

Income Statement

Provisional Financial Statements

(All figures in Sri Lankan Rupees '000)

	Note	For the three months ended 30th June		Change %	Year ended
		2009 (Unaudited)	2008 (Unaudited)		31.03.09 (Unaudited)
Revenue		205,787	367,081	(44)	958,695
Cost of investments disposed		(141,664)	(163,566)	(13)	(711,760)
		64,123	203,515	(68)	246,935
Other income	2	89,800	71,099	26	306,221
Administrative expenses		(2,678)	(2,167)	24	(7,549)
Other expenses	3	-	(21,574)	(100)	(127,706)
Profit from operations		151,245	250,873	(40)	417,901
Finance cost		-	(99)	(100)	(1,506)
Profit from ordinary activities		151,245	250,774	(40)	416,395
Share of associate company's profit		135,927	94,159	44	(164,223)
Profit/(loss) before taxation		287,172	344,933	(17)	252,172
Taxation		(6,044)	(973)	521	(5,647)
Profit/(loss) for the period		281,128	343,960	(18)	246,525
Earnings/(loss) per share (Rs.)		11.64	14.25	(18)	10.21
Dividend per share (Rs.)		-	-	-	7.00

Change % column represents the percentage changes in the current period's results compared to comparative period of previous year.

Figures in brackets indicate deductions/negative changes.

Balance Sheet

Provisional Financial Statements

(All figures in Sri Lankan Rupees '000)
As at 30th June

As at
31.03.09
(Unaudited)

	2009 (Unaudited)	2008 (Unaudited)	As at 31.03.09 (Unaudited)
ASSETS			
Non-Current Assets			
Investment in associate	1,979,060	2,111,534	1,558,978
Other investments	1,308,174	1,582,021	775,616
	3,287,234	3,693,555	2,334,594
Current Assets			
Trade and other receivables	2,491	2,950	2,635
Income tax recoverable	-	1,765	730
Short-term investments	92,401	81,436	45,743
Short term Deposits	872,098	259,501	4,719
Cash at bank	(18,690)	120,579	777,042
	948,300	466,231	830,869
Total assets	4,235,534	4,159,786	3,165,463
EQUITY AND LIABILITIES			
Stated Capital and Reserves			
Stated capital	506,074	506,074	506,074
Capital reserves	1,171,129	1,182,793	887,669
Revenue reserves	2,550,360	2,460,286	1,765,223
	4,227,563	4,149,153	3,158,966
Shareholders' funds			
	4,227,563	4,149,153	3,158,966
Current Liabilities			
Creditors and accruals	959	10,633	2,769
Income tax payable	3,653	-	-
Unclaimed Dividends	3,359	-	3,374
Short term loans	-	-	-
Bank overdraft	-	-	354
	7,971.00	10,633	6,497
Total equity and liabilities	4,235,534	4,159,786	3,165,463
Net assets per share - Book Value (Rs.)	175.08	171.84	130.83
Net assets per share - Market Value (Rs.)	189.61	207.23	132.79

The Balance Sheet as at 30th June 2009 and the related Statements of Income, Changes in Equity and Cash Flow for the first quarter then ended have been drawn up from unaudited accounts.

I certify that these Financial Statements comply with the requirements of the Companies Act No. 07 of 2007.

(Sgd.)

A. P. Weeratunge

Chief Financial Officer

Carsons Management Services (Private) Limited

Approved and signed on behalf of the Investment Managers, Approved and signed on behalf of the Board,

(Sgd.)

W. Y. R. Fernando

Director

Guardian Fund Management Limited

11th August 2009

(Sgd.)

I. Paulraj

Chairman

(Sgd.)

D.C.R. Gunawardena

Director

Statement of Changes in Equity

Provisional Financial Statements

(All figures in Sri Lankan Rupees '000)

	Stated Capital	Capital Reserve	Revenue Reserve	Total Equity
Balance as at 1st April 2008	506,074	1,190,323	2,336,901	4,033,298
Net profit for the year	-	-	246,525	246,525
Depreciation of associate company's reserves	-	(302,654)	-	(302,654)
Loss on Revaluation	-	-	(775,948)	(775,948)
Dividend paid for 2008	-	-	(42,255)	(42,255)
Balance as at 31st March 2009 (Audited)	506,074	887,669	1,765,223	3,158,966
Net profit for the three months	-	-	281,128	281,128
Appreciation of associate company's reserves	-	283,460	-	283,460
Surplus on Revaluation	-	-	504,009	504,009
Dividend paid for 2009	-	-	-	-
Balance as at 30th June 2009 (Unaudited)	506,074	1,171,129	2,550,360	4,227,563
Balance as at 31st March 2008 (Audited)	506,074	1,190,323	2,336,901	4,033,298
Appreciation of associate company's reserves	-	(7,530)	-	(7,530)
Loss on Revaluation	-	-	(178,320)	(178,320)
Net profit for the three months	-	-	343,960	343,960
Dividend paid for 2007	-	-	(42,255)	(42,255)
Balance as at 30th June 2008 (Unaudited)	506,074	1,182,793	2,460,286	4,149,153

Figures in brackets indicate deductions.

Cash Flow Statement

Provisional Financial Statements

(All figures in Sri Lankan Rupees '000)
For the three months ended 30th June

	2009	2008	Year ended 31.03.09 (Audited)
Net cash generated from operating activities	72,016	379,204	787,338
Net cash used in financing activities	(15)	(34,866)	(41,673)
Net increase/(decrease) in cash & cash equivalents	72,001	344,338	745,665
Cash & cash equivalents at the beginning of the period	781,407	35,742	35,742
Cash & cash equivalents at the end of the period	853,408	380,080	781,407
Statement of Cash & Cash Equivalents			
Short term Deposits	872,098	259,501	4,719
Cash at bank	(18,690)	120,579	777,042
	853,408	380,080	781,761
Bank overdraft	-	-	(354)
Short-term loans	-	-	-
	853,408	380,080	781,407

Figures in brackets indicate deductions.

Notes to the Interim Financial Statement

Provisional Financial Statements

1 Basis of Preparation of Interim Financial Statements

The Interim Financial Statements of the Company and its associate have been prepared in consistence with the accounting policies and methods applied for the year ended 31st March 2008 except for the measurement of carrying value of long term investments. The accounting policy for valuation of long term investments was changed from lower of cost and market value in aggregate to revalued balances based on market value of shares. The Interim Financial Statements of the Company and its associate are in compliance with Sri Lanka Accounting Standard 35 - 'Interim Financial Reporting'. Further, provision of the new Companies Act No. 7 of 2007 have been considered in preparing the Interim Financial Statements of the Company/Associates.

	Rs'000	Rs'000
	30th June 2009	30th June 2008
2 Other Income		
Mark to market value adjustment for long-term investments	44,453	
Mark to market value adjustment for short-term investments	45,347	
realization of revaluation gains on disposal of shares		71,099
	<u>89,800</u>	<u>71,099</u>

	30th June 2009	30th June 2008
3 Other expenses		
Mark to market value adjustment for long-term investments		20,862
Mark to market value adjustment for short-term investments		712
	<u>-</u>	<u>21,574</u>

4 Events Occurring after the Balance Sheet date

An interim dividend for 2008/09 amounting to Rs.7.00 per ordinary share was paid to the shareholders on 7th July 2009. There were no events other than above which require disclosure or adjustment in these Financial Statements.

5 Contingent Liability

There are no changes of a material nature in the contingent liabilities since the last annual Balance Sheet date.

6 Sector Investment Portfolio

6.1 Investment in Associate

Rs. '000	Cost as at 30.06.09	Market Value as at 30.06.09	Cost as at 31.03.09	Market Value as at 31.03.09
Rubber Investment Trust Limited*	349	2,329,821	349	2,172,284
Company's share of associate company's net assets	<u>1,978,711</u>	<u>-</u>	<u>1,558,629</u>	<u>-</u>
	<u>1,979,060</u>	<u>2,329,821</u>	<u>1,558,978</u>	<u>2,172,284</u>

* The Directors' valuation of Rubber Investment Trust Limited (RITL) is based on the net asset value of the RITL which is arrived at based on the market value of the investment portfolio of RITL.

6.2 Long-Term Investments

Sector	Market Value as at 30.06.09	Market Value as at 31.03.09
Rs. '000	<u>30,06.09</u>	<u>31.03.09</u>
Bank, Finance & Insurance	39,980	24,088
Beverage, Food & Tobacco	142,148	115,014
Diversified	353,492	368,297
Healthcare	29,003	29,003
Hotels & Travels	33,684	56,582
Services	-	-
Telecommunications	8	110,508
Unquoted Investments	<u>125,895</u>	<u>125,841</u>
Total equity securities	724,210	829,333
Market Value Adjustment of long term investments	<u>583,964</u>	<u>(53,717)</u>
	<u>1,308,174</u>	<u>775,616</u>

6.3 Short-Term Investments

Sector	Market Value	Market Value
	as at	as at
Rs. '000	30.06.09	31.03.09
Bank, Finance and Insurance	61,118	523
Beverage, Food & Tobacco	4,920	35,225
Chemicals & Pharmaceuticals	5,900	-
Construction & Engineering	5,300	-
Diversified	15,163	7,370
Hotels & Travels	-	-
Manufacturing	-	-
Telecommunications	-	2,625
Total equity securities	92,401	45,743

6.4 Price Index Movements

	As at	As at
	30.06.09	31.03.09
ASPI	2,432	1,638
Milanka	2,722	1,736

7 Investor Information

Market Performance - Ordinary Shares

	30.06.09	30.06.08	31.03.09
	Rs.	Rs.	Rs.
Market value per share	95.00	81.00	58.00
Highest price per share	98.00	95.00	95.00
Lowest price per share	57.50	79.75	40.00
Market capitalisation (Rs. mn.)	2,294	1,956	1,400

8 Stated Capital

Stated Capital of the Company consists of 24,145,803 ordinary shares.

9 Public Holding

The Percentage of shares held by Public as at 30th June 2009 was 36.50%.

10 Directors Shareholding as at 31st March 2009

	2009
	No. of Shares
Mr. I Paulraj	50
Mr. D C R Gunawardena	50
Mr. P C P Tissera (Resigned w.e.f 31.03.2009)	50
Mr.A. P. Weeratunge (Appointed w.e.f 1st April 2009)	-

11 Twenty Major Shareholders as at 30th June 2009

	Name	Total Shares	%
1	CEYLON GUARDIAN INVESTMENT TRUST PLC	13,588,066	56.28
2	CARSON CUMBERBATCH PLC A/C NO. 01	1,721,479	7.13
3	MR. K.C. VIGNARAJAH	559,259	2.32
4	J.B. COCOSHELL (PVT) LTD	556,926	2.31
5	THURSTON INVESTMENTS LIMITED	487,690	2.02
6	WALDOCK MACKENZIE LTD/MR. H.M.S. ABDULHUSSEIN 5212	436,488	1.81
7	MRS. M.L. DE SILVA	297,957	1.23
8	MISS G.I.A. DE SILVA	250,475	1.04
9	AITKEN SPENCE PLC-A/C NO. 2	196,828	0.82
10	MR. G.J.W. DE SILVA	194,753	0.81
11	WALDOCK MACKENZIE LTD/MR. M.A.N. YOOSUFALI	177,446	0.73
12	PERSHING LLC S/A AVERBACH GRAUSON & CO.	166,000	0.69
13	MRS. S. VIGNARAJAH	157,369	0.65
14	OAKLEY INVESTMENTS LIMITED	156,000	0.65
15	MISS R.H. ABDULHUSSEIN	147,201	0.61
16	DFCC BANK A/C 1	136,820	0.57
17	COCOSHELL ACTIVATED CARBON COMPANY LIMITED	129,546	0.54
18	COMMERCIAL BANK OF CEYLON LTD/K.C. VIGNARAJAH	121,598	0.50
19	MR. Y.H. ABDULHUSEEIN	110,901	0.46
20	EST.OF.LAT N.K.A. DE SILVA	110,233	0.46

Corporate Information

Name of Company

Ceylon Investment PLC
(A Carson Cumberbatch Company)

Company Registration No.

PQ 68

Domicile and Legal Form

Ceylon Investment PLC is a Public
Quoted Company with limited liability domiciled in Sri Lanka.

The Company was incorporated in
Sri Lanka in 1919.

Principal Activity and Nature of Operations

During the period the principal activity of the Company was holding and managing of an investment portfolio.

Parent Enterprise and Ultimate Parent Enterprise

The Company's parent enterprise is
Ceylon Guardian Investment Trust PLC, which is incorporated in Sri Lanka

The Company's Ultimate Holding Company
and controlling entity is Carson Cumberbatch PLC, which is incorporated in Sri Lanka.

Number of Employees

The Company did not have any employees of its own during the period.

Directors

I. Paulraj (Chairman)
D.C.R. Gunawardena
A. P. Weeratunge

Bankers

Standard Chartered Bank
HSBC
Commercial Bank of Ceylon PLC
Deutsche Bank AG Colombo

Auditors

Messrs. KPMG Ford, Rhodes, Thornton & Company
Chartered Accountants
No. 32A, Sir Mohamed Macan Markar Mawatha, Colombo 3
Sri Lanka

Managers & Secretaries

Carsons Management Services (Private) Limited
No. 61, Janadhipathi Mawatha,
Colombo 1, Sri Lanka
Telephone No. +94-11-4739200
Fax No. +94-11-4739300

Investment Manager

Guardian Fund Management Limited
No. 61, Janadhipathi Mawatha
Colombo 1, Sri Lanka
Telephone No. +94-11-4739200
Fax No. +94-11-4739385

Registered Office and Principal Place of Business

No. 61, Janadhipathi Mawatha,
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+94-11-2337665
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Corporate Website

www.carsoncumberbatch.com