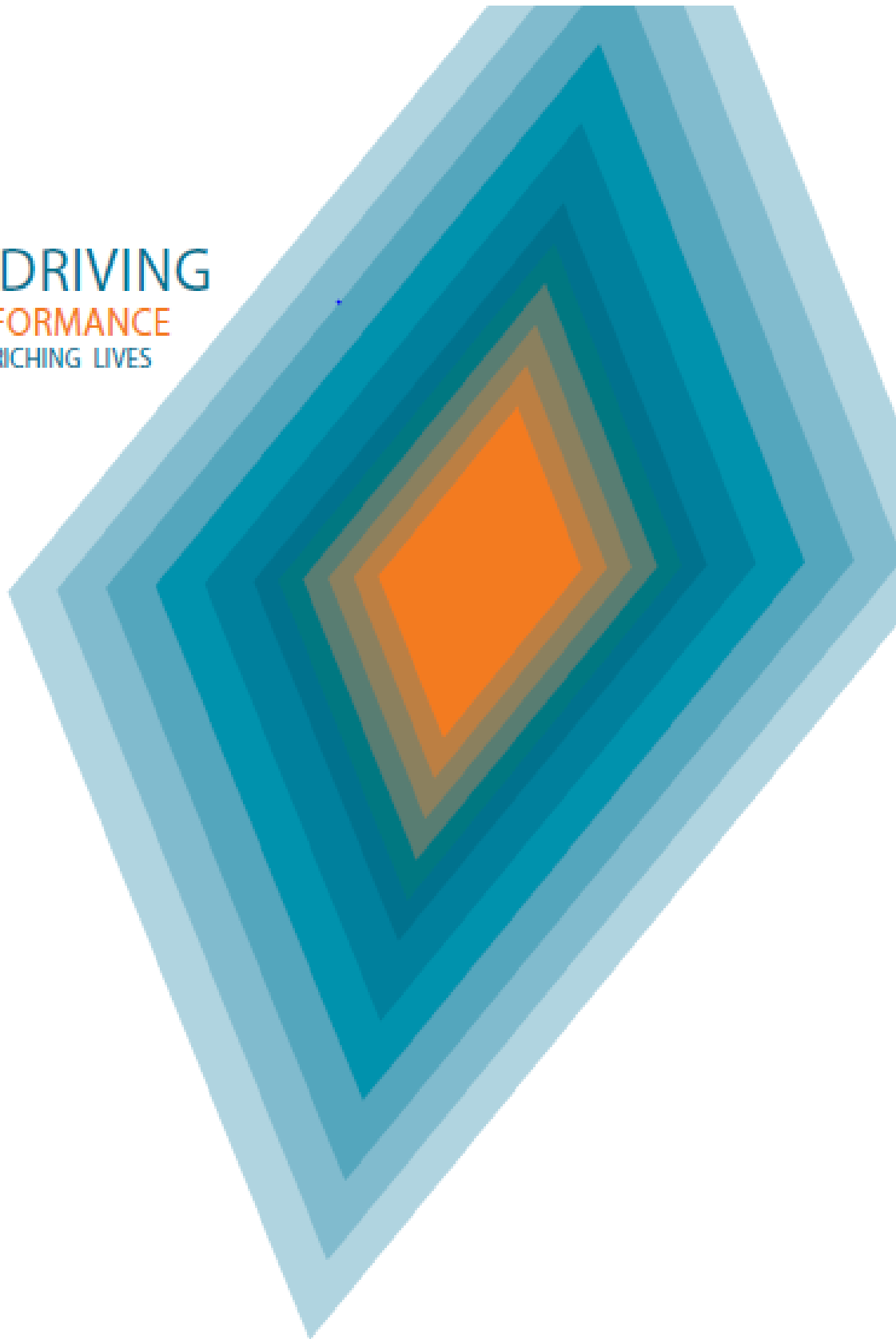


DRIVING
PERFORMANCE
ENRICHING LIVES



Hemas Holdings PLC
Interim Report-3rd Quarter 2013/14

Chairman/CEO's Review

It is with great pleasure that I present to you the results of the third quarter of 2013/14. Your company ended the quarter on a positive note with a revenue growth of 22.5% to reach Rs 23.7Bn, and an operating profit growth of 38.2% to post Rs 2.2Bn. Revenue growth was primarily driven by our Healthcare, FMCG and Transportation sectors which grew by 32.4%, 26.8% and 44.6%, respectively, while increase in earnings was led by Healthcare, FMCG and Power sectors which posted a growth of 23.2%, 6.7% and 29.6% respectively. The underlying earnings recorded a growth of 18.5% after adjustments for the performance of Thalawathugoda hospital, closure for refurbishment of Club hotel Dolphin and Hotel Sigiriya, and the capital gain arising from the transfer of Peace Haven land to a joint-venture with Minor International.

The FMCG sector ended the quarter on an encouraging note recording a revenue of Rs 7.2Bn a 26.8% growth over the previous nine months, while sector operating profits grew at 23.8% to record Rs. 660Mn. The sector's personal care and personal wash categories were the main contributors to growth with *Baby Cheramy*, *Clogard* and *Diva* being the top performing brands. The sector's eventful calendar continued with the re- launch of our hair care brand *Dandex* in October enhancing the product and packaging, with the objective of strengthening its proposition of being the leading anti-dandruff shampoo in the market. With the intention of creating a modern consumer appeal for the brand a new communication campaign 'Hisata Nidahasa' was launched via TV, radio and press advertisements. During the quarter our men's grooming brand *Pro Sport* was re launched as *PRO* whilst our washing power brand *Diva* was re-launched with improved product and packaging. The sector is poised for an eventful quarter, with an active program of restaging key Brands to enhance appeal with consumers.

Our Healthcare sector recorded revenues of Rs 8.8Bn, a growth of 32.4% over the same period last year, whilst sector operating profit increased by an impressive 25.1% to reach Rs. 741Mn. Sector revenue was largely driven by the positive performance of our Pharmaceutical distribution business together with our new hospital at Thalawathugoda. Our Pharmaceuticals business posted an 18.9% growth in revenue, strengthening its market leadership position and increasing its market share to 19.2% (Source: IMS). The business recently finalized its purchase of a modern 35,000 square foot warehouse located on 180 perches of prime property in Elakanda, Wattala. Located closer to seaport and airport, the warehouse is equipped with all necessary facilities for regulatory compliance including cold storage and temperature controlled environments. This will further enhance capacity to accommodate future growth. Our hospitals at Wattala and Galle experienced a marginal improvement in both topline and bottom-line. Our new hospital at Thalawathugoda continued to see a steady pick-up in volumes driven by the local community and strengthened by the laboratory and theatre operations at the hospital.

Our Leisure sector recorded a revenue of Rs. 891Mn and an operating profit of Rs. 53Mn for the nine months a 17.7% and a 78.8% decline, respectively. This was primarily due to the closure of Hotel Sigiriya and Club Hotel Dolphin for refurbishment during the period under review. Club Hotel Dolphin was reopened on 1st November 2013 after an extensive refurbishment and has since seen encouraging occupancy levels in excess of 80%, while Hotel Sigiriya was reopened earlier this year. During the quarter all our four hotels were awarded the 'Travelife GOLD' certification. 'Travelife GOLD' is an international certification developed by the travel industry to recognise the highest level of commitment of a travel partner towards sustainable travel practices. Avani Kalutara was bestowed the 'Top Hotel 2014' by Holiday Check, a popular e-travel site. With the availability of the Group's full inventory and encouraging

forward bookings, we are well positioned to compete with the new properties which are expected to enter the market going forward.

Transportation sector posted a revenue of Rs. 1.08Bn and an operating profit of Rs 335Mn, recording a growth of 44.6% and 25.1% respectively. Performance of the sector was largely driven by the aviation, transshipment and the logistics segments. Our new integrated logistics arm, Hemas Logistics celebrated the opening of its first container yard operation at Welisara in the month of November. Since its opening the yard operation has experienced a steady pick up in volumes, a trend we expect would continue into the next quarter. Sector performance was provided an additional boost with increasing transshipment volumes which contributed towards the improved profitability of the maritime segment.

Power sector recorded a marginal increase in revenue of 0.5% to post Rs. 4.4Bn largely impacted by the drop in generation at our thermal power plant Heladhanavi resulting from the continued curtailment imposed by the CEB at the beginning of the financial year. However, the impact was negated with the strong results from our hydro power sector which experienced higher rainfall around the catchment areas and by the increase in the avoided-cost-tariff during the year. The sector profitability was augmented by the notable performance of the hydro power assets held by Pan Asian Power PLC during the period under review.

The performance of our recent acquisition, J.L. Morison Son & Jones (Ceylon) PLC has been encouraging with the pharmaceutical distribution and manufacturing segment recording an impressive revenue growth of 14.8% year on year. This growth has supported the Company's operating profit growth of 23.2%, despite a drop in revenue for the period ending 31st December 2014. Post-acquisition, management has been focusing on business integration to fall in line with Hemas policies, processes and systems, thereby gearing up the company for faster growth. The company which began operations in 1939 celebrated its 75th Anniversary on January 31st.

As we enter the last quarter, which is traditionally our best performing one, we remain optimistic of closing the year on high note.



Husein Esufally
Chairman/CEO
Colombo
February 12, 2014

Consolidated Income Statement

Rs '000	Three Months Ended		Change %	Nine Months Ended		Change %
	31.12.2013	31.12.2012		31.12.2013	31.12.2012	
Revenue	8,775,828	6,392,083	37.3	23,664,601	19,312,242	22.5
Cost of Sales	(5,939,781)	(4,268,855)	39.1	(16,099,708)	(13,395,763)	20.2
Gross Profit	2,836,047	2,123,228	33.6	7,564,893	5,916,479	27.9
Other Operating Income	57,369	63,949	(10.3)	570,335	183,324	211.1
Selling and Distribution Costs	(771,725)	(567,656)	35.9	(2,092,437)	(1,534,262)	36.4
Administrative Expenses	(1,337,275)	(1,020,472)	31.0	(3,767,492)	(2,914,397)	29.3
Share of profit of an Associate	6,760	-		5,971	-	
Operating Profit	791,176	599,049	32.1	2,281,270	1,651,144	38.2
Finance Cost	(107,774)	(123,018)	(12.4)	(492,730)	(324,686)	51.8
Finance Income	90,393	85,179	6.1	247,376	236,546	4.6
Profit Before Tax	773,795	561,210	37.9	2,035,916	1,563,004	30.3
Income Tax Expense	(153,400)	(139,292)	10.1	(438,428)	(354,028)	23.8
Profit for the Period	620,395	421,918	47.0	1,597,488	1,208,976	32.1
Attributable to:						
Equity Holders of the Parent	488,666	345,007	41.6	1,472,869	1,067,113	38.0
Non-Controlling Interests	131,729	76,911	71.3	124,619	141,863	(12.2)
	620,395	421,918	47.0	1,597,488	1,208,976	32.1
Earnings Per Share (Rs)	0.95	0.67		2.86	2.07	
Annualised Earnings Per Share (Rs)	3.79	2.68		3.81	2.76	
Dividends per Share (Rs)	0.30	0.30		0.75	0.55	

Statement of Comprehensive Income

Rs '000	Three Months Ended		Nine Months Ended	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Profit for the Period	620,395	421,918	1,597,488	1,208,976
Other Comprehensive Income				
Net (loss)/gain on available-for-sale financial assets	(12,100)	(4,355)	(4,496)	29,269
Exchange differences on translation of foreign operations	4,869	(127)	2,510	85
Net movement on cash flow hedges	(71,656)	14,199	(68,767)	24,727
Revaluation of land and buildings	-	-	-	-
Income Tax on other comprehensive income	-	-	-	-
Other Comprehensive Income for the period, net of tax	(78,887)	9,717	(70,753)	54,081
Total Comprehensive Income for the period, net of tax	541,508	431,635	1,526,735	1,263,057
Attributable to:				
Equity Holders of the Parent	445,498	349,771	1,435,835	1,113,609
Non-Controlling Interests	96,010	81,864	90,900	149,448
	541,508	431,635	1,526,735	1,263,057

The above figures are provisional and subject to audit.

Consolidated Statement of Financial Position

As at	31.12.2013	31.12.2012	31.03.2013
Rs '000			
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	14,103,403	10,501,858	11,293,957
Investment Properties	578,453	474,685	578,453
Leasehold Right	87,640	91,575	90,592
Intangible Assets	1,274,696	313,762	436,701
Investment in Associates	378,579	-	221,325
Other Non Current Financial Assets	462,385	744,340	399,147
Deferred Tax Assets	45,859	26,237	39,762
	16,931,015	12,152,457	13,059,937
Current Assets			
Inventories	3,506,358	2,522,630	2,425,137
Trade and Other Receivables	8,396,876	7,185,991	7,047,695
Tax Recoverables	79,770	131,487	78,590
Other Current Financial Assets	442,766	232,028	172,919
Cash and Short Term Deposits	2,853,708	2,625,713	3,223,380
	15,279,478	12,697,849	12,947,721
TOTAL ASSETS	32,210,493	24,850,306	26,007,658
EQUITY AND LIABILITIES			
Equity			
Stated Capital	1,600,603	1,600,603	1,600,603
Other Capital and Revenue Reserves	348,844	432,938	409,751
Other Components of Equity	1,263,921	1,198,780	1,314,477
Retained Earnings	9,870,844	7,908,784	8,828,511
Equity Attributable to Equity Holders of the Parent	13,084,212	11,141,105	12,153,342
Non- Controlling Interests	3,203,513	2,172,634	2,259,037
Total Equity	16,287,725	13,313,739	14,412,379
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	4,010,478	1,698,363	2,182,887
Other Non Current Financial Liabilities	142,437	145,194	140,343
Deferred Tax Liabilities	244,836	175,675	193,313
Employee Benefit Liability	405,888	284,523	287,427
Other Non Current Liabilities	-	216,612	-
	4,803,639	2,520,367	2,803,970
Current Liabilities			
Trade and Other Payables	7,517,647	5,598,605	5,906,044
Income Tax Payable	145,367	119,920	141,591
Interest Bearing Loans and Borrowings	1,654,811	1,385,382	715,230
Bank Overdraft	1,801,304	1,912,293	2,028,444
	11,119,129	9,016,200	8,791,309
TOTAL EQUITY AND LIABILITIES	32,210,493	24,850,306	26,007,658
Net Asset per share - (Rs)	25.39	21.62	23.59

The above figures are provisional and subject to audit.

These financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



Malinga Arsakularatne

Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the Board by,

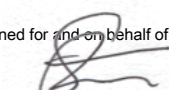


Husein Esufally

Chairman/CEO

Colombo

February 12, 2014



Steven Enderby

Deputy CEO

Consolidated Statement of Changes in Equity

	Attributable to Equity Holders of the Parent						Retained Earnings	Total	Non Controlling Interest	Total Equity
	Stated Capital	Other Capital & Revenue Reserves	Other Component Of Equity			Cash flow hedge Reserve				
			Revaluation Reserve	Exchange Reserve	Available for sale Reserve					
<i>Rs '000</i>										
Balance as at 1 April 2012	1,600,603	437,923	1,187,013	(1,451)	10,380	(43,658)	7,121,708	10,312,518	2,100,310	12,412,828
Profit for the period	-	-	-	-	-	-	1,067,113	1,067,113	141,863	1,208,976
Other comprehensive income	-	-	-	85	27,866	18,545	-	46,496	7,585	54,081
Total comprehensive income	-	-	-	85	27,866	18,545	1,067,113	1,113,609	149,448	1,263,057
Dividends Paid - Ordinary Shares	-	-	-	-	-	-	(283,409)	(283,409)	-	(283,409)
Transfer to/from during the period										
- Other Reserve	-	(4,985)	-	-	-	-	4,985	-	-	-
Transaction cost on Issue of shares	-	-	-	-	-	-	(1,613)	(1,613)	(537)	(2,150)
Dividends to Non- Controlling Interest	-	-	-	-	-	-	-	-	(77,236)	(77,236)
Adjustment in respect of changes in Group Holding	-	-	-	-	-	-	-	-	649	649
Balance as at 31 December 2012	1,600,603	432,938	1,187,013	(1,366)	38,246	(25,113)	7,908,784	11,141,105	2,172,634	13,313,739
Balance as at 1 April 2013	1,600,603	409,751	1,302,730	(1,730)	29,042	(15,565)	8,828,511	12,153,342	2,259,037	14,412,379
Profit for the period	-	-	-	-	-	-	1,472,869	1,472,869	124,619	1,597,488
Other comprehensive income	-	-	-	2,406	(5,658)	(33,782)	-	(37,034)	(33,719)	(70,753)
Total comprehensive income	-	-	-	2,406	(5,658)	(33,782)	1,472,869	1,435,835	90,900	1,526,735
Dividends Paid - Ordinary Shares	-	-	-	-	-	-	(386,468)	(386,468)	-	(386,468)
Transfer to/from during the period										
- Overhaul Reserve/ Heat and Lube oil Reserve	-	(60,907)	-	-	-	-	60,907	-	-	-
- Available for sale reserve	-	-	-	-	(14,563)	-	-	(14,563)	(4,854)	(19,417)
Transaction cost on Issue of shares	-	-	-	-	-	-	(16,154)	(16,154)	(564)	(16,718)
Dividends to Non- Controlling Interest	-	-	-	-	-	-	-	-	(68,661)	(68,661)
Adjustment in respect of changes in Group Holding	-	-	1,041	-	-	-	(88,821)	(87,780)	927,655	839,875
Balance as at 31 December 2013	1,600,603	348,844	1,303,771	676	8,821	(49,347)	9,870,844	13,084,212	3,203,513	16,287,725

The above figures are provisional and subject to audit.

Income Statement - Company

<i>Rs '000</i>	Three Months Ended		Change %	Nine Months Ended		Change %
	31.12.2013	31.12.2012		31.12.2013	31.12.2012	
Revenue	180,229	205,322	(12.2)	467,948	375,800	24.5
Cost of Sales	-	-	-	-	-	-
Gross Profit	180,229	205,322	(12.2)	467,948	375,800	24.5
Other Operating Income	367,824	157,946	132.9	728,655	489,903	48.7
Administrative Expenses	(124,410)	(114,468)	8.7	(359,275)	(277,936)	29.3
Operating Profit	423,643	248,800	70.3	837,328	587,767	42.5
Finance Cost	(65,457)	(62,574)	4.6	(225,295)	(157,888)	42.7
Finance Income	26,198	25,371	3.3	73,915	64,684	14.3
Profit Before Tax	384,384	211,597	81.7	685,948	494,563	38.7
Income Tax Expenses	1,477	(3,409)	(143.3)	(2,612)	(10,106)	(74.2)
Profit for the Period	385,861	208,188	85.3	683,336	484,457	41.1

Statement of Comprehensive Income - Company

<i>Rs '000</i>	Three Months Ended		Nine Months Ended	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Profit for the Period	385,861	208,188	683,336	484,457
Other Comprehensive Income				
Net (loss)/gain on available-for-sale financial assets	(12,100)	(9,568)	(9,218)	130
Exchange differences on translation of foreign operations	-	-	-	-
Net movement on cash flow hedges	-	-	-	-
Revaluation of land and buildings	-	-	-	-
Income Tax on other comprehensive income	-	-	-	-
Other Comprehensive Income for the period, net of tax	(12,100)	(9,568)	(9,218)	130
Total Comprehensive Income for the period, net of tax	373,761	198,620	674,118	484,587

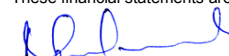
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Statement of Financial Position -Company

As at	31.12.2013	31.12.2012	31.03.2013
<i>Rs '000</i>			
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	172,894	143,577	153,730
Investment Properties	566,289	331,500	566,289
Intangible Assets	22,526	539	398
Investment in Subsidiaries	5,970,784	6,458,088	6,344,133
Investment in Joint Ventures	38,519	38,519	38,519
Other Non Current Financial Assets	373,507	236,827	224,924
	7,144,519	7,209,050	7,327,993
Current Assets			
Trade and Other Receivables	1,128,747	606,616	1,026,351
Tax Recoverables	11,921	9,540	5,323
Other Current Financial Assets	612,151	547,379	647,913
Cash and Short Term Deposits	110,188	58,786	85,301
	1,863,007	1,222,321	1,764,888
TOTAL ASSETS	9,007,526	8,431,371	9,092,881
EQUITY AND LIABILITIES			
Equity			
Stated Capital	1,600,603	1,600,603	1,600,603
Other Capital Reserves	257,032	257,032	257,032
Other Components of Equity	8,571	7,865	17,789
Retained Earnings	4,887,340	4,449,462	4,590,472
Total Equity	6,753,546	6,314,962	6,465,896
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	1,125,568	1,158,471	1,288,566
Other Non Current Financial Liabilities	4,383	4,383	4,383
Deferred Tax Liabilities	53,808	42,269	51,196
Employee Benefit Liability	28,892	33,283	26,431
	1,212,651	1,238,406	1,370,576
Current Liabilities			
Trade and Other Payables	116,081	171,051	159,802
Income Tax Payable	-	2,031	-
Interest Bearing Loans and Borrowings	910,987	645,164	1,055,324
Bank Overdraft	14,261	59,757	41,283
	1,041,329	878,003	1,256,409
TOTAL EQUITY AND LIABILITIES	9,007,526	8,431,371	9,092,881
Net Asset per share - (Rs)	13.11	12.26	12.55

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Malinga Arsakularatne

Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the Board by,

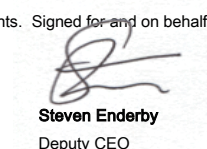


Husein Esufally

Chairman/CEO

Colombo

February 12, 2014



Steven Enderby

Deputy CEO

Statement of Changes in Equity- Company

<i>Rs '000</i>	Stated Capital	Other Capital Reserves	Other Component Of Equity		Total Equity
			Available for Sale Reserve	Retained Earnings	
Balance as at 1 April 2012	1,600,603	257,032	7,735	4,248,415	6,113,785
Profit for the period	-	-	-	484,457	484,457
Other comprehensive income	-	-	130	-	130
Total comprehensive income	-	-	130	484,457	484,587
Dividends Paid - Ordinary Shares					
Final dividend paid - 2011/12	-	-	-	(128,823)	(128,823)
Interim dividend paid - 2012/13	-	-	-	(154,587)	(154,587)
Balance as at 31 December 2012	1,600,603	257,032	7,865	4,449,462	6,314,962
Balance as at 1 April 2013	1,600,603	257,032	17,789	4,590,472	6,465,896
Profit for the period	-	-	-	683,336	683,336
Other comprehensive income	-	-	(9,218)	-	(9,218)
Total comprehensive income	-	-	(9,218)	683,336	674,118
Dividends Paid - Ordinary Shares					
Final dividend paid - 2012/13	-	-	-	(231,881)	(231,881)
Interim dividend paid - 2013/14	-	-	-	(154,587)	(154,587)
Balance as at 31 December 2013	1,600,603	257,032	8,571	4,887,340	6,753,546

The above figures are provisional and subject to audit

Cash Flow Statement

	Group		Company	
For Nine months ended 31 December	2013	2012	2013	2012
<i>Rs '000</i>				
Operating Activities				
Profit Before Taxation	2,035,916	1,563,004	685,948	494,563
Adjustments for				
Depreciation	657,487	514,156	28,185	21,610
(Gain)/Loss on Disposal of Property, Plant and Equipment	(385,575)	(27,736)	609	1,548
Amortisation of Intangibles	36,105	4,399	1,756	834
(Gain)/ Loss on Sale of Non-Current Investments	-	-	(148,503)	-
Amortisation of Leasehold Rights	2,951	2,880	-	-
Exchange (gain) / loss on foreign currency borrowings	31,413	-	-	-
Re-classification of Available For Sale Reserve to Profit and Loss	(19,417)	-	-	-
Finance Cost	492,730	324,686	225,295	157,888
Finance Income	(247,376)	(236,546)	(73,915)	(64,684)
Share of results of Associates	(5,971)	-	-	-
Investment Income	(77)	(2,048)	(575,098)	(482,662)
Movement in Employee Benefit Liability	49,935	46,128	2,485	2,856
Working Capital Adjustments				
(Increase)/Decrease in Inventories	(497,826)	(517,282)	-	-
(Increase)/Decrease in Trade and Other Receivables	(432,868)	(1,264,924)	(98,200)	(236,612)
(Increase)/Decrease in Other Current Financial Assets	13,177	(14,759)	159,010	(206,235)
Increase/(Decrease) in Trade and Other Payables	1,265,198	407,605	(43,721)	(51,175)
Increase/(Decrease) in Other Non Current Liabilities	2,094	(32,621)	-	(6,216)
Increase/(Decrease) in Other Non Current Financial Liabilities	-	1,610	-	-
Finance Cost Paid	(492,730)	(304,519)	(225,295)	(144,450)
Finance Income Received	212,540	206,370	58,944	54,997
Income Tax Paid	(417,534)	(284,747)	(6,598)	(14,818)
Employee Retirement Benefit Paid	(20,783)	(10,393)	(507)	(123)
Net Cash flows from/(Used in) Operating Activities	2,279,389	375,263	(9,605)	(472,679)
Investing Activities				
Purchase of Property, Plant and Equipment	(2,396,573)	(673,431)	(55,943)	(61,918)
Investment in Intangible Assets	(61,115)	(39,360)	(23,884)	(98)
Investment in Non current Financial Assets	(178,964)	(161,910)	(157,801)	-
(Acquisition)/ Disposal of Subsidiary	(1,998,897)	-	14,128	(263,791)
Proceeds from Disposal of subsidiaries and joint ventures	-	-	507,724	-
Investment Income Received	77	2,048	575,098	478,816
Proceeds from Disposal of Property, Plant and Equipment	828,251	44,556	7,984	369
Net Cash flows from/(Used in) Investing Activities	(3,807,221)	(828,097)	867,306	153,378
Financing Activities				
Interest Bearing Loans and Borrowings (Net)	2,451,602	711,059	(419,324)	558,821
Transaction cost on subsidiary share issue	(16,718)	(2,150)	-	-
Proceeds from/ (to) Non-Controlling Interest	(592,608)	649	-	-
Dividends Paid - Equity Holders of the Parent	(386,468)	(283,688)	(386,468)	(283,410)
- Non-Controlling Interest	(68,661)	(77,236)	-	-
Net Cash flows from/(Used in) Financing Activities	1,387,147	348,634	(805,792)	275,411
Net Increase/(Decrease) in Cash and Cash Equivalents	(140,685)	(104,200)	51,909	(43,890)
Net Foreign Exchange Difference	(1,846)	185	-	-
Cash and Cash Equivalents at the beginning of the Year	1,194,935	817,435	44,018	42,919
Cash and Cash Equivalents at the end of the period	1,052,404	713,420	95,927	(971)

The above figures are provisional and subject to audit

Segmental Information

For Three months ended 31 December	FMCG		Healthcare		Leisure		Transportation		Power		Others		Group	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
<i>Rs '000</i>														
Revenue														
Segmental Revenue - Gross	2,522,000	1,992,729	3,084,886	2,216,472	438,101	426,185	394,838	282,180	1,771,180	1,254,709	817,167	492,272	9,028,172	6,664,547
Intra Segmental Revenue	-	-	(13,932)	(16,096)	-	-	-	-	-	-	(21,558)	(16,203)	(35,490)	(32,299)
Segmental Revenue	2,522,000	1,992,729	3,070,954	2,200,376	438,101	426,185	394,838	282,180	1,771,180	1,254,709	795,609	476,069	8,992,682	6,632,248
Inter Segmental Revenue	-	-	(32)	-	-	-	-	-	-	-	(216,822)	(240,165)	(216,854)	(240,165)
Total Revenue	2,522,000	1,992,729	3,070,922	2,200,376	438,101	426,185	394,838	282,180	1,771,180	1,254,709	578,787	235,904	8,775,828	6,392,083
Segmental Results														
Finance Cost	331	(3)	(63,669)	(37,622)	57,577	370	(10,299)	(4,987)	(43,962)	(58,699)	(47,752)	(22,077)	(107,774)	(123,018)
Finance Income	9,501	32,946	3,407	3,136	23,914	4,668	5,881	27,304	19,951	12,659	27,739	4,466	90,393	85,179
Share of profit of an Associate	-	-	-	-	6,760	-	-	-	-	-	-	-	6,760	-
Profit/(Loss) before Tax	231,532	213,716	254,673	137,764	195,691	134,680	107,994	103,349	113,374	84,551	(129,469)	(112,850)	773,795	561,210
Income Tax	(31,375)	(14,618)	(73,008)	(38,952)	(3,169)	(16,329)	(12,537)	(43,452)	(5,544)	(234)	(27,767)	(25,707)	(153,400)	(139,292)
Profit / (Loss) for the Period	200,157	199,098	181,665	98,812	192,522	118,351	95,457	59,897	107,830	84,317	(157,236)	(138,557)	620,395	421,918
Attributable to:														
Equity Holders of the Parent	198,020	199,098	187,670	103,138	100,802	58,033	93,482	59,897	64,427	63,255	(155,735)	(138,414)	488,666	345,007
Non-Controlling Interests	2,137	-	(6,005)	(4,326)	91,720	60,318	1,975	-	43,403	21,062	(1,501)	(143)	131,729	76,911
	200,157	199,098	181,665	98,812	192,522	118,351	95,457	59,897	107,830	84,317	(157,236)	(138,557)	620,395	421,918

The above figures are provisional and subject to audit

Segmental Information

For Nine months ended 31 December	FMCG		Healthcare		Leisure		Transportation		Power		Others		Group	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
<i>Rs '000</i>														
Revenue														
Segmental Revenue - Gross	7,236,864	5,706,412	8,901,890	6,721,666	890,517	1,082,103	1,080,013	746,853	4,415,731	4,394,532	1,852,283	1,226,032	24,377,298	19,877,598
Intra Segmental Revenue			(79,738)	(59,397)	-	-	-	-	-	-	(61,752)	(43,926)	(141,490)	(103,323)
Segmental Revenue	7,236,864	5,706,412	8,822,152	6,662,269	890,517	1,082,103	1,080,013	746,853	4,415,731	4,394,532	1,790,531	1,182,106	24,235,808	19,774,275
Inter Segmental Revenue	-	-	(32)	-	-	-	-	-	-	-	(571,175)	(462,033)	(571,207)	(462,033)
Total Revenue	7,236,864	5,706,412	8,822,120	6,662,269	890,517	1,082,103	1,080,013	746,853	4,415,731	4,394,532	1,219,356	720,073	23,664,601	19,312,242
Segmental Results	659,797	533,131	740,655	592,266	53,342	251,279	334,979	267,678	432,697	277,604	53,829	(270,814)	2,275,299	1,651,144
Finance Cost	(1,765)	(7)	(164,258)	(110,878)	(45,020)	(21,367)	(23,245)	(7,625)	(146,381)	(153,100)	(112,061)	(31,709)	(492,730)	(324,686)
Finance Income	50,737	69,155	12,808	8,559	28,555	11,204	28,648	46,126	85,837	87,811	40,791	13,691	247,376	236,546
Share of profit of an Associate	-	-	-	-	5,971	-	-	-	-	-	-	-	5,971	-
Profit/(Loss) before Tax	708,769	602,279	589,205	489,947	42,848	241,116	340,382	306,179	372,153	212,315	(17,441)	(288,832)	2,035,916	1,563,004
Income Tax	(102,140)	(34,971)	(172,162)	(134,995)	(22,918)	(34,558)	(51,667)	(90,381)	(14,055)	(703)	(75,486)	(58,420)	(438,428)	(354,028)
Profit / (Loss) for the Period	606,629	567,308	417,043	354,952	19,930	206,558	288,715	215,798	358,098	211,612	(92,927)	(347,252)	1,597,488	1,208,976
Attributable to:														
Equity Holders of the Parent	605,111	567,308	456,390	370,467	25,498	101,784	281,840	215,798	205,808	158,761	(101,778)	(347,007)	1,472,869	1,067,111
Non-Controlling Interests	1,518	-	(39,347)	(15,515)	(5,568)	104,774	6,875	-	152,290	52,851	8,851	(247)	124,619	141,863
	606,629	567,308	417,043	354,952	19,930	206,558	288,715	215,798	358,098	211,612	(92,927)	(347,254)	1,597,488	1,208,974

The above figures are provisional and subject to audit

Notes to the Financial Statements

1 Basis of preparation

The condensed interim financial statements have been prepared in accordance with Sri Lanka Accounting Standard LKAS- 34, Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2013. Further, provisions of the Companies Act No. 7 of 2007 have been considered in preparing the interim financial statements.

The previous years'/periods' figures and phrases have been amended where relevant, for better presentation and to be comparable with those of the current period.

- 2 The Group invested a further Rs. 300Mn in Panasian Power PLC on 24 April 2013 thereby increasing the group stake in Panasian Power PLC to 29.3%.
- 3 The Group invested a further Rs. 81Mn in Peace Haven Resorts Ltd on 7 May 2013 thereby increasing the group stake in Peace Haven Resorts Ltd to 98.9%.
- 4 The Group purchased a 71.5% voting stake and 50% non-voting stake in J.L.Morison Son & Jones (Ceylon) PLC valued at Rs.1.7Bn on 30 May 2013.
The Group further invested in J.L.Morison Son & Jones (Ceylon) PLC Rs. 394Mn for 18.5% voting stake and Rs. 133Mn for 34.7% non voting stake by closing the mandatory offer and voluntary offer on 23 July 2013.
- 5 The Company paid a final dividend of Rs.0.45 per share on 9 July 2013, for the financial year ended 31 March 2013.
The Company paid a interim dividend of Rs.0.30 per share on 27 November 2013, for the financial year ending 31 March 2014.
- 6 There have been no other events subsequent to the reporting date, which require disclosure in the interim financial statements.
- 7 There have been no significant changes in the nature of the contingent liabilities which were disclosed in the Audited Accounts for the year ended 31 March 2013.

Investor Information

	Three months Ended	
	31.12.2013	31.12.2012
Market Value of Shares		
Closing Price on 31 December (Rs)	34.00	27.00
Highest Price during the Period (Rs)	34.70	33.70
Lowest Price during the Period (Rs)	31.50	25.60
Market Capitalization on 31 December (Rs Mn)	17,520	13,913
Ratios		
Net Asset Per Share on 31 December (Rs)	25.39	21.62
Price Earnings Ratio on 31 December (times)	8.92	9.78
Share Trading		
No of transactions during the Period	926	885
No of shares traded during the Period	3,535,671	1,285,370
Value of shares traded during the Period (Rs Mn)	117	37
Number of Shares	515,290,620	515,290,620

Share Information

LIST OF 20 MAJOR SHAREHOLDERS	31.12.2013	%	31.12.2012	%
	No. of Shares		No. of Shares	
1 A Z Holdings (Pvt) Ltd.	90,762,875	17.61	90,762,875	17.61
2 Saraz Investments (Pvt) Ltd.	86,396,035	16.77	86,396,035	16.77
3 Blueberry Investments (Pvt) Ltd.	85,781,250	16.65	85,781,250	16.65
4 Amagroup (Pvt) Limited	85,780,665	16.65	85,780,665	16.65
5 Employees Provident Fund	27,362,341	5.31	27,259,122	5.29
6 HSBC Intl. Nom Ltd-SSBT-National Westminster Bank PLC as a depository of First State Indian Subcontinent	9,732,370	1.89	9,732,370	1.89
7 HSBC Intl. Nom Ltd-SSBT-National Westminster Bank PLC as a depository of First State Asia Pacific Susta	6,272,899	1.22	6,272,899	1.22
8 Mr. M.A.H. Esufally	5,946,500	1.15	5,946,500	1.15
9 Mr. H.N. Esufally	5,836,705	1.13	5,836,705	1.13
10 Jacey Trust Services (Pvt) Ltd -Account No 2	5,750,000	1.12	5,750,000	1.12
11 Sri Lanka Insurance Corporation Ltd. - Life Fund	5,160,700	1.00	6,635,700	1.29
12 HSBC Intl. Nominees Ltd. - JPMCB Scottish ORL SMLTR GTI	5,149,500	1.00	5,149,500	1.00
13 Lexinton Holdings (Pvt) Ltd.	4,947,500	0.96	4,740,600	0.92
14 Jacey Trust Services (Pvt) Ltd	4,613,750	0.90	4,613,750	0.90
15 Employees Trust Fund Board	4,438,386	0.86	3,639,711	0.71
16 Mr. I.A.H. Esufally	4,424,000	0.86	6,424,000	1.25
17 Anverally and sons (pvt) Ltd A/C no 01	4,207,881	0.82	3,828,661	0.74
18 HSBC Intl Nom Ltd-JPMCB- Pacific Assets Trust PLC	3,051,800	0.59	3,051,800	0.59
19 Cocoshell Activated Carbon Company Ltd.	2,914,890	0.57	2,660,175	0.52
20 J.B Cocoshell (Pvt)Ltd	2,708,162	0.53	-	-

DIRECTORS' SHAREHOLDING	31.12.2013 No. of Shares	31.12.2012 No. of Shares
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DIRECTORS' INDIRECT SHAREHOLDING

A Z Holdings (Pvt) Ltd.	90,762,875	90,762,875
Saraz Investments (Pvt) Ltd.	86,396,035	86,396,035
Blueberry Investments (Pvt) Ltd.	85,781,250	85,781,250
Amagroup (Pvt) Ltd.	85,780,665	85,780,665

DIRECTORS' DIRECT SHAREHOLDING

Mr. J. C. L. De Mel *	-	87,500
Mr. H.N. Esufally (Chairman/Chief Executive Officer)**	5,836,705	5,836,705
Mr. A.N. Esufally	2,283,585	2,283,585
Mr. I.A.H. Esufally	4,424,000	6,424,000
Mr. M. A. H. Esufally	5,946,500	5,946,500
Mr. M.E. Wickremesinghe	11,250	11,250
Mr. Pradipta K Mohapatra	-	-
Mr. R. Gopalakrishnan	-	-
Dr S. A. B. Ekanayake***	-	-
Mr. D. S. Weerakkody ***	-	-
Mr. S.M. Enderby (Deputy CEO) ****	-	-
Mr. W. M. De F. Arsakularatne ****	-	-
	367,222,865	369,310,365

* Retired w.e.f 6 November 2013

** Appointed Chairman w.e.f 6 November 2013

*** Appointed w.e.f 1 October 2013

**** Appointed w.e.f 6 November 2013

PUBLIC HOLDING	31.12.2013 No. of Shares	31.12.2012 No. of Shares
Issued Share Capital	515,290,620	515,290,620
Less:Directors' Direct and Indirect Shareholding	367,222,865	369,310,365
Public Holding	148,067,755	145,980,255
Public Holding as a % of Issued Share Capital	28.73%	28.33%

Corporate Information

Legal Form

Quoted Public Company with limited liability listed on the Colombo Stock Exchange on 15 October 2003

Date of Incorporation

10 December 1948

Date of Re-Registration

30 May 2007

New Registration Number

PQ 6

Accounting year end

31 March

Registered Office

Hemas House
No. 75, Braybrooke Place, Colombo 2.

Website

www.hemas.com

Auditors

Ernst & Young
Chartered Accountants
No. 201, De Saram Place, Colombo 10.

Directors

Lalith De Mel (Chairman - retired w.e.f. 6 November 2013)
Husein Esufally (Chairman/CEO- appointed w.e.f. 6 November 2013)
Steven Enderby (Deputy CEO- appointed w.e.f 6 November 2013)
Imtiaz Esufally
Murtaza Esufally
Abbas Esufally
Maithri Wickremesinghe
Pradipta Mohapatra
Ramabadrán Gopalakrishnan
Dr Anura Ekanayake (appointed w.e.f 1 October 2013)
Dinesh Weerakkody (appointed w.e.f 1 October 2013)
Malinga Arakularatne (appointed w.e.f 6 November 2013)

Secretaries & Registrars

Hemas Corporate Services (Pvt) Ltd.
No.75, Braybrooke Place, Colombo 02.
Telephone: 4 731731 (hunting)
Facsimile: 4 731777

Lawyers to the Company

D.L. & F De Saram
No. 47, Alexandra Place, Colombo 7

Bankers

Bank of Ceylon
Commercial Bank of Ceylon PLC
Citi Bank N.A
Deutsche Bank AG
Hong Kong & Shanghai Banking Corp. Ltd.
Hatton National Bank PLC
Standard Chartered Bank
Nations Trust Bank PLC
People's Bank
DFCC Bank PLC
National Development Bank PLC
Sampath Bank PLC