

EQUITY TWO PLC

Income Statement

(All figures are in Sri Lankan Rupees '000)

For the three months ended 30th June	2009	2008	Change %	Year ended
				31.03.09 (Unaudited)
Revenue	3,646	4,492	(19)	18,073
Direct operating cost	<u>(1,492)</u>	<u>(2,053)</u>	(27)	<u>(8,027)</u>
	2,154	2,439	(12)	10,046
Other operating income	648	920	(30)	4,208
Fair value adjustment - Investment properties	<u>-</u>	<u>-</u>	-	<u>(90,020)</u>
	2,802	3,359	(17)	(75,766)
Administrative and other operating expenses	<u>(550)</u>	<u>(860)</u>	(36)	<u>(3,109)</u>
Profit/(loss) from operations	2,252	2,499	(10)	(78,875)
Finance costs	<u>(35)</u>	<u>(69)</u>	(49)	<u>(212)</u>
Profit/(loss) before taxation	2,217	2,430	(9)	(79,087)
Taxation	<u>(441)</u>	<u>(710)</u>	(38)	<u>(4,093)</u>
Profit/(loss) for the period	1,776	1,720	3	(83,180)
Earnings/(loss) per ordinary share (Rs.)	0.06	0.06		(2.68)

Change % represent the percentage change in current period's results compared to comparative period of previous year.

Figures in brackets indicate deductions/negative changes.

EQUITY TWO PLC

Balance Sheet

As at 30th June (All figures are in Sri Lankan Rupees '000)	As at		
	2009	2008	31.03.09 (Unaudited)
ASSETS			
Non-Current Assets			
Property, plant & equipment	589	680	646
Investment properties	<u>520,000</u>	<u>610,020</u>	<u>520,000</u>
	520,589	610,700	520,646
Current Assets			
Trade & other receivables	4,298	4,443	4,044
Tax recoverable/credit	-	1,326	-
Amounts due from related companies	35,337	30,837	29,406
Cash at bank & in hand	<u>1,133</u>	<u>547</u>	<u>6,141</u>
	40,768	37,153	39,591
Total Assets	561,357	647,853	560,237
EQUITY & LIABILITIES			
Equity			
Stated capital	444,092	444,092	444,092
Capital reserves	750	750	750
Revenue reserves	40,164	123,288	38,388
Total Equity	485,006	568,130	483,230
Non-Current Liabilities			
Long-term borrowings	-	3,960	532
Rental and other deposits	1,942	1,942	1,942
Retirement benefit obligations	982	848	966
Deferred taxation	<u>67,722</u>	<u>68,219</u>	<u>67,722</u>
	70,646	72,969	71,162
Current Liabilities			
Trade & other payables	1,289	2,183	1,173
Tax payable	456	-	101
Long-term borrowings repayable within one year	<u>3,960</u>	<u>4,571</u>	<u>4,571</u>
	5,705	6,754	5,845
Total Equity & Liabilities	561,357	647,853	560,237
Net assets per share (Rs.)	15.65	18.33	15.59

The Balance Sheet as at 30th June 2009 and the Statements of Income, Changes in Equity and Cash Flow for the first quarter 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. 7 of 2007.

(Sgd.)

V.R. Wijesinghe
Financial Controller

Approved & signed on behalf of the Managers,

(Sgd.)

A. P. Weeratunge
Director

Approved & signed on behalf of the Board,

(Sgd.)

D. C. R. Gunawardena
Chairman

(Sgd.)

K. C. N. Fernando
Director

Carsons Management Services (Private) Limited
11th August, 2009

EQUITY TWO PLC

Statement of Changes in Equity

(All figures are in Sri Lankan Rupees '000)

	Stated Capital	Capital Reserves	Fair Value Adjustment Reserve	Accumulated Loss	Total Equity
Balance as at 1st April 2008 (Audited)	444,092	750	148,062	(25,254)	567,650
Loss for the year	-	-	-	(83,180)	(83,180)
Transfers	-	-	(90,020)	90,020	-
Dividend - First & Final	-	-	-	(1,240)	(1,240)
Balance as at 31st March 2009 (Unaudited)	444,092	750	58,042	(19,654)	483,230
Profit for the period	-	-	-	1,776	1,776
Balance as at 30th June 2009 (Unaudited)	444,092	750	58,042	(17,878)	485,006
Balance as at 1st April 2008 (Audited)	444,092	750	148,062	(25,254)	567,650
Profit for the period	-	-	-	1,720	1,720
Dividend - First & Final	-	-	-	(1,240)	(1,240)
Balance as at 30th June 2008 (Unaudited)	444,092	750	148,062	(24,774)	568,130

Cash Flow Statement

For the three months ended 30th June (All figures are in Sri Lankan Rupees '000.)	2009	2008	Year ended 31. 03. 2009 (Unaudited)
Net cash generated from / (used in) operating activities	(3,881)	(4,602)	5,443
Net cash generated from / (used in) investing activities	16	920	(112)
Net cash generated from / (used in) financing activities	(1,143)	(2,383)	(5,802)
Net increase/(decrease) in cash and cash equivalents	(5,008)	(6,065)	(471)
Cash and cash equivalents at the beginning of the year	6,141	6,612	6,612
Cash and cash equivalents at the end of the year	1,133	547	6,141
Statement of cash and cash equivalents			
Cash at bank and in hand	1,133	547	6,141
	1,133	547	6,141

Figures in brackets indicate deductions/negative changes.

EQUITY TWO PLC**Notes to the Interim Financial Statements****1. Basis of preparation of Interim Financial Statements**

The Interim Financial Statements of the Company have been prepared on the basis of the same accounting policies and methods applied for the year ended 31st March 2008 and are in compliance with Sri Lanka Accounting Standards 35 - "Interim Financial Reporting".

2. Events occurring after the Balance Sheet date

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

3. Contingent Liabilities

There were no material Contingent Liabilities since the last Balance Sheet date.

4. Comparative Figures

Previous year's figures and phrases have been rearranged wherever necessary to conform to the current year's presentation.

5. Stated Capital

Stated Capital of the Company consist of 31,000,000 fully paid Ordinary Shares.

6. Public Holding

The percentage of shares held by public as at 30th June 2009 was 11.17%.

7. Investor Information

Share Valuation	30.06.09	30.06.08	31.03.09
Market value per share (Rs.)	12.25	11.25	9.50
Highest price per share for the period (Rs.)	13.00	15.50	11.75
Lowest price per share for the period (Rs.)	8.75	10.75	7.00

8. Directors shareholdings

	No of shares as at 31.03.2009
Mr. D.C.R. Gunawardena	-
Mr. K.C.N. Fernando	3,600
Mr. A.P. Weeratunge	-

EQUITY TWO PLC**Notes to the Interim Financial Statements****9. Twenty major shareholders as at 30th June 2009**

Name of Shareholders	No of Shares	%
Equity One PLC	27,532,525	88.8146
Bank of Ceylon A/C Ceybank Unit Trust	706,000	2.2774
Miss. J. Aloysius	79,500	0.2565
Mr. I. Paulraj	51,000	0.1645
Mr. S.N.C.W.M.B.C. Kandededara	46,000	0.1484
Nowgem Jewellers (Pvt) Ltd	46,000	0.1484
Mr. K.A.H.D. Perera	42,700	0.1377
Mr. B.A.M.R. Macan Markar	40,000	0.1290
Mr. D.B.N. Samaratunge	35,000	0.1129
Trade-Mart Services (Pvt) Ltd	33,300	0.1074
Miss. P.C. Peiris	33,200	0.1071
Mr. U.G. Bulumulle	31,000	0.1000
Dr. C.A. Twerenbold	29,800	0.0961
Dr. R. M.M. Rinoza	27,300	0.0881
Mr. M.N. Alawdeen	26,900	0.0868
Bartleet Asset Management (Pvt) Ltd	25,000	0.0806
Dr. S.K. Kularatna	25,000	0.0806
Mrs. H.I.P. Fernando	25,000	0.0806
DPMC Financial Services (Pvt) Ltd - Account No. 01	24,500	0.0790
Mr. I.K. Vidyapathige	20,800	0.0671

EQUITY TWO PLC**Interim Financial Statements
for the first quarter ended
30th June 2009**

Name of Company	Equity Two PLC (A Carson Cumberbatch Company)
Company Registration No.	PQ 34
Legal Form	A Public Quoted Company with limited liability (Incorporated in Sri Lanka in 1990)
Directors	D. C. R. Gunawardena (Chairman) K. C. N. Fernando A. P. Weeratunge
Bankers	Standard Chartered Bank Bank of Ceylon Deutsche Bank
Auditors	Messrs. KPMG Ford, Rhodes, Thornton & Company Chartered Accountants 32A, Sir Mohamed Macan Markar Mawatha, Colombo 03 Sri Lanka
Managers & Secretaries	Carsons Management Services (Private) Limited 61, Janadhipathi Mawatha, Colombo 01 Sri Lanka
Registered Office	61, Janadhipathi Mawatha, Colombo 01 Sri Lanka
Place of Business	61, Janadhipathi Mawatha, Colombo 01 Sri Lanka
Corporate Website	www.carsoncumberbatch.com