



HEMAS HOLDINGS PLC
Interim Report
2nd Quarter 2009 - 2010

CEO's Review

For the six months ended 30 September 2009 your company recorded consolidated revenues of Rs 7.3Bn, a 7.1% decline over the corresponding period last year. The drop in revenues was mainly on account of reduced revenues of Heladhanavi due to the pass-through effect of lower fuel prices. Net earnings for the period declined 15.3% to Rs 317Mn, whilst quarterly earnings rose 31.2% to Rs 136Mn. Profits were impacted by planned overhaul expenses at Heladhanavi as well as operational losses at Hemas Hospitals. The Group generated an operating cash flow of Rs 957Mn during the six months as against Rs 710Mn that was posted during the same period last year.

The FMCG sector performed well to record revenues of Rs. 2.7Bn during the period, a growth of 17.1% year-on-year, whilst profits increased by 24.4% to Rs. 308.9Mn. During the quarter the company re-launched *Kumarika* Shampoo and strengthened its position in the laundry category through the introduction of *Diva* Detergent Soap. *Diva* once again received accolades at the SLIM Brand Excellence Awards 2009 by winning the Gold award for the Product Brand of the year. In early October our flagship brand *Baby Cheramy* was re-launched and underwent a complete makeover in packaging together with the introduction of several new products. Response to the relaunch has been positive and the business hopes to further strengthen its leadership in the baby category.


The Healthcare sector recorded revenues of Rs. 2.4Bn for the six months, an increase of 32.6% over last year, whilst earnings increased 48.9% to Rs 61.7Mn. The high growth in the sector was mainly attributable to the impressive performance of Hemas Pharmaceuticals which maintained its market leadership position with a market share of 16.5% (Source: IMS). Both Wattala and Galle hospitals are increasingly well frequented by the community and are slowly but surely building up a reputation for quality medical care. Several new initiatives and services are being planned to improve capacity utilization.

The Transportation sector recorded revenues of Rs. 331Mn and net earnings of Rs. 90.7Mn for the period ending 30 September 2009, representing declines of 8.2% and 10.2% respectively over the corresponding period last year. The main reason for the decline is attributed to the overall drop in passenger volumes.

The Leisure sector recorded revenue of Rs. 341Mn and net loss of Rs. 36.6Mn during the six months ending 30 September 2009. The adverse publicity on Sri Lanka during the early part of the year together with the recession in the main generating markets have contributed to lower arrivals when compared to the same period last year. However, the future looks promising and the business hopes to recoup much of the present losses in the coming two quarters.

Hemas Power IPO that took place in September was oversubscribed by 3.7 times at the highest offer price of Rs 20/- . Subsequent to the IPO, the Hemas Group now owns 75% of the Power business while the balance was taken up by a wide group of individual and institutional investors. Hemas Power PLC was able to raise Rs. 626Mn, which is expected to be invested in new power projects in the months to come. The Power sector posted revenues of Rs. 1.4Bn, a decline of 50.6% year on year. This decline in revenue is mainly due to the drop in pass-through fuel prices by over 60% as opposed to last year. Planned overhauls during the period, amounting to Rs 229.8Mn, have dragged earnings to Rs. 4.0Mn, down from Rs 57.0Mn during the same period last year.

We believe that we operate in a set of industries that offer many prospects in the post-war scenario, and as this scenario unfolds, we are well-gearred to deliver maximum benefits to our stakeholders.



Husein Esufally
Chief Executive Officer
13th November 2009

INVESTOR INFORMATION

	6 Months Ended Sep '09	6 Months Ended Sep '08
MARKET VALUE OF SHARES		
Closing Price on 30th September (Rs)	130.00	78.00
Highest Price during the Period (Rs)	135.00	92.25
Lowest Price during the Period (Rs)	60.00	75.00
Market Capitalization on 30th September (Rs Mn)	13,255	7,902
RATIOS		
Net Asset Per Share on 30th September (Rs)	70.56	65.80
Price Earnings Ratio on 30th September (times)	20.88	10.54
SHARE TRADING		
No of transactions during the Period	1,683	734
No of shares traded during the Period	3,405,700	2,399,000
Value of shares traded during the Period (Rs Mn)	369	187
NUMBER OF SHARES	101,958,124	101,308,124

CONSOLIDATED INCOME STATEMENT

	Quarter Ended 30.09.2009 Rs '000	Quarter Ended 30.09.2008 Rs '000	Change %	Six Months Ended 30.09.2009 Rs '000	Six Months Ended 30.09.2008 Rs '000	Change %
Revenue	3,614,070	4,156,758	(13.1)	7,349,051	7,910,242	(7.1)
Cost of Sales	(2,431,963)	(3,097,223)	21.5	(4,969,817)	(5,800,281)	14.3
Gross Profit	1,182,107	1,059,535	11.6	2,379,234	2,109,961	12.8
Dividend Income	3	4	(25.0)	6	4	50.0
Change in Fair Value of Investment Properties	6,000	6,000	-	12,000	12,000	-
Other Income and Gains	34,266	41,544	(17.5)	47,863	72,620	(34.1)
Selling & Distribution Costs	(349,309)	(281,445)	(24.1)	(670,728)	(531,119)	(26.3)
Administrative Expenses	(632,409)	(588,294)	(7.5)	(1,243,751)	(1,061,143)	(17.2)
Finance Cost	(133,189)	(113,828)	(17.0)	(272,385)	(211,665)	(28.7)
Finance Income	40,897	37,714	8.4	89,330	68,362	30.7
Share of Associate Company Loss	-	-	-	-	(4,244)	100.0
Profit Before Tax	148,366	161,230	(8.0)	341,569	454,776	(24.9)
Income Tax Expenses	(33,270)	(52,051)	36.1	(72,441)	(82,344)	12.0
Profit for the Period	115,096	109,179	5.4	269,128	372,432	(27.7)
Attributable to:						
Equity Holders of the Parent	136,191	103,773	31.2	317,333	374,832	(15.3)
Minority Interests	(21,095)	5,406	(490.2)	(48,205)	(2,400)	(1,908.5)
	115,096	109,179	5.4	269,128	372,432	(27.7)
Earnings per Share (Rs)	1.34	1.02		3.11	3.70	
Earnings per Share (Rs) - Annualised	5.36	4.08		6.22	7.40	
Dividends per Share (Rs)	-	-		1.80	1.25	

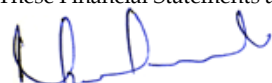
The above figures are provisional and subject to audit.

CONSOLIDATED BALANCE SHEET

	30.09.2009 Rs '000	30.09.2008 Rs '000	31.03.2009 Rs '000
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	7,066,941	6,846,237	7,180,680
Investment Property	1,190,710	1,190,710	1,178,710
Leasehold Property	63,378	66,443	64,911
Intangible Assets and Deferred Expenditure	211,819	182,696	191,214
Deferred Tax Assets	20,735	17,215	21,832
Other Long-Term Receivables	43,318	-	43,678
Other Investments	80,499	26,123	80,499
	8,677,400	8,329,424	8,761,524
Current Assets			
Inventories	1,435,132	1,350,730	1,308,795
Trade and Other Receivables	3,768,319	4,043,338	3,577,696
Investments	68	53	68
Taxation Recoverable	106,961	125,131	100,105
Short-Term Cash Investments	1,809,929	716,480	602,497
Cash and Cash Equivalents	1,072,698	452,793	485,127
	8,193,107	6,688,525	6,074,288
Total Assets	16,870,507	15,017,949	14,835,812
EQUITY AND LIABILITIES			
Equity Attributable to Equity Holders of Parent			
Stated Capital	1,369,223	1,329,012	1,369,223
Preference Share Capital	33,333	50,000	41,666
Reserves	670,611	800,513	764,635
Retained Earnings	5,120,767	4,486,622	4,852,766
Shareholders' Funds	7,193,934	6,666,147	7,028,290
Minority Interest	1,372,468	889,756	837,062
Total Shareholders' Funds and Minority Interest	8,566,402	7,555,903	7,865,352
Non-Current Liabilities			
Non-Interest Bearing Loans and Borrowings	8,790	12,931	13,782
Interest Bearing Loans & Borrowings	1,553,773	2,307,196	1,710,142
Deferred Tax Liabilities	130,635	134,824	136,308
Retirement Benefit Liability	148,099	164,301	140,757
Provisions	44,917	38,129	12,332
	1,886,214	2,657,381	2,013,321
Current Liabilities			
Trade and Other Payables	4,561,783	3,042,264	2,753,977
Dividends Payable	3,134	2,793	3,135
Income Tax liabilities	63,177	62,732	46,855
Non Interest Bearing Loans & Borrowings	1,207	1,207	1,207
Interest Bearing Loans & Borrowings	1,788,590	1,695,669	2,151,965
	6,417,891	4,804,665	4,957,139
Total Share Holders' Funds, Minority Interest and Liabilities	16,870,507	15,017,949	14,835,812
Net Asset per share (Rs)	70.56	65.80	68.93

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
Chief Executive Officer
13th November 2009



Lalith De Mel
Chairman

COMPANY INCOME STATEMENT

	Quarter Ended 30.09.2009 Rs '000	Quarter Ended 30.09.2008 Rs '000	Change %	Six Months Ended 30.09.2009 Rs '000	Six Months Ended 30.09.2008 Rs '000	Change %
Revenue	95,583	94,320	1.3	177,159	130,366	35.9
Cost of Sales	-	-	NA	-	-	NA
Gross Profit	95,583	94,320	1.3	177,159	130,366	35.9
Dividend Income	151,792	39,509	284.2	151,794	141,156	7.5
Change in Fair Value of Investment Properties	-	-	NA	-	-	NA
Other Income and Gains	272	604	(55.0)	680	618	10.0
Administrative Expenses	(63,667)	(48,797)	(30.5)	(104,923)	(98,556)	(6.5)
Finance Cost	(31,808)	(36,218)	12.2	(73,974)	(50,496)	(46.5)
Finance Income	8,173	7,811	4.6	16,353	14,908	9.7
Profit Before Taxation	160,345	57,229	180.2	167,089	137,996	21.1
Income Tax Expenses	(4,508)	(4,081)	(10.46)	(5,935)	(4,081)	(45.43)
Profit for the Period	155,837	53,148	193.2	161,154	133,915	20.3
Attributable to:						
Equity Holders of the Parent	155,837	53,148	193.2	161,154	133,915	20.3
Minority Interest	-	-	NA	-	-	NA
	155,837	53,148	193.2	161,154	133,915	20.3
Dividends per Share (Rs)	-	-		1.80	1.25	

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COMPANY BALANCE SHEET

	30.09.2009 Rs '000	30.09.2008 Rs '000	31.03.2009 Rs '000
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	61,260	59,655	66,830
Investment Property	271,710	271,710	271,710
Loans Due from Related Parties	15,695	40,000	163,123
Investments in Subsidiaries	6,648,235	4,794,901	4,842,486
Investments in Joint Ventures	38,519	8,475	38,519
Other Investments	130,248	16,405	105,248
	7,165,667	5,191,146	5,487,916
Current Assets			
Trade and Other Receivables	137,931	174,847	157,044
Loans Due from Related Parties	197,960	148,028	159,366
Investments	49	49	49
Taxation Recoverable	2,982	10,405	898
Amounts Due from Related Parties	203,618	223,843	232,783
Short-Term Cash Investments	1,607	13,410	12,521
Cash and Cash Equivalents	20,415	31,105	10,186
	564,562	601,687	572,847
Total Assets	7,730,229	5,792,833	6,060,763
EQUITY AND LIABILITIES			
Stated Capital	1,369,223	1,329,012	1,369,223
Reserves	368,074	372,664	368,074
Retained Earnings	2,691,390	2,684,146	2,695,408
Shareholders' Funds	4,428,687	4,385,822	4,432,705
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	1,135,321	823,709	1,171,320
Deferred Tax Liabilities	38,980	38,697	38,980
Retirement Benefit Liability	15,447	22,340	19,108
	1,189,748	884,746	1,229,408
Current Liabilities			
Trade and Other Payables	51,385	47,352	44,921
Dividends Payable	490	136	490
Income Tax liabilities	3,203	3,829	-
Amounts Due to Related Parties	1,673,517	19,011	61,474
Interest Bearing Loans & Borrowings	383,199	451,937	291,765
	2,111,794	522,265	398,650
Total Share Holders' Funds and Liabilities	7,730,229	5,792,833	6,060,763
Net Asset per share (Rs)	43.44	43.29	43.48

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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
Chief Executive Officer
13th November 2009



Lalith De Mel
Chairman

STATEMENT OF CHANGES IN EQUITY - CONSOLIDATED

	Attributable to Equity Shareholders of the Parent						Minority Interests	Total Equity
	Stated Capital	Preference Share Capital	Exchange Reserve	Revaluation & Other Capital Reserves	Retained Earnings	Total		
Six Months to 30th September 2009	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Balance as at 01st April 2009	1,369,223	41,666	(76,924)	841,558	4,852,767	7,028,290	837,062	7,865,352
Net Profit / (Loss) for the Period	-	-	-	-	317,333	317,333	(48,205)	269,128
Dividends- Ordinary Shares	-	-	-	-	(165,172)	(165,172)	(2,030)	(167,202)
- Preference Shares	-	-	-	-	(2,271)	(2,271)	-	(2,271)
Shares Issued to Minority Shareholders	-	-	-	-	-	-	585,523	585,523
Redemption of Preference Shares	-	(8,333)	-	-	-	(8,333)	-	(8,333)
Transferred to/from during the Period	-	-	-	-	-	-	-	-
- Overhaul Reserve	-	-	-	(115,760)	115,760	-	-	-
- Revaluation & Revenue Reserves	-	-	-	(2,350)	2,350	-	-	-
Net Gain/(Loss) Recognised Directly in Equity	-	-	-	-	-	-	-	-
- Deferred Income Tax	-	-	-	396	-	396	118	514
- Exchange Reserve	-	-	23,691	-	-	23,691	-	23,691
Balance as at 30th September 2009	1,369,223	33,333	(53,233)	723,844	5,120,767	7,193,934	1,372,468	8,566,402
Six Months to 30th September 2008								
Balance as at 01st April 2008	1,329,012	58,333	(42,174)	825,587	4,262,939	6,433,697	604,967	7,038,664
Net Profit / (Loss) for the Period	-	-	-	-	374,832	374,832	(2,400)	372,432
Dividends- Ordinary Shares	-	-	-	-	(115,341)	(115,341)	(325)	(115,666)
- Preference Shares	-	-	-	-	(3,210)	(3,210)	-	(3,210)
Adjustment in respect of changes in Group Holdings	-	-	-	-	(21,767)	(21,767)	287,514	265,747
Redemption of Preference Shares	-	(8,333)	-	-	-	(8,333)	-	(8,333)
Transferred to/from during the Period	-	-	-	-	-	-	-	-
- Overhaul Reserve	-	-	-	12,531	(12,531)	-	-	-
- Revaluation & Revenue Reserves	-	-	-	(1,502)	1,700	198	-	198
Net Gain/(Loss) Recognised Directly in Equity	-	-	-	-	-	-	-	-
- Exchange Reserve	-	-	6,071	-	-	6,071	-	6,071
Balance as at 30th September 2008	1,329,012	50,000	(36,103)	836,616	4,486,622	6,666,147	889,756	7,555,903

The above figures are provisional and subject to audit.

STATEMENT OF CHANGES IN EQUITY - COMPANY

	Stated Capital	Capital & Revenue Reserves	Retained Earnings	Total
Six Months to 30th September 2009	Rs '000	Rs '000	Rs '000	Rs '000
Balance as at 01st April 2009	1,369,223	368,074	2,695,408	4,432,705
Profit for the Period	-	-	161,154	161,154
Dividends	-	-	(165,172)	(165,172)
Balance as at 30th September 2009	1,369,223	368,074	2,691,390	4,428,687
Six Months to 30th September 2008				
Balance as at 01st April 2008	1,329,012	372,664	2,665,572	4,367,248
Profit for the Period	-	-	133,915	133,915
Dividends	-	-	(115,341)	(115,341)
Balance as at 30th September 2008	1,329,012	372,664	2,684,146	4,385,822

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CASH FLOW STATEMENT - CONSOLIDATED**For the six months ended September**

	2009	2008
	Rs '000	Rs '000
Operating Activities		
Profit Before Taxation	341,569	454,776
Non-Cash Adjustments		
Depreciation	282,192	248,940
Profit on Disposal of Property, Plant & Equipment	(8,591)	(13,651)
Retirement Benefit Plan	22,515	42,426
Amortisation of Intangibles	1,533	1,533
Amortisation of Other Long-Term Receivables	360	-
Finance Cost	272,385	211,665
Investment Income	(6)	(4)
Change in Fair Value of Investment Properties	(12,000)	(12,000)
Changes in Working Capital		
(Increase)/Decrease in Trade & Other Receivables	(190,623)	(399,887)
(Increase)/Decrease in Inventories	(126,338)	(87,615)
(Increase)/Decrease in Amounts due from Related Companies	-	33,286
Increase/(Decrease) in Trade & Other Payables	695,687	523,255
Increase/(Decrease) in Provisions	32,584	16,629
Finance Cost Paid	(272,385)	(211,665)
Income Tax Paid	(67,034)	(74,129)
Gratuity Paid	(15,173)	(23,661)
Net Cash from/ (used in) Operating Activities	956,675	709,898
Investing Activities		
Purchase of Property, Plant & Equipment	(176,553)	(1,882,813)
Acquisition of Other Investments	-	(20)
Investment in Intangible Assets	(20,604)	(9,074)
Redemption of Preference Shares	(8,333)	(8,333)
Acquisition and Disposals of Subsidiaries/ Associates	-	386,869
Proceeds from Disposal of Property, Plant & Equipment	16,691	30,354
Investment Income	6	4
Net Cash from/ (used in) Investing Activities	(188,793)	(1,483,013)
Financing Activities		
Interest Bearing Loans and Borrowings (Net)	(355,734)	837,650
Proceeds from Issue of Shares to Minority	585,523	85,196
Excess Money Received on Share Application	1,112,119	-
Dividends Paid - Ordinary Shares	(167,203)	(115,680)
- Preference Shares	(2,271)	(3,210)
Net Cash from/ (used in) Financing Activities	1,172,434	803,956
Net Increase/(Decrease) in Cash & Cash Equivalents	1,940,316	30,841
Cash & Cash Equivalents at the Beginning of the Year	(54,496)	(134,869)
Cash & Cash Equivalents at the End of the Period	1,885,820	(104,028)

The above figures are provisional and subject to audit.

CASH FLOW STATEMENT - COMPANY**For the six months ended September**

	2009 Rs '000	2008 Rs '000
Operating Activities		
Profit Before Taxation	167,089	137,996
Non-Cash Adjustments		
Depreciation	8,780	10,158
Profit on Disposal of Property, Plant & Equipment	109	7
Retirement Benefit Plan	2,500	9,133
Finance Cost	73,974	50,496
Investment Income	(151,795)	-
Changes in Working Capital		
(Increase)/Decrease in Trade & Other Receivables	19,113	(8,520)
(Increase)/Decrease in Amounts due from Related Companies	(9,429)	1,612
Increase/(Decrease) in Amounts due to Related Companies	1,612,043	477,577
Increase/(Decrease) in Trade & Other Payables	6,464	(22,918)
Finance Cost Paid	(73,974)	(50,496)
Income Tax Paid	(4,816)	(2,476)
Gratuity Paid	(6,161)	(70)
Net Cash from / (used in) Operating Activities	1,643,897	602,499
Investing Activities		
Purchase of Property, Plant & Equipment	(3,373)	(23,384)
Acquisitions and Disposals of Subsidiaries	(1,805,749)	(441,138)
Other Investments	(25,000)	-
Proceeds from Disposal of Property, Plant & Equipment	55	34
Investment Income	151,795	-
Net Cash from / (used in) Investing Activities	(1,682,272)	(464,488)
Financing Activities		
Interest Bearing Loans and Borrowings (Net)	199,728	-
Dividends Paid	(165,172)	(115,344)
Net Cash from / (used in) Financing Activities	34,556	(115,344)
Net Increase/ (Decrease) in Cash & Cash Equivalents	(3,819)	22,667
Cash & Cash Equivalents at the Beginning of the Year	21,810	16,826
Cash & Cash Equivalents at the End of the Period	17,991	39,493

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SEGMENTAL INFORMATION

Information based on the primary segments (Business Segments)

For the quarter ended 30th September

	FMCG		Healthcare		Leisure		Transportation		Power		Others		Group	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Revenue														
Segmental Revenue - Gross	1,317,620	1,224,535	1,211,858	938,962	211,820	265,928	170,969	184,564	620,030	1,430,846	211,926	230,589	3,744,223	4,275,424
Intra Segmental Revenue	-	-	(9,570)	(2,084)	-	-	-	-	-	-	(3,700)	(1,636)	(13,270)	(3,720)
	1,317,620	1,224,535	1,202,288	936,878	211,820	265,928	170,969	184,564	620,030	1,430,846	208,226	228,953	3,730,953	4,271,704
Inter Segmental Revenue	-	-	-	-	-	-	-	-	-	-	(116,883)	(114,946)	(116,883)	(114,946)
Total Revenue	1,317,620	1,224,535	1,202,288	936,878	211,820	265,928	170,969	184,564	620,030	1,430,846	91,343	114,007	3,614,070	4,156,758
Results														
Segmental Results	150,634	166,736	77,823	62,633	(6,752)	1,846	52,620	67,118	47,061	27,339	(45,831)	(56,614)	275,555	269,058
Finance Cost	(17,718)	(26,776)	(51,447)	(13,132)	(6,438)	(7,971)	(5,525)	(1,592)	(50,606)	(53,783)	(1,455)	(10,574)	(133,189)	(113,828)
Change in Fair Value of Investment Properties	-	-	-	-	-	-	-	-	-	-	6,000	6,000	6,000	6,000
Share of Associate Company Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) before Tax	132,916	139,960	26,376	49,501	(13,190)	(6,125)	47,095	65,526	(3,545)	(26,444)	(41,286)	(61,188)	148,366	161,230
Income Tax	1,256	-	(13,481)	(24,199)	(650)	(4,086)	(7,366)	(15,676)	-	-	(13,029)	(8,090)	(33,270)	(52,051)
Profit/(Loss) for the Period	134,172	139,960	12,895	25,302	(13,840)	(10,211)	39,729	49,850	(3,545)	(26,444)	(54,315)	(69,278)	115,096	109,179
Attributable to:														
Equity Holders of the Parent	134,172	139,960	35,654	16,199	(15,454)	(6,409)	39,729	49,850	(3,545)	(26,444)	(54,365)	(69,383)	136,191	103,773
Minority Interests	-	-	(22,759)	9,103	1,614	(3,802)	-	-	-	-	50	105	(21,095)	5,406
	134,172	139,960	12,895	25,302	(13,840)	(10,211)	39,729	49,850	(3,545)	(26,444)	(54,315)	(69,278)	115,096	109,179

SEGMENTAL INFORMATION

Information based on the primary segments (Business Segments)

For the six months ended 30th September	FMCG		Healthcare		Leisure		Transportation		Power		Others		Group	
	2009 Rs '000	2008 Rs '000	2009 Rs '000	2008 Rs '000	2009 Rs '000	2008 Rs '000	2009 Rs '000	2008 Rs '000	2009 Rs '000	2008 Rs '000	2009 Rs '000	2008 Rs '000	2009 Rs '000	2008 Rs '000
Revenue														
Segmental Revenue - Gross	2,685,630	2,293,972	2,432,833	1,823,884	341,177	469,466	331,588	361,277	1,360,350	2,751,904	446,037	394,287	7,597,615	8,094,790
Intra Segmental Revenue	-	-	(18,631)	(2,654)	-	-	-	-	-	-	(7,278)	(5,456)	(25,909)	(8,110)
	2,685,630	2,293,972	2,414,202	1,821,230	341,177	469,466	331,588	361,277	1,360,350	2,751,904	438,759	388,831	7,571,706	8,086,680
Inter Segmental Revenue	-	-	-	-	-	-	-	-	-	-	(222,655)	(176,438)	(222,655)	(176,438)
Total Revenue	2,685,630	2,293,972	2,414,202	1,821,230	341,177	469,466	331,588	361,277	1,360,350	2,751,904	216,104	212,393	7,349,051	7,910,242
Results														
Segmental Results	347,949	282,868	152,317	122,260	(28,881)	2,864	114,001	131,591	119,733	181,899	(103,165)	(62,797)	601,954	658,685
Finance Cost	(40,278)	(34,586)	(94,309)	(27,678)	(12,377)	(16,655)	(7,198)	(2,461)	(115,781)	(124,914)	(2,442)	(5,371)	(272,385)	(211,665)
Change in Fair Value of Investment Properties	-	-	-	-	-	-	-	-	-	-	12,000	12,000	12,000	12,000
Share of Associate Company Loss	-	-	-	(4,244)	-	-	-	-	-	-	-	-	-	(4,244)
Profit/ (Loss) before Tax	307,671	248,281	58,008	90,339	(41,258)	(13,791)	106,803	129,130	3,952	56,985	(93,607)	(56,168)	341,569	454,776
Income Tax	1,256	-	(38,526)	(39,588)	(1,480)	(1,501)	(16,133)	(28,114)	-	-	(17,558)	(13,141)	(72,441)	(82,344)
Profit/(Loss) for the Period	308,927	248,281	19,482	50,751	(42,738)	(15,292)	90,670	101,016	3,952	56,985	(111,165)	(69,309)	269,128	372,432
Attributable to:														
Equity Holders of the Parent	308,927	248,281	61,740	41,648	(36,597)	(3,276)	90,670	101,016	3,952	56,985	(111,359)	(69,822)	317,333	374,832
Minority Interests	-	-	(42,258)	9,103	(6,141)	(12,016)	-	-	-	-	194	513	(48,205)	(2,400)
	308,927	248,281	19,482	50,751	(42,738)	(15,292)	90,670	101,016	3,952	56,985	(111,165)	(69,309)	269,128	372,432

NOTES TO THE FINANCIAL STATEMENTS

- 1 The Interim Financial Statements have been prepared in accordance with the accounting policies set out in the audited accounts for the year ended 31st March 2009, and also in compliance with Sri Lanka Accounting Standard 35 - Interim Financial Reporting. Further, provisions of the new Companies Act No. 7 of 2007 have been considered in preparing the interim financial statements.
- 2 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.
- 3 The Company paid a final dividend of Rs. 1.80 per share on 7th July 2009, for the financial year ending 31st March 2009.
- 4 In July 2009, the Company became the sole shareholder of Hemas Power PLC by purchasing shares held by other companies in the Group for a consideration of Rs. 1,556 Mn. Liability arising from share purchase is shown with the Amounts due to Related Parties under Current Liabilities, which has resulted in a negative net current asset position temporarily.
- 5 Hemas Power PLC was listed on Main Board of Colombo Stock Exchange on 8th October 2009, with the Company retaining a shareholding of 75%.
- 6 In September 2009 the Company invested Rs. 250 Mn in Hemas Hospitals (Pvt) Ltd, through a rights issue.
- 7 There has been no significant changes in the nature of the contingent liabilities which were disclosed in the Audited Accounts for the year ended 31st March 2009.
- 8 There have been no other events subsequent to the balance sheet date, which require disclosure in the interim financial statements.
- 9 Consolidated earnings are likely to fluctuate from quarter to quarter due to planned overhaul costs that may arise from time to time in the Thermal Power business.

SHARE INFORMATION

LIST OF 20 MAJOR SHAREHOLDERS

	30.09.2009		31.03.2009	
	No. of Shares	%	No. of Shares	%
1 A Z Holdings (Pvt) Ltd.	18,152,575	17.8	18,152,575	17.8
2 Saraz Investments (Pvt) Ltd.	17,279,207	16.9	17,279,207	16.9
3 Bluberry Investments (Pvt) Ltd.	17,156,250	16.8	17,156,250	16.8
4 Amagroup (Pvt) Limited	17,156,133	16.8	17,156,133	16.8
5 HSBC INTL NOM Ltd. - Arisaig India Fund Ltd.	8,042,050	7.9	8,042,050	7.9
6 Employees Provident Fund	4,395,075	4.3	4,061,175	4.0
7 Sri Lanka Insurance Corporation Ltd. - Life Fund	3,008,800	3.0	3,008,800	3.0
8 Mr. I.A.H. Esufally	1,226,500	1.2	1,226,500	1.2
9 Mr. H.N. Esufally	1,209,041	1.2	1,209,041	1.2
10 National Savings Bank	1,200,000	1.2	1,200,000	1.2
11 HSBC Intl. Nominees Ltd. - HSBC Bank PLC - CMG First State Global Umbrella Fund PLC	1,165,100	1.1	1,005,000	1.0
12 Mr. M.A.H. Esufally	1,131,000	1.1	1,131,000	1.1
13 Jacey Trust Services (Pvt) Ltd.	922,750	0.9	922,750	0.9
14 CB London S/ A The RBS PLC As DEP for First State Asia Pacific Substanability Fund S/F FSI ICVC	909,110	0.9	-	-
15 CB London S/ A The RBS As DEP of FS India Sub/Cont FD As S/F of First State Invest ICVC	728,270	0.7	327,000	0.3
16 Akbar Brothers Ltd.	651,100	0.6	1,340,900	1.3
17 Jacey Trust Services (Pvt) Ltd. - Account No. 2	650,000	0.6	650,000	0.6
18 Anverally and Sons (Pvt) Ltd	496,000	0.5	262,900	0.3
19 Cocoshell Activated Carbon Company Ltd.	407,175	0.4	433,775	0.4
20 Mr. A.N. Esufally	398,417	0.4	398,417	0.4
	96,284,553	94.4	94,963,473	93.1
Shares held by the balance shareholders	5,673,571	5.6	6,994,651	6.9
Total Issued Shares	101,958,124	100.0	101,958,124	100.0

DIRECTORS INDIRECT SHAREHOLDING

A Z Holdings (Pvt) Ltd.	18,152,575	18,152,575
Saraz Investments (Pvt) Ltd.	17,279,207	17,279,207
Blueberry Investments (Pvt) Ltd.	17,156,250	17,156,250
Amagroup (Pvt) Ltd.	17,156,133	17,156,133

DIRECTORS SHAREHOLDING

Mr. A.N. Esufally	398,417	398,417
Mr. H.N. Esufally	1,209,041	1,209,041
Mr. I.A.H. Esufally	1,226,500	1,226,500
Mr. M.A.H. Esufally	1,131,000	1,131,000
Mr. L. De Mel	17,500	17,500
Mr. D. Bhatnagar	30	30
Mr. M.E. Wickremesinghe	2,250	2,250
	73,728,903	73,728,903

PUBLIC HOLDING

Issued Share Capital	101,958,124	101,958,124
Less:Directors Direct and Indirect Shareholding	73,728,903	73,728,903
Public Holding	28,229,221	28,229,221
Public Holding as a % of Issued Share Capital	27.69%	27.69%

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 Building
No. 36, Bristol Street, Colombo 1.

Website

www.hemas.com

Auditors

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

Directors

Lalith De Mel (Chairman)
Husein Esufally (CEO)
Imtiaz Esufally
Murtaza Esufally
Abbas Esufally
Maithri Wickremesinghe
Pradipta Mohapatra
Divyaroop Bhatnagar

Secretaries & Registrars

Hemas Corporate Services (Pvt) Ltd.
No. 36, Bristol Street, Colombo 1
Telephone: 4 731731 (hunting)
Facsimile: 4 731777

Lawyers to the Company

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

Bankers

Commercial Bank of Ceylon PLC
Deutsche Bank AG
Hong Kong & Shanghai Banking Corp. Ltd.
Hatton National Bank PLC
Standard Chartered Bank