
	<u>733,621</u>	<u>(559,282)</u>	<u>511,842</u>	<u>(139,997)</u>
<b>Cash generated from operations</b>	<b>4,339,879</b>	3,186,215	<b>1,781,105</b>	854,369
Interest paid	(589,380)	(766,308)	(289,161)	(291,311)
Income tax paid	(326,244)	(269,444)	-	-
Gratuity paid	(16,096)	(16,401)	(2,051)	(1,394)
	<u>(931,720)</u>	<u>(1,052,153)</u>	<u>(291,212)</u>	<u>(292,705)</u>
<b>Net cash generated from operating activities</b>	<b>3,408,159</b>	2,134,062	<b>1,489,893</b>	561,664
<b>Cash flow from investing activities</b>				
Investments made during the period	(256,817)	(46,842)	(2,028,564)	(43,640)
Acquisition of subsidiaries	(222,689)	-	-	(15,921)
Purchase of property, plant and equipment	(1,297,766)	(1,010,577)	(141,486)	-
Purchase of leasehold rights	-	(51,471)	-	-
Proceeds from sale of property, plant and equipment	30,174	47,847	7,449	-
Proceeds from sale of investment	289,440	-	280,000	-
Dividends and dividend taxes paid by subsidiary companies to outside shareholders	(901,218)	(509,769)	-	-
Dividends received from associate companies	-	7,444	-	-
<b>Net cash flow from investing activities</b>	<b>(2,358,876)</b>	<b>(1,563,368)</b>	<b>(1,882,601)</b>	<b>(59,561)</b>



## CASH FLOW STATEMENTS – CONTD.

For the nine months ended 31st December 2010

	Group		Company	
	2010 Rs. '000	2009 Rs. '000	2010 Rs. '000	2009 Rs. '000
<b>Cash flow from financing activities</b>				
Interest received from deposits	348,831	216,733	242,014	243,594
Proceeds from interest bearing liabilities	1,242,774	38,321	300,000	–
Repayment of interest-bearing liabilities	(1,554,089)	(1,567,889)	(448,000)	(320,000)
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	(270,664)	(257,131)	(270,664)	(257,131)
<b>Net cash flow from financing activities</b>	<b>384,501</b>	<b>(1,569,966)</b>	<b>(176,650)</b>	<b>(333,537)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,433,784</b>	<b>(999,272)</b>	<b>(569,358)</b>	<b>(168,566)</b>
Cash and cash equivalents at the beginning of the period (Note A)	1,178,794	811,551	1,698,037	1,160,894
<b>Cash and cash equivalents at the end of the period</b>	<b>2,612,578</b>	<b>(187,721)</b>	<b>1,128,679</b>	<b>1,329,460</b>
<b>Cash and cash equivalents at the end of the period</b>				
Cash at bank and in hand	1,280,261	1,135,639	194,867	168,308
Short term deposits	5,649,245	1,639,362	2,498,943	1,400,748
Short-term bank borrowings	(4,316,928)	(2,962,722)	(1,565,131)	(239,596)
<b>Cash and cash equivalent at the end of the period</b>	<b>2,612,578</b>	<b>(187,721)</b>	<b>1,128,679</b>	<b>1,329,460</b>
<b>Note A - Cash and cash equivalents at the beginning of the period</b>				
Cash at bank and in hand	824,915	828,351	13,816	21,189
Short term deposits	2,752,209	2,020,290	2,146,059	1,255,632
Bank loans and overdrafts	(2,469,889)	(2,161,657)	(461,838)	(115,927)
<b>Cash and cash equivalent as previously reported</b>	<b>1,107,235</b>	<b>686,984</b>	<b>1,698,037</b>	<b>1,160,894</b>
Effect of exchange rate changes	71,559	124,567	–	–
<b>Cash and cash equivalent as restated</b>	<b>1,178,794</b>	<b>811,551</b>	<b>1,698,037</b>	<b>1,160,894</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	
	2010	2009	2010	2009	2010	2009	2010	2009
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Tourism Sector*	7,124,667	5,972,492	13,444	15,913	569,739	280,674	6,541,484	5,675,905
Cargo Logistics Sector	3,531,127	3,144,775	234,496	257,387	135,266	132,588	3,161,365	2,754,800
Strategic Investments*	8,092,824	8,837,255	100,309	91,970	27,576	20,297	7,964,939	8,724,988
Services Sector	1,264,227	1,251,142	140,076	96,349	10,188	9,325	1,113,963	1,145,468
Total revenue with associates	20,012,845	19,205,664	488,325	461,619	742,769	442,884	18,781,751	18,301,161
Share of associate company revenue	(571,521)	(990,192)	–	–	–	–	(571,521)	(990,192)
<b>Total Revenue</b>	<b>19,441,324</b>	<b>18,215,472</b>	<b>488,325</b>	<b>461,619</b>	<b>742,769</b>	<b>442,884</b>	<b>18,210,230</b>	<b>17,310,969</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	
	2010	2009	2010	2009	2010	2009	2010	2009
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Tourism Sector	645,277	452,375	623,554	147,430	5,345	26,345	24,227	36,140
Cargo Logistics Sector	417,422	488,748	409,105	493,624	19,821	15,899	118,346	136,284
Strategic Investments	1,288,558	1,293,155	1,148,061	1,039,969	7,524	13,022	89,136	51,959
Services Sector	254,484	465,599	256,381	465,692	5,244	6,785	12,252	10,762
	2,605,741	2,699,877	2,437,101	2,146,715	37,934	62,051	243,961	235,145

\* 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. Pursuant to the approval by the shareholders at an Extraordinary General Meeting, the shares of the Company were subdivided on 05th October 2010 on the basis of 01 ordinary share into 15 ordinary shares. Consequent to the subdivision the number of ordinary shares of the Company increased from 27,066,403 to 405,996,045, without any change to the Stated Capital of the Company of Rs. 2,135 million. All per share calculations are based on the number of shares in issue after the subdivision.
3. The Company paid an interim dividend of Rs. 3.50 per share for the year ended 31st March 2010 on 19th May 2010. The Board of Directors recommended Rs. 6.50 per share as a final ordinary dividend for the year ended 31st March 2010, which was paid on 08th July 2010, after it was approved at the Annual General Meeting on the 29th June 2010. The total dividend payment for the year ended 31st March 2010 amounted to Rs. 270,664,030/-.
4. The Company divested its shares in Hayleys Plantation Services Ltd., (the holding company of Talawakelle Tea Estates PLC) an associate company, for a total consideration of Rs. 280 million. There was no material gain or loss resulting from the transaction to the Group. The profit recognised by the Company during the period under review is Rs. 109 million.
5. Aitken Spence Hotel Holdings PLC, the holding company of the Group's hotels successfully concluded a rights issue of one new share for every four held at an issue price of Rs. 260/- per share to raise funds to finance future investments. Aitken Spence PLC invested Rs. 1.8 billion in the rights issue and retained its effective holding in the above company.
6. There were no liabilities for management fees or any other similar expenditure not provided for in the interim financial statements.
7. 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 31 March 2010.
8. On 25th October 2010 the Company redeemed unquoted debentures to the value of Rs. 288 million. There was no material change in the use of funds raised through the debenture issue.
9. 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>31.12.2010</b>
<b>1. Stated Capital</b>	
Number of shares represented by the stated capital	<b>405,996,045</b>
(31.12.2009 and 31.03.2010 - 27,066,403)	
Percentage of shares held by the Public	<b>53.91%</b>
<b>2. Shares Traded</b>	
Market Price per Share – Last traded (Rs.)	<b>169.90</b>
Market Price per Share – Highest (Rs.) (prior to the subdivision of shares)	<b>3,500.00</b>
Market Price per Share – Lowest (Rs.)	<b>164.50</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:

Name of Director	Position	31.12.2010	31.03.2010
D.H.S. Jayawardena	Chairman	Nil	Nil
J.M.S. Brito	Deputy Chairman/Managing Director	288,495	19,233
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	487,216
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	Nil	Nil

### 4. Substantial Share holdings

The twenty largest shareholding as at 31st December 2010, are as follows:

Name of the Share Holder	Share holding	%
Distilleries Company of Sri Lanka Limited	113,542,425	27.97
Rubicond Enterprises Limited	65,990,145	16.25
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	17,331,000	4.27
Employees Provident Fund	14,443,835	3.56
HSBC International Nominees Limited-BPSS LUX- Aberdeen Global-Asian Smaller Companies Fund	12,397,500	3.05
HSBC International Nominees Limited-SSBT- Aberdeen Delaware Business Trust	10,543,500	2.60
Mr. G. C. Wickremasinghe	7,308,240	1.80
Ceylon Guardian Investment Trust PLC A/C # 01	6,919,500	1.70
Placidrange Holdings Limited	5,521,500	1.36
HSBC International Nominees Limited -SSBTL- Aberdeen New Dawn Investment Trust XCC6	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	3,141,975	0.77
Ms. K. Fernando	3,065,070	0.76

## **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

305, Vauxhall Street,

Colombo 2,

Sri Lanka.