



PEGASUS HOTELS OF CEYLON PLC
Interim Financial Statements for the
Three months ended
30th June 2009

Corporate Information

Name of the Company	Pegasus Hotels of Ceylon PLC (A Carson Cumberbatch Company)
Registration No	PQ 40
Legal Form	A Public Quoted Company with Limited Liability Incorporated in Sri Lanka in 1966
Parent Enterprise	The Company's holding company and controlling entity is Carson Cumberbatch PLC, which is incorporated in Sri Lanka
Directors	D. Chandima R. Gunawardena (Chairman) Mano Selvanathan Hari Selvanathan Sega Nagendra P. M. Withana
Alternate Directors	K.C.N. Fernando (Alternate Director to Mr. M. Selvanathan)
Bankers	Commercial Bank Standard Chartered Bank Sampath Bank
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 Tel: 0114739200 Fax: 0114739300
Registered Office	No. 61, Janadhipathi Mawatha, Colombo 1, Sri Lanka
Place of Business	Santha Maria Mawatha, Wattala, Sri Lanka.
Corporate Website	www.carsoncumberbatch.com

PEGASUS HOTELS OF CEYLON PLC
Income Statement

Provisional Financial Statements

(All figures in Sri Lankan Rupees '000)	For the Quarter ended 30th June			Year ended
	2009	2008	Change %	31.03.09 (Audited)
Revenue	39,011	34,843	12	152,283
Cost of Sales	<u>(10,439)</u>	<u>(10,096)</u>	3	<u>(43,873)</u>
Gross Profit	28,572	24,747	15	108,410
Selling and promotional expenses	(1,050)	(1,228)	(14)	(5,146)
Administrative expenses	(16,928)	(15,974)	6	(99,677)
Other expenses	<u>(6,963)</u>	<u>(7,989)</u>	(13)	<u>(2,453)</u>
Operating Profit / (Loss)	3,631	(444)	918	1,134
Finance expenses	<u>(1,558)</u>	<u>(1,745)</u>	(11)	<u>(6,658)</u>
Profit / (Loss) before taxation	2,073	(2,189)		(5,524)
Income tax expenses	-	-		(15)
Net Profit / (Loss)	<u>2,073</u>	<u>(2,189)</u>	195	<u>(5,539)</u>
Profit / (Loss) per ordinary share (Rs)	0.08	(0.08)		(0.20)

Changes represent the percentage change in current period's results compared to comparative period.

Figures in brackets indicate deductions/negative changes.

PEGASUS HOTELS OF CEYLON PLC

Balance Sheet

Provisional Financial Statements

As at 30th June	2009	2008	As at 31.03.09 (Audited)
(All figures in Sri Lankan Rupees '000)			
ASSETS			
Non-current Assets			
Property, plant & equipment	745,510	636,392	748,535
Intangible asset	-	907	-
Total non-current assets	745,510	637,299	748,535
Current Assets			
Compensation receivable	189,463	-	189,463
Inventories	12,118	13,933	11,147
Trade and other receivables	14,256	22,559	15,107
Cash at bank and in hand	10,318	1,699	6,915
Total current assets	226,155	38,191	222,632
Total assets	971,665	675,490	971,167

EQUITY & LIABILITIES

Equity

Stated Capital	398,889	398,889	398,889
Capital Reserves	440,786	317,831	440,787
General Reserve	176	176	176
Accumulated losses	(28,452)	(211,929)	(30,525)
Total equity	811,399	504,967	809,327

Non-Current Liabilities

Long term bank borrowings	51,399	64,768	51,399
Retirement benefit obligations	1,803	1,259	1,645
Amount due to related companies	72,172	73,391	71,760
Total non-current liabilities	125,374	139,418	124,804

Current Liabilities

Trade and other payables	22,525	23,825	20,943
Long-term loans repayable within one year	9,492	3,066	12,656
Bank overdrafts	2,875	4,214	3,437
Total current liabilities	34,892	31,105	37,036

Total Equity & Liabilities	971,665	675,490	971,167
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Net assets per ordinary share (Rs.) 29.67 18.46 29.59

The Balance Sheet as at 30th June 2009, and the related Statements of Income, Changes in Equity and Cash Flow for the three months then ended as disclosed in pages 1 to 3 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)

J L R Wijeratne

Financial Controller

Carsons Management Services (Private) Limited

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Approved & Signed on behalf of the Managers,

(sgd)

A P Weeraratne

Director

Carsons Management Services (Private) Limited.

11th August 2009

Approved & Signed on behalf of the Board,

(sgd)

D. C. R. Gunawardena

Chairman

(sgd)

M. Selvanathan

Director

PEGASUS HOTELS OF CEYLON PLC

Statement of Changes in Equity

Provisional Financial Statements

For the three months ended 30th June 2009

(All figures in Sri Lankan Rupees '000)

	Stated Capital	Revaluation Reserves	Capital Reserves	General Reserve	Accumulated Losses	Total Equity
Balance as at 1st April 2008 (Audited)	398,889	302,687	15,144	176	(209,740)	507,156
Revaluation	-	307,710	-	-	-	307,710
Transfer on Disposal of Land	-	(184,754)	-	-	184,754	-
Loss for the Year	-	-	-	-	(5,539)	(5,539)
Balance as at 31st March 2009 (Audited)	398,889	425,643	15,144	176	(30,525)	809,327
Profit for the Period	-	-	-	-	2,073	2,073
Balance as at 30th June 2009	398,889	425,643	15,144	176	(28,452)	811,400
Balance as at 1st April 2008 (Audited)	398,889	302,687	15,144	176	(209,740)	507,156
Loss for the period	-	-	-	-	(2,189)	(2,189)
Balance as at 30th June 2008	398,889	302,687	15,144	176	(211,929)	504,967

Cash Flow Statement

Provisional Financial Statements

For the Three months ended 30th June

2009

2008

Audited

Year ended
31.03.09

(All figures in Sri Lankan Rupees 000')

Net cash generated from operating activities	7,354	6,307	17,956
Net cash used in investing activities	(225)	(258)	(2,135)
Net cash used in financing activities	(3,164)	(805)	(4,584)
Net increase /(decrease) in cash and cash equivalents	3,965	5,244	11,237
Cash and cash equivalents at the beginning of the year	3,478	(7,759)	(7,759)
Cash and cash equivalents at the end of the period	7,443	(2,515)	3,478
Cash and cash equivalents			
Cash at Bank and in Hand	10,318	1,699	6,915
Bank Overdrafts	(2,875)	(4,214)	(3,437)
	7,443	(2,515)	3,478

PEGASUS HOTELS OF CEYLON PLC
Notes to the Interim Financial Statement

1. Basis of preparation of Interim Financial Statements

The Interim Financial Statements of the Company have been prepared in consistence with the accounting policies and methods applied for the year ended 31st March 2009 and are in compliance with Sri Lanka Accounting Standard 35-"interim Financial Reporting". Further, provisions of the Companies Act No.07 of 2007 have been considered in preparing the Interim Financial Statements.

2. Events occurring after the Balance Sheet date

Subsequent to the Balance Sheet date, no circumstances have arisen which require adjustments to or disclosure in the Interim Financial Statements.

3. Compensation Receivable

As previously informed to the shareholders, the Government of Sri Lanka acquired approximately 1,251 perches of land owned by the Company for the purpose of constructing the Dikkowita Fisheries Harbour. The Company has accounted for the Compensation Receivable in the Financial Statements based on the market value of the said land. The Company is yet to receive any confirmation regarding the compensation claim from the Divisional Secretary.

4. Contingent Liabilities

There were no changes of a material nature in the Contingent Liabilities since the last Balance Sheet date.

5. Restatement of Comparative Figures

Certain Comparative Figures have been reclassified where applicable to conform to the classification and presentation as at 30th June 2009

6 . Stated capital

Stated capital of company consists of

	As at	As at	As at
	30.06.09	30.06.08	31.03.09
Fully Paid Ordinary Shares	27,352,385	27,352,385	27,352,385

7 . Segment Reporting

The Company has no identifiable segments.

Investor Information

Share Valuation

	Quarter ended	Quarter ended	Year ended
	30.06.2009	30.06.2008	31.03.2009
Last traded price per share (Rs.)	33.50	19.50	13.75
Highest price per share for the period (Rs.)	36.00	25.00	25.50
Lowest price per share for the period (Rs.)	13.50	18.50	9.75

PEGASUS HOTELS OF CEYLON PLC

Investor Information (contd.)

Twenty Major Shareholders as at 30th June 2009

Name	No of shares held	%
CARSON CUMBERBATCH PLC A/C NO. 01	25,369,210	92.75
LANKA ORIX FINANCE COMPANY LIMITED/K.A.S.PERERA & N.C.PERERA	83,600	0.31
MRS. I. GWYN	46,766	0.17
MR. P.P.N. KARUNARATNE	35,900	0.13
MR. P.H.D. WAIDYATILAKA	30,000	0.11
LANKA ORIX FINANCE COMPANY LIMITED/R.E.RAMBUKWELLE	30,000	0.11
MR. R.A. RISHARD	29,900	0.11
MR. M. NAJMUDEEN	27,500	0.10
MR. A.K.D. EDIRAPPULI	26,000	0.10
MR. M. DE SARAM	25,500	0.09
DR. L.M.A. PATHMALAL	25,300	0.09
MR. M.M. FUAD	25,040	0.09
MR. M.M.A. NIDAR	22,900	0.08
MRS. H.M.I.D. JAYAWICKRAMA	21,700	0.08
MR. N. VANDEBONA	21,000	0.08
MR. M.S. MACAN MARKAR	20,000	0.07
MR. K.H.K.H. PERERA	20,000	0.07
MR. B.V. HETTITHANTRIGE	20,000	0.07
MR. R.G. WILSON	20,000	0.07
HAMEEDIA STORES (PVT) LTD	19,300	0.07

The Public Holding percentage as at 30th June 2009 was 7.24%

Directors shareholding as at 31st March 2009

Name	No of Shares held
Mr. D C R Gunawardena	-
Mr. M Selvanathan	-
Mr. H Selvanathan	-
Mr. S Nagendra	-
Mr. P M Withana	-
Alternate Directors	-
Mr. P C P Tissera (for Mr. D C R Gunawardena)	-
(Resigned w.e.f. 31.03.2009)	-
Mr. K C N Fernando (for Mr. M Selvanathan)	-