

Enriching lives, embracing opportunities



HEMAS HOLDINGS PLC
Interim Report - 4th Quarter 2011/12

Balance Sheet

| As at Rs '000 | Group | | Company | |
|--|-------------------|-------------------|------------------|------------------|
| | 2012 | 2011 | 2012 | 2011 |
| ASSETS | | | | |
| Non-Current Assets | | | | |
| Property, Plant and Equipment | 10,288,807 | 7,457,601 | 106,461 | 105,305 |
| Investment Properties | 474,685 | 1,309,965 | 331,500 | 309,965 |
| Leasehold Property | 55,713 | 58,779 | - | - |
| Intangible Assets | 300,409 | 323,895 | - | - |
| Investment in Subsidiaries | - | - | 6,194,296 | 5,696,001 |
| Investment in Joint Ventures | - | - | 38,519 | 38,519 |
| Other Investments | 384,148 | 433,676 | 114,008 | 114,008 |
| Deferred Tax Assets | 25,031 | 25,489 | - | - |
| Loans Due from Related Parties | - | - | 15,000 | 15,000 |
| Other Long Term Receivables | 399,346 | 254,223 | 111,765 | 63,160 |
| | 11,928,139 | 9,863,628 | 6,911,549 | 6,341,958 |
| Current Assets | | | | |
| Inventories | 2,004,990 | 1,680,772 | - | - |
| Trade and Other Receivables | 6,038,471 | 4,365,024 | 295,246 | 113,028 |
| Loans Due from Related Parties | - | - | 329,474 | 519,272 |
| Other Investments | 53 | 53 | 49 | 49 |
| Tax Recoverable | 134,306 | 148,020 | 585 | - |
| Amounts Due from Related Parties | - | - | 126,280 | 130,726 |
| Short Term Cash Investments | 1,614,034 | 2,025,097 | 8,800 | 210 |
| Cash and Cash Equivalents | 1,088,979 | 1,133,280 | 34,119 | 23,679 |
| | 10,880,833 | 9,352,246 | 794,553 | 786,964 |
| Total Assets | 22,808,972 | 19,215,874 | 7,706,102 | 7,128,922 |
| EQUITY AND LIABILITIES | | | | |
| Equity Attributable to Equity Holders of the Parent | | | | |
| Stated Capital | 1,600,603 | 1,468,426 | 1,600,603 | 1,468,426 |
| Reserves | 1,995,771 | 1,045,976 | 257,032 | 257,032 |
| Retained Earnings | 7,195,185 | 6,359,604 | 4,288,973 | 4,077,851 |
| Shareholders' Funds | 10,791,559 | 8,874,006 | 6,146,608 | 5,803,309 |
| Minority Interests | 2,145,976 | 1,701,635 | - | - |
| Total Shareholders' Funds and Minority Interests | 12,937,535 | 10,575,641 | 6,146,608 | 5,803,309 |
| Non-Current Liabilities | | | | |
| Other Non-Current Liabilities | 13,506 | 10,243 | 10,599 | - |
| Interest Bearing Loans and Borrowings | 1,384,827 | 1,700,040 | 965,472 | 686,502 |
| Deferred Tax Liabilities | 161,309 | 123,609 | 40,056 | 42,022 |
| Retirement Benefit Liability | 248,342 | 230,298 | 30,551 | 18,676 |
| | 1,807,984 | 2,064,190 | 1,046,678 | 747,200 |
| Current Liabilities | | | | |
| Trade and Other Payables | 5,171,603 | 4,093,092 | 82,241 | 40,139 |
| Dividends Payable | 6,071 | 12,798 | 2,553 | 1,932 |
| Income Tax Liabilities | 63,742 | 89,890 | - | 13,385 |
| Amounts Due to Related Parties | - | - | 137,432 | 167,812 |
| Interest Bearing Loans and Borrowings | 936,458 | 991,266 | 290,590 | 321,640 |
| Bank overdraft | 1,885,579 | 1,388,997 | - | 33,505 |
| | 8,063,453 | 6,576,043 | 512,816 | 578,413 |
| Total Shareholders' Funds, Minority Interests and Liabilities | 22,808,972 | 19,215,874 | 7,706,102 | 7,128,922 |
| Net Asset per share - (Rs) | 20.94 | 17.33 | 11.93 | 11.33 |

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

Colombo

May 25, 2012



Lalith De Mel
Chairman

Consolidated Income Statement

| | Three Months Ended 31.03.2012 | Three Months Ended 31.03.2011 | Change % | Year Ended 31.03.2012 | Year Ended 31.03.2011 | Change % |
|---|-------------------------------------|-------------------------------------|-------------|--------------------------|--------------------------|-------------|
| Rs '000 | | | | | | |
| Revenue | 6,154,858 | 4,982,306 | 23.5 | 21,409,596 | 18,067,489 | 18.5 |
| Cost of Sales | (4,356,277) | (3,476,132) | (25.3) | (14,836,030) | (12,228,702) | (21.3) |
| Gross Profit | 1,798,581 | 1,506,174 | 19.4 | 6,573,566 | 5,838,787 | 12.6 |
| Dividend Income | 14 | 688 | (98.0) | 106 | 781 | (86.4) |
| Change in Fair Value of Investment Properties | 32,127 | 24,405 | 31.6 | 32,127 | 24,405 | 31.6 |
| Other Income and Gains | 29,057 | (3,224) | 1,001.3 | 144,358 | 108,830 | 32.6 |
| Gain/(Loss) on disposal of Investments | - | 3,317 | - | (1,716) | 3,317 | (151.7) |
| Selling and Distribution Costs | (508,292) | (377,570) | (34.6) | (1,793,789) | (1,443,189) | (24.3) |
| Administrative Expenses | (856,403) | (659,482) | (29.9) | (3,292,373) | (2,792,086) | (17.9) |
| Finance Cost | (67,189) | (64,955) | (3.4) | (249,718) | (297,737) | 16.1 |
| Finance Income | 45,865 | 17,525 | 161.7 | 162,352 | 126,237 | 28.6 |
| Profit Before Tax | 473,760 | 446,878 | 6.0 | 1,574,913 | 1,569,345 | 0.4 |
| Income Tax Expenses | (75,820) | (66,353) | (14.3) | (260,307) | (214,154) | (21.6) |
| Profit for the Period | 397,940 | 380,525 | 4.6 | 1,314,606 | 1,355,191 | (3.0) |
| Attributable to: | | | | | | |
| Equity Holders of the Parent | 372,077 | 311,079 | 19.6 | 1,209,058 | 1,210,159 | (0.1) |
| Minority Interests | 25,863 | 69,446 | (62.8) | 105,548 | 145,032 | (27.2) |
| | 397,940 | 380,525 | 4.6 | 1,314,606 | 1,355,191 | (3.0) |
| Earnings Per Share (Rs) | 0.72 | 0.61 | | 2.33 | 2.36 | |
| Dividends Per Share | - | - | | 0.50 | 0.70 | |

The above figures are provisional and subject to audit.

Company Income Statement

| | Three Months Ended 31.03.2012 | Three Months Ended 31.03.2011 | Change % | Year Ended 31.03.2012 | Year Ended 31.03.2011 | Change % |
|---|-------------------------------------|-------------------------------------|-------------|--------------------------|--------------------------|-------------|
| <i>Rs '000</i> | | | | | | |
| Revenue | 115,637 | 56,232 | 105.6 | 373,654 | 304,851 | 22.6 |
| Cost of Sales | - | - | | - | - | - |
| Gross Profit | 115,637 | 56,232 | 105.6 | 373,654 | 304,851 | 22.6 |
| Dividend Income | 4,952 | 1 | 100.0 | 433,104 | 303,383 | 42.8 |
| Change in Fair Value of Investment Properties | 14,559 | (20,445) | 171.2 | 14,559 | (20,445) | 171.2 |
| Other Income and Gains | 2,389 | 4,773 | (49.9) | 7,923 | 5,575 | 42.1 |
| Loss on disposal of Investments | - | 234 | (100.0) | (8,175) | 234 | (3,593.6) |
| Administrative Expenses | (91,200) | (79,571) | (14.6) | (298,377) | (241,136) | (23.7) |
| Finance Cost | (21,892) | (10,979) | (99.4) | (75,085) | (52,136) | (44.0) |
| Finance Income | 10,353 | 13,292 | (22.1) | 43,252 | 47,363 | (8.7) |
| Profit Before Tax | 34,798 | (36,463) | 195.4 | 490,855 | 347,689 | 41.2 |
| Income Tax Expenses | (3,875) | 5,781 | (167.0) | (22,271) | (9,369) | (137.7) |
| Profit for the Period | 30,923 | (30,682) | 200.8 | 468,584 | 338,320 | 38.5 |
| Dividends Per Share (Rs) | | | | | | |
| | | | | 0.50 | 0.70 | |

The above figures are provisional and subject to audit.

Statement of Changes in Equity- Group

| | Attributable to Equity Holders of the Parent | | | | Total | Minority Interests | Total Equity |
|---|--|------------------|---------------------------------------|-------------------|-------------------|--------------------|-------------------|
| | Stated Capital | Exchange Reserve | Revaluation and Other Capital Reserve | Retained Earnings | | | |
| Rs '000 | | | | | | | |
| As at 01 April 2011 | 1,468,426 | (1,179) | 1,047,155 | 6,359,604 | 8,874,006 | 1,701,635 | 10,575,641 |
| Profit for the period | - | - | - | 1,209,058 | 1,209,058 | 105,548 | 1,314,606 |
| Issue of Ordinary shares under Employee Share Option Scheme | 132,177 | - | - | - | 132,177 | - | 132,177 |
| Redemption of Preference Shares of Joint Venture Company | - | - | - | (7,843) | (7,843) | - | (7,843) |
| Dividends paid | - | - | - | (256,833) | (256,833) | (68,313) | (325,146) |
| Preference Shares of Joint Venture Company | - | - | - | (11,680) | (11,680) | (3,777) | (15,457) |
| Transfer to/from during the Period | | | | | | | |
| - Overhaul, Heat Rate and Lube Oil Reserves | - | - | 95,396 | (95,396) | - | - | - |
| - Revaluation Reserve | - | - | (805) | 805 | - | - | - |
| - Other Reserve | - | - | - | - | - | - | - |
| Surplus on revaluation | - | - | 955,101 | - | 955,101 | 128,395 | 1,083,496 |
| Transaction cost on Issue of shares | - | - | - | (2,530) | (2,530) | (1,852) | (4,382) |
| Shares Issued to Minority Shareholders | - | - | - | - | - | 277,573 | 277,573 |
| Adjustment in respect of changes in Group Holding | - | (272) | - | - | (272) | 6,767 | 6,495 |
| Net Gain/(Loss) Recognised Directly in Equity | | | | | | | |
| - Deferred Income Tax | - | - | (41,414) | - | (41,414) | - | (41,414) |
| - Exchange Reserve | - | (58,211) | - | - | (58,211) | - | (58,211) |
| As at 31 March 2012 | 1,600,603 | (59,662) | 2,055,433 | 7,195,185 | 10,791,559 | 2,145,976 | 12,937,535 |
| As at 01 April 2010 | 1,369,223 | (29,971) | 835,953 | 5,516,911 | 7,692,116 | 1,488,104 | 9,180,220 |
| Profit for the Year | - | - | - | 1,210,159 | 1,210,159 | 145,032 | 1,355,191 |
| Issue of Ordinary shares under Employee Share Option Scheme | 99,203 | - | - | - | 99,203 | - | 99,203 |
| Issue of Preference Shares | - | - | 101,250 | - | 101,250 | 33,750 | 135,000 |
| Redemption of Preference Shares of Joint Venture Company | - | - | - | (15,687) | (15,687) | - | (15,687) |
| Dividends Paid | | | | | | | |
| - Ordinary Shares 2009/2010 | - | - | - | (356,853) | (356,853) | (44,322) | (401,175) |
| - Preference Shares of Joint Venture Company | - | - | - | (4,183) | (4,183) | (1,394) | (5,577) |
| Transfer to/from during the Period | | | | | | | |
| - Overhaul Reserve, Heat Rate and Lube Oil | - | - | 42,140 | (42,140) | - | - | - |
| - Revaluation Reserve | - | - | (51,397) | 51,397 | - | - | - |
| Surplus on revaluation | - | - | 109,133 | - | 109,133 | 11,318 | 120,451 |
| Shares Issued to Minority Shareholders | - | - | - | - | - | 15,204 | 15,204 |
| Adjustment in respect of changes in Group Holding | - | - | - | - | - | 53,717 | 53,717 |
| Net Gain/(Loss) Recognised Directly in Equity | | | | | | | |
| - Deferred Income Tax | - | - | 10,076 | - | 10,076 | 226 | 10,302 |
| - Exchange Reserve | - | 28,792 | - | - | 28,792 | - | 28,792 |
| As at 31 March 2011 | 1,468,426 | (1,179) | 1,047,155 | 6,359,604 | 8,874,006 | 1,701,635 | 10,575,641 |

The above figures are provisional and subject to audit

Statement of Changes in Equity- Company

| | Stated Capital | Capital & Revenue Reserve | Retained Earnings | Total |
|--|-------------------|------------------------------|----------------------|------------------|
| <i>Rs '000</i> | | | | |
| As at 01 April 2011 | 1,468,426 | 257,032 | 4,077,851 | 5,803,309 |
| Profit for the Year | - | - | 468,584 | 468,584 |
| Final Dividend Paid - 2010/2011 | - | - | (128,010) | (128,010) |
| Interim Dividend Paid - 2011/2012 | - | - | (128,823) | (128,823) |
| Issue of Ordinary shares under Employee Share Option Scheme | 132,177 | - | - | 132,177 |
| Transaction cost on Issue of shares under Employee Share Option Scheme | - | - | (629) | (629) |
| As at 31 March 2012 | 1,600,603 | 257,032 | 4,288,973 | 6,146,608 |
| As at 01 April 2010 | 1,369,223 | 257,032 | 4,096,385 | 5,722,640 |
| Profit for the Year | - | - | 338,320 | 338,320 |
| Final Dividends Paid - 2009/2010 | - | - | (229,406) | (229,406) |
| Interim Dividends Paid - 2010/2011 | - | - | (127,448) | (127,448) |
| Issue of Ordinary shares under Employee Share Option Scheme | 99,203 | - | - | 99,203 |
| As at 31 March 2011 | 1,468,426 | 257,032 | 4,077,851 | 5,803,309 |

The above figures are provisional and subject to audit

Cash Flow Statement

| For the Year Ended 31 March Rs '000 | Group | | Company | |
|---|--------------------|--------------------|------------------|------------------|
| | 2012 | 2011 | 2012 | 2011 |
| Operating Activities | | | | |
| Profit Before Taxation | 1,574,913 | 1,569,345 | 490,855 | 347,689 |
| Adjustments for | | | | |
| Depreciation | 635,469 | 619,976 | 24,638 | 17,460 |
| Profit on Disposal of Property, Plant and Equipment | (37,651) | (30,651) | 2,666 | (3,560) |
| Unrealised profits | 7,427 | - | - | - |
| Change in Fair Value of Investment Properties | (32,127) | (24,405) | (14,559) | 20,445 |
| Amortisation/Impairment of Intangibles | 31,399 | 10,119 | - | - |
| Amortisation of Leasehold Property | 3,066 | 3,066 | - | - |
| (Profit)/Loss on Sale of Non current Investment | 1,716 | (3,495) | 8,175 | (234) |
| Impairment of Non current Investments | - | - | 10,676 | - |
| Finance Cost | 249,718 | 297,737 | 75,085 | 52,136 |
| Investment Income | (106) | (781) | (433,104) | (303,383) |
| Retirement Benefit Plan | 32,837 | 65,554 | 12,006 | 3,523 |
| Exchange (Gain)/Loss on USD Loan | 90,649 | 18,656 | - | - |
| Working Capital Adjustments | | | | |
| (Increase)/Decrease in Trade and Other Receivables | (1,678,951) | (565,446) | (182,218) | (26,293) |
| (Increase)/Decrease in Inventories | (324,218) | (136,212) | - | - |
| (Increase)/Decrease in Amounts Due from Related Parties | - | - | 4,446 | 83,365 |
| (Increase)/ Decrease in Other Long Term Receivables | (145,123) | (77,158) | (48,605) | (33,068) |
| Increase/(Decrease) in Amounts Due to Related Parties | - | - | (30,380) | 50,870 |
| Increase/(Decrease) in Trade and Other Payables | 1,080,696 | 805,027 | 53,322 | (882) |
| Finance Cost Paid | (249,718) | (297,737) | (75,085) | (52,136) |
| Income Tax Paid | (276,877) | (238,713) | (38,208) | (17,533) |
| Gratuity Paid | (14,286) | (20,219) | (131) | (1,873) |
| Net Cash from/(Used in) Operating Activities | 948,833 | 1,994,663 | (140,421) | 136,526 |
| Investing Activities | | | | |
| Purchase of Property, Plant and Equipment | (1,580,502) | (1,095,346) | (43,668) | (71,468) |
| Investment in Subsidiaries | - | - | (520,083) | (121,220) |
| Investment in Intangible Assets | (1,146) | (941) | - | - |
| Other Investments | 49,528 | (369,403) | - | - |
| Proceeds from Disposal of Property, Plant and Equipment | 93,565 | 178,336 | 8,233 | 11,946 |
| Proceeds from Disposal of Investments | 3,174 | 57,452 | 2,937 | 474 |
| Redemption of Preference Shares of Joint Venture Company | (7,843) | (15,687) | - | - |
| Investment Income Received | 106 | 781 | 433,104 | 303,383 |
| Net Cash from/(Used in) Investing Activities | (1,443,118) | (1,244,808) | (119,477) | 123,115 |
| Financing Activities | | | | |
| Interest Bearing Loans and Borrowings (Net) | | | | |
| - Rupee Loan | (963,870) | 259,074 | 437,718 | (88,189) |
| - Foreign Currency Loans | 449,060 | 228,837 | - | - |
| Proceeds from issue of Preference Shares | - | 135,000 | - | - |
| Proceeds from Issue of Ordinary shares under ESOS | 132,177 | 99,203 | 132,177 | 99,203 |
| Transaction cost of Issue of ESOS shares | (4,382) | - | (629) | - |
| Proceeds from Minority Shareholders | 277,573 | 15,204 | - | - |
| Dividends Paid | | | | |
| - Ordinary Shares | (335,649) | (393,977) | (256,833) | (356,853) |
| - Preference Shares | (11,680) | (4,183) | - | - |
| Net Cash from/(Used in) Financing Activities | (456,771) | 339,158 | 312,433 | (345,839) |
| Net Increase/(Decrease) in Cash and Cash Equivalents | (951,056) | 1,089,013 | 52,535 | (86,198) |
| Exchange Loss | (890) | (1,903) | - | - |
| Cash and Cash Equivalents at the beginning of the Year | 1,769,380 | 682,270 | (9,616) | 76,582 |
| Cash and Cash Equivalents at the end of the period | 817,434 | 1,769,380 | 42,919 | (9,616) |

The above figures are provisional and subject to audit

Segmental Information

| | FMCG | | Health Care | | Leisure | | Transportation | | Power | | Others | | Group | |
|---|------------------|------------------|------------------|------------------|----------------|----------------|----------------|----------------|------------------|----------------|-----------------|-----------------|------------------|------------------|
| For Three months ended 31 March | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| <i>Rs '000</i> | | | | | | | | | | | | | | |
| Revenue | | | | | | | | | | | | | | |
| Segmental Revenue - Gross | 1,712,151 | 1,414,872 | 2,032,731 | 1,735,903 | 457,979 | 433,774 | 180,747 | 176,828 | 1,352,430 | 933,033 | 623,119 | 449,306 | 6,359,157 | 5,143,716 |
| Intra Segmental Revenue | - | - | (14,417) | (13,349) | - | - | - | - | - | - | (27,825) | (30,737) | (42,242) | (44,086) |
| Segmental Revenue | 1,712,151 | 1,414,872 | 2,018,314 | 1,722,554 | 457,979 | 433,774 | 180,747 | 176,828 | 1,352,430 | 933,033 | 595,294 | 418,569 | 6,316,915 | 5,099,630 |
| Inter Segmental Revenue | - | - | - | (1,164) | - | - | - | - | - | - | (162,057) | (116,160) | (162,057) | (117,324) |
| Total Revenue | 1,712,151 | 1,414,872 | 2,018,314 | 1,721,390 | 457,979 | 433,774 | 180,747 | 176,828 | 1,352,430 | 933,033 | 433,237 | 302,409 | 6,154,858 | 4,982,306 |
| Segmental Results | 142,337 | 79,377 | 144,001 | 146,872 | 88,625 | 122,759 | 74,244 | 35,047 | 34,141 | 119,478 | (20,391) | (33,630) | 462,957 | 469,903 |
| Finance Cost | - | (6,714) | (29,881) | (34,107) | (10,797) | (15,879) | 49 | (3,364) | (19,276) | (4,302) | (7,284) | (589) | (67,189) | (64,955) |
| Finance Income | 15,549 | 11,809 | 1,457 | 1,075 | 6,378 | 280 | 10,751 | 2,477 | 10,771 | (902) | 959 | 2,786 | 45,865 | 17,525 |
| Change in Fair Value of Investment Properties | - | - | - | - | - | - | - | - | - | - | 32,127 | 24,405 | 32,127 | 24,405 |
| Profit/(Loss) before Tax | 157,886 | 84,472 | 115,577 | 113,840 | 84,206 | 107,160 | 85,044 | 34,160 | 25,636 | 114,274 | 5,411 | (7,028) | 473,760 | 446,878 |
| Income Tax | (14,111) | (1,797) | (29,616) | (43,162) | (15,674) | (8,470) | (2,422) | (7,023) | (1,400) | (2,516) | (12,597) | (3,385) | (75,820) | (66,353) |
| Profit / (Loss) for the Period | 143,775 | 82,675 | 85,961 | 70,678 | 68,532 | 98,690 | 82,622 | 27,137 | 24,236 | 111,758 | (7,186) | (10,413) | 397,940 | 380,525 |
| Attributable to: | | | | | | | | | | | | | | |
| Equity Holders of the Parent | 143,775 | 82,675 | 89,566 | 78,578 | 45,279 | 49,290 | 82,622 | 27,137 | 18,194 | 83,828 | (7,359) | (10,429) | 372,077 | 311,079 |
| Minority Interests | - | - | (3,605) | (7,900) | 23,253 | 49,400 | - | - | 6,042 | 27,930 | 173 | 16 | 25,863 | 69,446 |
| | 143,775 | 82,675 | 85,961 | 70,678 | 68,532 | 98,690 | 82,622 | 27,137 | 24,236 | 111,758 | (7,186) | (10,413) | 397,940 | 380,525 |

The above figures are provisional and subject to audit

Segmental Information

For Year Ended 31 March

| | FMCG | | Health Care | | Leisure | | Transportation | | Power | | Others | | Group | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|----------------|----------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| <i>Rs '000</i> | | | | | | | | | | | | | | |
| Revenue | | | | | | | | | | | | | | |
| Segmental Revenue - Gross | 6,595,929 | 5,799,255 | 7,548,710 | 6,572,180 | 1,182,750 | 1,035,089 | 721,987 | 734,279 | 4,471,370 | 3,370,395 | 1,489,177 | 1,081,209 | 22,009,923 | 18,592,407 |
| Intra Segmental Revenue | - | - | (68,317) | (56,832) | - | - | - | - | - | - | (40,084) | (43,098) | (108,401) | (99,930) |
| Segmental Revenue | 6,595,929 | 5,799,255 | 7,480,393 | 6,515,348 | 1,182,750 | 1,035,089 | 721,987 | 734,279 | 4,471,370 | 3,370,395 | 1,449,093 | 1,038,111 | 21,901,522 | 18,492,477 |
| Inter Segmental Revenue | | | | (1,164) | | | | | | | (491,926) | (423,824) | (491,926) | (424,988) |
| Total Revenue | 6,595,929 | 5,799,255 | 7,480,393 | 6,514,184 | 1,182,750 | 1,035,089 | 721,987 | 734,279 | 4,471,370 | 3,370,395 | 957,167 | 614,287 | 21,409,596 | 18,067,489 |
| Segmental Results | 550,085 | 507,705 | 585,120 | 471,625 | 143,263 | 181,107 | 250,029 | 248,520 | 268,809 | 457,192 | (167,154) | (149,709) | 1,630,152 | 1,716,440 |
| Finance Cost | (2,712) | (33,791) | (111,200) | (131,231) | (48,886) | (35,485) | (5,595) | (11,449) | (52,863) | (81,375) | (28,462) | (4,406) | (249,718) | (297,737) |
| Finance Income | 51,044 | 45,940 | 6,102 | 4,824 | 17,630 | 1,348 | 25,685 | 14,401 | 57,041 | 52,340 | 4,850 | 7,384 | 162,352 | 126,237 |
| Change in Fair Value of Investment Properties | - | - | - | - | - | - | - | - | - | - | 32,127 | 24,405 | 32,127 | 24,405 |
| Profit/(Loss) before Tax | 598,417 | 519,854 | 480,022 | 345,218 | 112,007 | 146,970 | 270,119 | 251,472 | 272,987 | 428,157 | (158,639) | (122,326) | 1,574,913 | 1,569,345 |
| Income Tax | (23,735) | (660) | (123,821) | (112,829) | (17,824) | (25,350) | (27,899) | (27,562) | (1,977) | (2,516) | (65,051) | (45,237) | (260,307) | (214,154) |
| Profit / (Loss) for the Period | 574,682 | 519,194 | 356,201 | 232,389 | 94,183 | 121,620 | 242,220 | 223,910 | 271,010 | 425,641 | (223,690) | (167,563) | 1,314,606 | 1,355,191 |
| Attributable to: | | | | | | | | | | | | | | |
| Equity Holders of the Parent | 574,682 | 519,194 | 375,692 | 264,874 | 36,846 | 50,578 | 242,220 | 223,910 | 203,326 | 319,300 | (223,708) | (167,697) | 1,209,058 | 1,210,159 |
| Minority Interests | - | - | (19,491) | (32,485) | 57,337 | 71,042 | - | - | 67,684 | 106,341 | 18 | 134 | 105,548 | 145,032 |
| | 574,682 | 519,194 | 356,201 | 232,389 | 94,183 | 121,620 | 242,220 | 223,910 | 271,010 | 425,641 | (223,690) | (167,563) | 1,314,606 | 1,355,191 |

The above figures are provisional and subject to audit

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 31 March 2011, 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 exercised its rights and invested Rs. 111Mn in Serendib Hotels PLC on 05 May 2011.
- 4 The group divested its stake in Solas Lanka (Pvt) Ltd on 30 June 2011.
- 5 The Company disposed 51% of shares in ACX International (Pvt) Ltd on 12 August 2011 and will be treated as a joint venture
- 6 Investment Property of Hemas Development (Pvt) Ltd was reclassified from the financial year 2011/12 onwards to Property, Plant & Equipment in the consolidated balance sheet, following the commencement of owner occupation by group subsidiaries and depreciated accordingly in the consolidated income statement
- 7 The Company issued ESOS 2008 final tranche of 3,250,000 ordinary shares on 26 September 2011 at Rs.40.67 per share for Rs.132Mn
- 8 The Company paid a final dividend of Rs.0.25 per share on 11 July 2011, for the financial year ended 31 March 2011
- 9 The Company paid an interim dividend of Rs.0.25 per share on 22 November for the financial year 2011/12
- 10 The Board of Directors of the company has proposed a final dividend of Rs.0.25 per share for the financial year ended 31 March 2012. As required by section 56(2) of the companies Act No 07 of 2007, the Board of Directors has confirmed that the company satisfies the solvency test in accordance with section 57 of the companies Act No. 07 of 2007, and has obtained a certificate from the Auditors, prior to declaring the final dividend which is to be paid on 10 July 2012.

In accordance with the Sri Lanka Accounting Standard 12 (Revised 2005) - Events after the Balance Sheet date, the proposed final dividend has not been recognised as a liability in the financial statements as at 31 March 2012.
- 11 There has been no significant changes in the nature of the contingent liabilities which were disclosed in the Audited Accounts for the year ended 31 March 2011.

Investor Information

| | Three months Ended 31.03.2012 | Three months Ended 31.03.2011 |
|--|----------------------------------|----------------------------------|
| Market Value of Shares | | |
| Closing Price on 31st March (Rs) | 26.30 | 46.00 |
| Highest Price during the Period (Rs) | 33.40 | 52.00 |
| Lowest Price during the Period (Rs) | 23.00 | 44.00 |
| Market Capitalization on 31st March (Rs Mn) | 13,552 | 23,554 |
| Ratios | | |
| Net Asset Per Share on 31st March (Rs) | 20.94 | 17.33 |
| Price Earnings Ratio on 31st March (times) | 11.29 | 19.46 |
| Share Trading | | |
| No of transactions during the Period | 1,035 | 6,481 |
| No of shares traded during the Period | 3,260,745 | 26,160,400 |
| Value of shares traded during the Period (Rs Mn) | 89 | 1,257 |
| Number of Shares | 515,290,620 | 512,040,620 |

Share Information

| LIST OF 20 MAJOR SHAREHOLDERS | 31.03.2012 | | 31.03.2011 | |
|--|---------------|-------|---------------|-------|
| | No. of Shares | % | No. of Shares | % |
| 1 A Z Holdings (Pvt) Ltd. | 90,762,875 | 17.61 | 90,762,875 | 17.73 |
| 2 Saraz Investments (Pvt) Ltd. | 86,396,035 | 16.77 | 86,396,035 | 16.87 |
| 3 Blueberry Investments (Pvt) Ltd. | 85,781,250 | 16.65 | 85,781,250 | 16.75 |
| 4 Amagroup (Pvt) Limited | 85,780,665 | 16.65 | 85,780,665 | 16.75 |
| 5 Employees Provident Fund | 26,650,875 | 5.17 | 27,125,875 | 5.30 |
| 6 HSBC Intl. Nominees Ltd-SSBT-The RBS as Dep of FS India Subcontinent Fund As S/F Of First State Investment | 9,732,370 | 1.89 | 9,732,370 | 1.90 |
| 7 Jacey Trust Services (Pvt) Ltd -Account No 2 | 8,750,000 | 1.70 | 5,500,000 | 1.07 |
| 8 Sri Lanka Insurance Corporation Ltd. - Life Fund | 6,635,700 | 1.29 | 6,635,700 | 1.30 |
| 9 HSBC Intl. Nominees Ltd-SSBT-The RBS PLC as Dep for first state Asia Pacific Sustainability Fund S/F of FS | 6,272,899 | 1.22 | 6,272,899 | 1.23 |
| 10 Mr. I.A.H. Esufally | 6,132,500 | 1.19 | 6,132,500 | 1.20 |
| 11 Mr. H.N. Esufally | 5,795,205 | 1.12 | 5,795,205 | 1.13 |
| 12 Mr. M.A.H. Esufally | 5,655,000 | 1.10 | 5,655,000 | 1.10 |
| 13 HSBC Intl. Nominees Ltd. - HSBC Bank PLC - CMG First State Global Umbrella Fund PLC CMG First State India | 5,149,500 | 1.00 | 5,825,500 | 1.14 |
| 14 Lexinton Holdings (Pvt) Ltd. | 4,740,600 | 0.92 | - | - |
| 15 Jacey Trust Services (Pvt) Ltd | 4,613,750 | 0.90 | 4,613,750 | 0.90 |
| 16 Anverally and sons (pvt) Ltd A/C no 01 | 3,534,400 | 0.69 | 2,646,200 | 0.52 |
| 17 HSBC Intl Nom Ltd-JPMCB- Pacific Assests Trust PLC | 3,051,800 | 0.59 | - | - |
| 18 Employees Trust Fund Board | 2,795,100 | 0.54 | - | - |
| 19 Cocoshell Activated Carbon Company Ltd. | 2,793,575 | 0.54 | 2,940,875 | 0.57 |
| 20 Mr.Udeshi | 2,150,825 | 0.42 | 2,150,825 | 0.42 |
| | 31.03.2012 | | 31.03.2011 | |
| | No. of Shares | | No. of Shares | |

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 SHAREHOLDING

| | | |
|---|-----------|-----------|
| Mr. J. C. L. De Mel (Chairman) | 87,500 | 87,500 |
| Mr. H.N. Esufally (Chief Executive Officer) | 5,795,205 | 5,795,205 |
| Mr. A.N. Esufally | 1,992,085 | 1,992,085 |
| Mr. I.A.H. Esufally | 6,132,500 | 6,132,500 |
| Mr. M.E. Wickremesinghe | 11,250 | 11,250 |
| Mr. M. A. H. Esufally | 5,655,000 | 5,655,000 |
| Mr. D. Bhatnagar | 150 | 150 |

| | |
|-------------|-------------|
| 368,394,515 | 368,394,515 |
|-------------|-------------|

PUBLIC HOLDING

| | | |
|---|-------------|-------------|
| Issued Share Capital | 515,290,620 | 512,040,620 |
| Less:Directors Direct and Indirect Shareholding | 368,394,515 | 368,394,515 |
| Public Holding | 146,896,105 | 143,646,105 |
| Public Holding as a % of Issued Share Capital | 28.51% | 28.05% |

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)
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
Nations Trust Bank
People's Bank
DFCC Bank