



HEMAS HOLDINGS PLC
Interim Report
3rd Quarter 2009 - 2010

CEO's Review

For the nine months ended 31 December 2009, your company has posted consolidated revenues of Rs 11.3Bn, a decrease of 4.5% compared to the corresponding period in 2008. The main reason for the decrease is the pass-through effect of lower oil prices in the Thermal Power business. Profits for the quarter under review registered Rs 247Mn which represents a growth of 24.5%; although Profits for the nine months dipped marginally by 1.5% to close at Rs 565Mn.

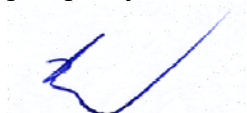
For the nine months under review, FMCG revenues grew 14.2% to Rs 4.0Bn and profits grew by 29.6% to close at Rs 474Mn. Industry growth remained flat over 2009 with rural demand helping to offset lower demand in the urban sector. The response to the restaging of *Baby Cheramy* gathered momentum whilst the relaunch of *Velvet* toilet soap looks promising.

The Healthcare Sector, represented by Pharmaceuticals distribution and Hospitals, posted a turnover for the nine months of Rs 3.7Bn, a growth of 34.6% and profits of Rs 89Mn, a 21.8% rise. Our Pharmaceuticals business extended its market leadership and now holds 16.5% (Source: IMS) of the private market. Progress at both Wattala and Galle hospitals has been quite satisfactory with customer franchise on an increasing trend. With the improving macroeconomic outlook we will be looking to expand our healthcare model to new sites in the country .

Whilst the Leisure Sector recorded a profit for the quarter ended December 2009, the cumulative profit is yet to turn into positive territory. However, all our hotels are currently experiencing high occupancy rates with increased room rates, and this trend will promise healthy levels of profitability going forward. Transportation Sector profits declined 19.8% for the nine months under review, mainly due to an overall contraction in the market size. However, we anticipate the industry to turnaround next year and hence a growth in earnings.

The Power Sector has recorded a 22.2% drop in profits over the nine months, largely due to the planned overhaul costs in Heladhanavi, our Thermal Power plant. However, the quarter ending December 2009 has been a good one for the business with profits from Renewable Energy kicking in, leading to a 26.3% growth in profits. In December we concluded the acquisition of Senok Mark Hydro (Pvt) Ltd, a 2.6MW hydro power plant in Lindula, for a consideration of Rs 196Mn.

With the upsurge in tourist arrivals, the steady buildup of hospital volumes and the ongoing momentum of FMCG and Pharma sales, we expect to end the year on a positive note. No doubt we are looking at the year ahead as one where the country will begin its journey on the road to economic prosperity, and we plan to gear up our resources in order to play our part in this story.



Husein Esufally

Director & Chief Executive Officer

3rd February 2010

INVESTOR INFORMATION

	9 Months Ended Dec '09	9 Months Ended Dec '08
MARKET VALUE OF SHARES		
Closing Price on 31st December (Rs)	122.75	55.25
Highest Price during the Period (Rs)	135.00	92.25
Lowest Price during the Period (Rs)	60.00	55.00
Market Capitalization on 31st December (Rs Mn)	12,515	5,572
RATIOS		
Net Asset Per Share on 31st December (Rs)	73.03	67.19
Price Earnings Ratio on 31st December (times)	16.62	7.32
SHARE TRADING		
No of transactions during the Period	2,196	969
No of shares traded during the Period	6,252,000	2,881,800
Value of shares traded during the Period (Rs Mn)	728	218
NUMBER OF SHARES	101,958,124	101,308,124

CONSOLIDATED INCOME STATEMENT

	Quarter Ended 31.12.2009 Rs '000	Quarter Ended 31.12.2008 Rs '000	Change %	Nine Months Ended 31.12.2009 Rs '000	Nine Months Ended 31.12.2008 Rs '000	Change %
Revenue	3,955,693	3,931,757	0.6	11,304,744	11,841,999	(4.5)
Cost of Sales	(2,605,807)	(2,802,218)	7.0	(7,575,624)	(8,602,499)	11.9
Gross Profit	1,349,886	1,129,539	19.5	3,729,120	3,239,500	15.1
Dividend Income	87	-	NA	93	-	NA
Change in Fair Value of Investment Properties	6,000	6,000	-	18,000	18,000	-
Other Income and Gains	(25,101)	11,988	(309.4)	22,762	84,552	(73.1)
Selling & Distribution Costs	(319,046)	(241,188)	(32.3)	(989,774)	(772,307)	(28.2)
Administrative Expenses	(636,660)	(619,850)	(2.7)	(1,880,411)	(1,680,994)	(11.9)
Finance Cost	(98,306)	(113,819)	13.6	(370,691)	(325,484)	(13.9)
Finance Income	42,872	34,340	24.8	132,202	102,762	28.6
Share of Associate Company Loss	-	-	-	-	(4,244)	100.0
Profit Before Tax	319,732	207,010	54.5	661,301	661,785	(0.1)
Income Tax Expenses	(39,879)	(41,482)	3.9	(112,320)	(123,826)	9.3
Profit for the Period	279,853	165,528	69.1	548,981	537,959	2.0
Attributable to:						
Equity Holders of the Parent	247,390	198,760	24.5	564,723	573,591	(1.5)
Minority Interests	32,463	(33,232)	197.7	(15,742)	(35,632)	55.8
	279,853	165,528	69.1	548,981	537,959	2.0
Earnings per Share (Rs)	2.43	1.96		5.54	5.66	
Earnings per Share (Rs) - Annualised	9.71	7.85		7.39	7.55	
Dividends per Share (Rs)	-	-		1.80	1.25	

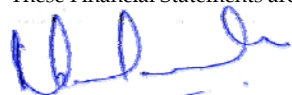
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CONSOLIDATED BALANCE SHEET

	31.12.2009 Rs '000	31.12.2008 Rs '000	31.03.2009 Rs '000
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	7,190,981	6,954,851	7,180,680
Investment Property	1,196,710	1,196,710	1,178,710
Leasehold Property	62,611	65,677	64,911
Intangible Assets and Deferred Expenditure	339,762	182,696	191,214
Deferred Tax Assets	19,913	27,654	21,832
Other Long-Term Receivables	43,318	-	43,678
Other Investments	64,499	79,966	80,499
	8,917,794	8,507,554	8,761,524
Current Assets			
Inventories	1,414,109	1,424,935	1,308,795
Trade and Other Receivables	3,790,345	4,045,198	3,577,696
Investments	68	53	68
Taxation Recoverable	116,444	126,308	100,105
Short-Term Cash Investments	1,236,431	603,498	602,497
Cash and Cash Equivalents	502,074	367,324	485,127
	7,059,471	6,567,316	6,074,288
Total Assets	15,977,265	15,074,870	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	27,978	41,667	41,666
Reserves	712,770	823,175	764,635
Retained Earnings	5,336,132	4,612,529	4,852,766
Shareholders' Funds	7,446,103	6,806,383	7,028,290
Minority Interest	1,426,930	868,905	837,062
Total Shareholders' Funds and Minority Interest	8,873,033	7,675,288	7,865,352
Non-Current Liabilities			
Non-Interest Bearing Loans and Borrowings	8,790	13,817	13,782
Interest Bearing Loans & Borrowings	1,930,092	2,174,390	1,710,142
Deferred Tax Liabilities	135,282	149,579	136,308
Retirement Benefit Liability	156,685	171,088	140,757
Provisions	18,416	29,343	12,332
	2,249,265	2,538,217	2,013,321
Current Liabilities			
Trade and Other Payables	3,102,156	2,917,368	2,753,977
Dividends Payable	3,131	3,138	3,135
Income Tax liabilities	57,810	74,581	46,855
Non Interest Bearing Loans & Borrowings	1,207	1,207	1,207
Interest Bearing Loans & Borrowings	1,690,663	1,865,071	2,151,965
	4,854,967	4,861,365	4,957,139
Total Share Holders' Funds, Minority Interest and Liabilities	15,977,265	15,074,870	14,835,812
Net Asset per share (Rs)	73.03	67.19	68.93

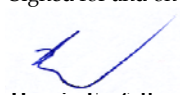
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These Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



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
3rd February 2010



Imtiaz Esufally
Director

COMPANY INCOME STATEMENT

	Quarter Ended 31.12.2009 Rs '000	Quarter Ended 31.12.2008 Rs '000	Change %	Nine Months Ended 31.12.2009 Rs '000	Nine Months Ended 31.12.2008 Rs '000	Change %
Revenue	87,993	88,894	(1.0)	265,152	219,260	20.9
Cost of Sales	-	-	NA	-	-	NA
Gross Profit	87,993	88,894	(1.0)	265,152	219,260	20.9
Dividend Income	82	-	NA	151,876	141,156	7.6
Change in Fair Value of Investment Properties	-	-	NA	-	-	NA
Other Income and Gains	(1,132)	717	(257.9)	(452)	851	(153.1)
Administrative Expenses	(48,567)	(58,600)	17.1	(153,490)	(157,156)	2.3
Finance Cost	(27,274)	(42,959)	36.5	(101,248)	(93,455)	(8.3)
Finance Income	6,642	8,081	(17.8)	22,995	23,473	(2.0)
Profit Before Taxation	17,744	(3,867)	558.9	184,833	134,129	37.8
Income Tax Expenses	(10,130)	(2,323)	(336.07)	(16,065)	(6,405)	(150.82)
Profit for the Period	7,614	(6,190)	223.0	168,768	127,724	32.1
Attributable to:						
Equity Holders of the Parent	7,614	(6,190)	223.0	168,768	127,724	32.1
Minority Interest	-	-	NA	-	-	NA
	7,614	(6,190)	223.0	168,768	127,724	32.1
Dividends per Share (Rs)	-	-		1.80	1.25	

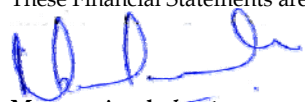
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COMPANY BALANCE SHEET

	31.12.2009 Rs '000	31.12.2008 Rs '000	31.03.2009 Rs '000
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	65,022	70,076	66,830
Investment Property	271,710	271,710	271,710
Loans Due from Related Parties	15,000	35,000	163,123
Investments in Subsidiaries	6,648,235	4,860,801	4,842,486
Investments in Joint Ventures	38,519	8,475	38,519
Other Investments	114,248	70,248	105,248
	7,152,734	5,316,310	5,487,916
Current Assets			
Trade and Other Receivables	180,496	150,091	157,044
Loans Due from Related Parties	307,634	193,660	159,366
Investments	49	49	49
Taxation Recoverable	3,944	11,057	898
Amounts Due from Related Parties	205,310	229,590	232,783
Short-Term Cash Investments	1,078	1,465	12,521
Cash and Cash Equivalents	3,411	14,582	10,186
	701,922	600,494	572,847
Total Assets	7,854,656	5,916,804	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	2,699,004	2,677,955	2,695,408
Shareholders' Funds	4,436,301	4,379,631	4,432,705
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	1,135,320	1,094,230	1,171,320
Deferred Tax Liabilities	43,668	38,697	38,980
Retirement Benefit Liability	16,151	23,472	19,108
	1,195,139	1,156,399	1,229,408
Current Liabilities			
Trade and Other Payables	45,970	35,722	44,921
Dividends Payable	490	490	490
Income Tax liabilities	7,006	4,359	-
Amounts Due to Related Parties	1,662,018	21,902	61,474
Interest Bearing Loans & Borrowings	507,732	318,301	291,765
	2,223,216	380,774	398,650
Total Share Holders' Funds and Liabilities	7,854,656	5,916,804	6,060,763
Net Asset per share (Rs)	43.51	43.23	43.48

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Malinga Arsakuaratne
Chief Financial Officer

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Signed for and on behalf of the Board by,



Husein Esufally
Chief Executive Officer
3rd February 2010



Imtiaz Esufally
Director

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		
Nine Months to 31st December 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	-	-	-	-	564,723	564,723	(15,742)	548,981
Dividends- Ordinary Shares	-	-	-	-	(165,172)	(165,172)	(2,030)	(167,202)
- Preference Shares	-	-	-	-	(2,702)	(2,702)	(901)	(3,603)
Shares Issued to Minority Shareholders	-	-	-	-	-	-	643,892	643,892
Adjustment in respect of changes in Group Holdings	-	2,978	-	-	-	2,978	(35,527)	(32,549)
Redemption of Preference Shares	-	(16,666)	-	-	-	(16,666)	-	(16,666)
Transferred to/ (from) during the Period								
- Overhaul Reserve	-	-	-	(85,085)	85,085	-	-	-
- Revaluation & Revenue Reserves	-	-	-	(1,431)	1,431	-	-	-
Net Gain/(Loss) Recognised Directly in Equity								-
- Deferred Income Tax	-	-	-	597	-	597	176	773
- Exchange Reserve	-	-	34,055	-	-	34,055	-	34,055
Balance as at 31st December 2009	1,369,223	27,978	(42,869)	755,639	5,336,132	7,446,103	1,426,930	8,873,033
Nine Months to 31st December 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	-	-	-	-	573,591	573,591	(35,632)	537,959
Dividends- Ordinary Shares	-	-	-	-	(125,340)	(125,340)	-	(125,340)
- Preference Shares	-	-	-	-	(4,735)	(4,735)	-	(4,735)
Adjustment in respect of changes in Group Holdings	-	-	-	-	(24,166)	(24,166)	299,570	275,404
Redemption of Preference Shares	-	(16,666)	-	-	-	(16,666)	-	(16,666)
Transferred to/ (from) during the Period								
- Overhaul Reserve	-	-	-	72,787	(72,787)	-	-	-
- Revaluation & Revenue Reserves	-	-	-	(2,629)	3,027	398	-	398
Net Gain/(Loss) Recognised Directly in Equity								
- Exchange Reserve	-	-	(30,396)	-	-	(30,396)	-	(30,396)
Balance as at 31st December 2008	1,329,012	41,667	(72,570)	895,745	4,612,529	6,806,383	868,905	7,675,288

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STATEMENT OF CHANGES IN EQUITY - COMPANY

	Stated Capital	Capital & Revenue Reserves	Retained Earnings	Total
Nine Months to 31st December 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	-	-	168,768	168,768
Dividends	-	-	(165,172)	(165,172)
Balance as at 31st December 2009	1,369,223	368,074	2,699,004	4,436,301
Nine Months to 31st December 2008				
Balance as at 01st April 2008	1,329,012	372,664	2,665,572	4,367,248
Profit for the Period	-	-	127,724	127,724
Dividends	-	-	(115,341)	(115,341)
Balance as at 31st December 2008	1,329,012	372,664	2,677,955	4,379,631

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CASH FLOW STATEMENT - CONSOLIDATED

For the nine months ended December

	2009 Rs '000	2008 Rs '000
Operating Activities		
Profit Before Taxation	661,301	661,785
Non-Cash Adjustments		
Depreciation	515,154	373,526
Profit on Disposal of Property, Plant & Equipment	(9,112)	(9,350)
Retirement Benefit Plan	36,016	51,363
Amortisation of Intangibles	4,772	2,299
Amortisation of Other Long-Term Receivables	360	-
Finance Cost	370,691	325,484
Investment Income	(93)	-
Change in Fair Value of Investment Properties	(18,000)	(18,000)
Changes in Working Capital		
(Increase)/Decrease in Trade & Other Receivables	(212,649)	(401,747)
(Increase)/Decrease in Inventories	(105,314)	(161,820)
(Increase)/Decrease in Amounts due from Related Companies	-	33,287
Increase/(Decrease) in Trade & Other Payables	348,179	398,358
Increase/(Decrease) in Provisions	6,083	7,842
Finance Cost Paid	(370,691)	(325,484)
Income Tax Paid	(116,037)	(100,622)
Gratuity Paid	(20,088)	(25,810)
Net Cash from / (used in) Operating Activities	1,090,572	811,111
Investing Activities		
Purchase of Property, Plant & Equipment	(569,487)	(2,132,793)
(Acquisition)/ Disposal of Other Investments	16,000	(53,863)
Investment in Intangible Assets	-	(9,074)
Redemption of Preference Shares	(16,667)	(16,667)
Acquisition and Disposals of Subsidiaries/ Associates	(191,582)	396,401
Proceeds from Disposal of Property, Plant & Equipment	53,145	42,832
Investment Income	93	-
Net Cash from / (used in) Investing Activities	(708,498)	(1,773,164)
Financing Activities		
Interest Bearing Loans and Borrowings (Net)	(154,118)	960,730
Proceeds from Issue of Shares to Minority	651,903	85,196
Dividends Paid - Ordinary Shares	(167,203)	(124,684)
- Preference Shares	(3,603)	(4,735)
Net Cash from / (used in) Financing Activities	326,979	916,507
Net Increase / (Decrease) in Cash & Cash Equivalents	709,053	(45,546)
Cash & Cash Equivalents at the Beginning of the Year	(54,496)	(134,869)
Cash & Cash Equivalents at the End of the Period	654,557	(180,415)

The above figures are provisional and subject to audit.

CASH FLOW STATEMENT - COMPANY

For the Nine months ended December

	2009 Rs '000	2008 Rs '000
Operating Activities		
Profit Before Taxation	184,833	134,129
Non-Cash Adjustments		
Depreciation	13,343	16,049
Profit on Disposal of Property, Plant & Equipment	109	7
Retirement Benefit Plan	3,750	10,332
Finance Cost	101,248	93,455
Investment Income	(151,876)	(141,156)
Changes in Working Capital		
(Increase)/Decrease in Trade & Other Receivables	(23,451)	16,237
(Increase)/Decrease in Amounts due from Related Companies	(120,795)	(44,767)
Increase/(Decrease) in Amounts due to Related Companies	1,600,544	604,825
Increase/(Decrease) in Trade & Other Payables	1,048	(34,548)
Finance Cost Paid	(101,248)	(93,455)
Income Tax Paid	(7,417)	(4,923)
Gratuity Paid	(6,707)	(137)
Net Cash from / (used in) Operating Activities	1,493,381	556,049
Investing Activities		
Purchase of Property, Plant & Equipment	(11,699)	(39,696)
Acquisitions and Disposals of Subsidiaries	(1,805,749)	(507,038)
Other Investments	(9,000)	(53,843)
Proceeds from Disposal of Property, Plant & Equipment	55	34
Investment Income	151,876	141,156
Net Cash from / (used in) Investing Activities	(1,674,517)	(459,387)
Financing Activities		
Interest Bearing Loans and Borrowings (Net)	322,923	-
Dividends Paid	(165,172)	(114,990)
Net Cash from / (used in) Financing Activities	157,751	(114,990)
Net Increase/ (Decrease) in Cash & Cash Equivalents	(23,385)	(18,328)
Cash & Cash Equivalents at the Beginning of the Year	21,810	16,826
Cash & Cash Equivalents at the End of the Period	(1,575)	(1,502)

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SEGMENTAL INFORMATION

Information based on the primary segments (Business Segments)

For the quarter ended 31st December	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	1,301,064	1,197,341	1,318,529	957,122	256,783	229,531	165,163	164,797	765,051	1,292,886	277,505	220,001	4,084,095	4,061,678
Intra Segmental Revenue	-	-	(10,107)	(12,735)	-	-	-	-	-	-	(4,764)	(51,797)	(14,871)	(64,532)
	1,301,064	1,197,341	1,308,422	944,387	256,783	229,531	165,163	164,797	765,051	1,292,886	272,741	168,204	4,069,224	3,997,146
Inter Segmental Revenue	-	-	-	-	-	-	-	-	-	-	(113,531)	(65,389)	(113,531)	(65,389)
Total Revenue	1,301,064	1,197,341	1,308,422	944,387	256,783	229,531	165,163	164,797	765,051	1,292,886	159,210	102,815	3,955,693	3,931,757
Results														
Segmental Results	178,527	160,515	72,362	12,677	28,655	(5,823)	40,088	65,467	175,331	145,920	(82,925)	(63,927)	412,038	314,829
Finance Cost	(13,728)	(28,341)	(44,936)	(11,080)	(4,260)	(8,034)	(692)	(1,423)	(33,004)	(62,691)	(1,686)	(2,250)	(98,306)	(113,819)
Change in Fair Value of Investment Properties	-	-	-	-	-	-	-	-	-	-	6,000	6,000	6,000	6,000
Profit/(Loss) before Tax	164,799	132,174	27,426	1,597	24,395	(13,857)	39,396	64,044	142,327	83,229	(78,611)	(60,177)	319,732	207,010
Income Tax	(89)	(15,001)	(14,844)	(992)	(3,632)	(1,023)	(9,220)	(14,447)	-	-	(12,094)	(10,019)	(39,879)	(41,482)
Profit/(Loss) for the Period	164,710	117,173	12,582	605	20,763	(14,880)	30,176	49,597	142,327	83,229	(90,705)	(70,196)	279,853	165,528
Attributable to:														
Equity Holders of the Parent	164,710	117,173	27,070	31,259	11,064	(12,049)	30,176	49,597	105,094	83,229	(90,724)	(70,449)	247,390	198,760
Minority Interests	-	-	(14,488)	(30,654)	9,699	(2,831)	-	-	37,233	-	19	253	32,463	(33,232)
	164,710	117,173	12,582	605	20,763	(14,880)	30,176	49,597	142,327	83,229	(90,705)	(70,196)	279,853	165,528

SEGMENTAL INFORMATION

Information based on the primary segments (Business Segments)

For the nine months ended 31st December	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	3,986,694	3,491,313	3,751,362	2,781,006	597,960	698,997	496,751	526,074	2,125,401	4,044,790	723,542	614,288	11,681,710	12,156,468
Intra Segmental Revenue	-	-	(28,738)	(15,389)	-	-	-	-	-	-	(12,042)	(57,253)	(40,780)	(72,642)
	3,986,694	3,491,313	3,722,624	2,765,617	597,960	698,997	496,751	526,074	2,125,401	4,044,790	711,500	557,035	11,640,930	12,083,826
Inter Segmental Revenue	-	-	-	-	-	-	-	-	-	-	(336,186)	(241,827)	(336,186)	(241,827)
Total Revenue	3,986,694	3,491,313	3,722,624	2,765,617	597,960	698,997	496,751	526,074	2,125,401	4,044,790	375,314	315,208	11,304,744	11,841,999
Results														
Segmental Results	526,476	443,383	224,679	134,937	(226)	(2,959)	154,089	197,058	295,064	327,819	(186,090)	(126,725)	1,013,992	973,513
Finance Cost	(54,006)	(62,927)	(139,245)	(38,758)	(16,637)	(24,689)	(7,890)	(3,884)	(148,785)	(187,605)	(4,128)	(7,621)	(370,691)	(325,484)
Change in Fair Value of Investment Properties	-	-	-	-	-	-	-	-	-	-	18,000	18,000	18,000	18,000
Share of Associate Company Loss	-	-	-	(4,244)	-	-	-	-	-	-	-	-	-	(4,244)
Profit/(Loss) before Tax	472,470	380,456	85,434	91,935	(16,863)	(27,648)	146,199	193,174	146,279	140,214	(172,218)	(116,346)	661,301	661,785
Income Tax	1,167	(15,001)	(53,370)	(40,580)	(5,112)	(2,524)	(25,353)	(42,561)	-	-	(29,652)	(23,160)	(112,320)	(123,826)
Profit/(Loss) for the Period	473,637	365,455	32,064	51,355	(21,975)	(30,172)	120,846	150,613	146,279	140,214	(201,870)	(139,506)	548,981	537,959
Attributable to:														
Equity Holders of the Parent	473,637	365,455	88,810	72,906	(25,533)	(15,325)	120,846	150,613	109,046	140,214	(202,083)	(140,272)	564,723	573,591
Minority Interests	-	-	(56,746)	(21,551)	3,558	(14,847)	-	-	37,233	-	213	766	(15,742)	(35,632)
	473,637	365,455	32,064	51,355	(21,975)	(30,172)	120,846	150,613	146,279	140,214	(201,870)	(139,506)	548,981	537,959

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 In December 2009 Hemas Power PLC acquired Senok Mark Hydro (Pvt) Limited, a 2.6MW hydro power plant situated at Lindula for a consideration of Rs. 196 Mn .
- 8 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.
- 9 There have been no other events subsequent to the balance sheet date, which require disclosure in the interim financial statements.
- 10 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

	31.12.2009		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.	5,261,450	5.2	8,042,050	7.9
6 Employees Provident Fund	4,144,275	4.1	4,061,175	4.0
7 Sri Lanka Insurance Corporation Ltd. - Life Fund	3,008,800	3.0	3,008,800	3.0
8 CB London S/A The RBS PLC As DEP for First State Asia Pacific Substanability Fund S/F FSI ICVC	2,553,706	2.5	-	-
9 CB London S/A The RBS As DEP of FS India Sub/Cont FD As S/F of First State Invest ICVC	1,569,474	1.5	327,000	0.3
10 Mr. I.A.H. Esufally	1,226,500	1.2	1,226,500	1.2
11 National Savings Bank	1,200,000	1.2	1,200,000	1.2
12 HSBC Intl. Nominees Ltd. - HSBC Bank PLC - CMG First State Global Umbrella Fund PLC	1,165,100	1.1	1,005,000	1.0
13 Mr. H.N. Esufally	1,159,041	1.1	1,209,041	1.2
14 Mr. M.A.H. Esufally	1,131,000	1.1	1,131,000	1.1
15 Bank of Ceylon	1,031,000	1.0	-	-
16 Jacey Trust Services (Pvt) Ltd.	922,750	0.9	922,750	0.9
17 Jacey Trust Services (Pvt) Ltd. - Account No. 2	650,000	0.6	650,000	0.6
18 Anverally and Sons (Pvt) Ltd	566,900	0.6	262,900	0.3
19 Cocoshell Activated Carbon Company Ltd.	407,675	0.4	433,775	0.4
20 Mr. A.N. Esufally	398,417	0.4	398,417	0.4
	96,140,253	94.3	93,622,573	91.8
Shares held by the balance shareholders	5,817,871	5.7	8,335,551	8.2
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	1,159,041	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