

Ceylon Guardian Investment Trust PLC
Interim Report for the nine months ended 31st December 2009

Quarter ended
31st December

Nine months ended
31st December

Income Statement - Group

(All figures in Sri Lankan Rupees '000)	Note	2009	2008	Change %	2009	2008	Change %	Year ended 31.03.09 (Audited)
Revenue		843,935	118,205	614	1,437,312	1,092,881	32	2,350,153
Carrying value of investments disposed & other direct expenses		(334,615)	(76,431)	338	(701,631)	(333,456)	110	(1,790,017)
		509,320	41,774	1,119	735,681	759,425	(3)	560,136
Other Income / (Expenses)	2	63,359	74,621	(15)	440,763	(91,347)	583	72,648
Administrative expenses		(14,013)	(6,883)	104	(42,519)	(24,430)	74	(34,327)
Profit from operations		558,666	109,512	410	1,133,925	643,648	76	598,457
Finance costs		(434)	(303)	43	(440)	(12,344)	(96)	(13,525)
Profit from operations after finance cost		558,232	109,209	411	1,133,485	631,304	80	584,932
Share of associate companies' profits/(loss)		70,608	(102,057)	169	370,288	61,764	500	75,700
Profit before taxation		628,840	7,152	8,693	1,503,773	693,068	117	660,632
Taxation		(11,694)	(769)	1,421	(34,703)	(3,722)	832	(7,463)
Profit for the period		617,146	6,383	9,569	1,469,070	689,346	113	653,169
Profit Attributable to								
Equity holders of the parent		454,957	3,884	11,614	1,167,992	545,058	114	292,727
Minority shareholders		162,189	2,499	6,390	301,078	144,288	109	360,442
		617,146	6,383	9,569	1,469,070	689,346	113	653,169
Earnings per ordinary/ deferred share (Rs.) - (Basic)		35.48	0.32		84.47	34.07		32.28
Dividend per ordinary share (Rs.)		11.50	1.75		11.50	1.75		11.50

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

Figures in brackets indicate deductions/negative changes.

Ceylon Guardian Investment Trust PLC
Interim Report for the nine months ended 31st December 2009

Balance Sheet - Group

As at 31st December	2009	2008 Restated	As at 31.03.09 (Audited)
(All figures in Sri Lankan Rupees '000)			
ASSETS			
Non-Current Assets			
Property, plant & equipment	8,393	21,178	10,039
Intangible Assets	7,642	-	9,152
Investments in associates	1,617,548	1,652,089	1,022,079
Other investments	6,323,832	2,944,250	2,463,564
	7,957,415	4,617,517	3,504,834
Current Assets			
Trade and other receivables	8,826	3,929	14,941
Income tax recoverable	24,300	8,785	5,812
Deferred tax asset	250	-	250
Short-term investment	558,722	123,428	114,044
Short-term deposits	2,449	156,271	1,974,584
Cash at bank	57,286	3,489	60,643
	651,833	295,902	2,170,274
Total assets	8,609,248	4,913,419	5,675,108
EQUITY AND LIABILITIES			
Stated Capital & Reserves			
Stated capital	672,811	672,811	672,811
Capital reserves	1,235,061	714,685	1,001,762
Revenue reserves	5,108,906	2,757,461	2,877,333
Shareholders' funds	7,016,778	4,144,957	4,551,906
Minority shareholders' interest	1,410,370	758,260	1,053,800
	8,427,148	4,903,217	5,605,706
Non-Current Liabilities			
Deferred tax provision	-	38	-
Retirement benefit obligation	363	205	361
	363	243	361
Current Liabilities			
Income tax payable	42,238	-	-
Creditors and accruals	9,931	2,578	5,405
Dividends unclaimed	22,056	6,857	5,895
Bank overdraft	107,512	524	57,741
	181,737	9,959	69,041
Total equity and liabilities	8,609,248	4,913,419	5,675,108
Net assets per ordinary/deferred share - Book value (Rs.)	484.54	242.31	277.03
Net assets per ordinary/deferred share - Market value (Rs.)	585.81	271.73	252.77

The Balance Sheet of the Group as at 31st December 2009 and the related Statements of Income, Changes in Equity and Cash Flow for the nine months then ended as disclosed in pages 2 to 4, 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
8th February 2010

(Sgd.)

I. Paulraj

Chairman

(Sgd.)

D.C.R. Gunawardena

Director

Ceylon Guardian Investment Trust PLC
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Statement of Changes in Equity - Group

	Stated Capital	Capital Reserves	Market Value Adjustment Reserve-S/T	Market Value Adjustment Reserve-L/T	Revenue Reserves	Share- holders Funds	Minority Share- holders' Interest	Total Equity
(All figures in Sri Lankan Rupees '000)								
Balance as at 31st March 2008 (Audited)	672,811	935,683	57,573	2,078,293	2,271,758	6,016,118	1,210,710	7,226,828
Net profit for the year	-	-	-	-	292,727	292,727	360,442	653,169
Dividend paid	-	-	-	-	(35,411)	(35,411)	(31,850)	(67,261)
Loss on revaluation of long-term investments	-	-	-	(1,787,607)	-	(1,787,607)	(485,502)	(2,273,109)
Transfers	-	-	(45,214)	-	45,214	-	-	-
Movement in associate company's reserves	-	66,079	-	-	-	66,079	-	66,079
Balance as at 31st March 2009 (Audited)	672,811	1,001,762	12,359	290,686	2,574,288	4,551,906	1,053,800	5,605,706
Net profit for the nine months	-	-	-	-	1,167,992	1,167,992	301,078	1,469,070
Repurchase of shares	-	-	-	-	(1,116,991)	(1,116,991)	(399,083)	(1,516,074)
Surplus on revaluation of long-term investments	-	-	-	2,413,274	-	2,413,274	569,135	2,982,409
Movement in associate company's reserves	-	233,299	-	-	-	233,299	-	233,299
Transfers	-	-	152,938	-	(152,938)	-	-	-
Dividend paid	-	-	-	-	(232,702)	(232,702)	(114,560)	(347,262)
Balance as at 31st December 2009 (Unaudited)	672,811	1,235,061	165,297	2,703,960	2,239,649	7,016,778	1,410,370	8,427,148
Balance as at 31st March 2008 (Audited)	672,811	935,683	57,573	2,078,293	2,271,758	6,016,118	1,210,710	7,226,828
Net profit for the nine months	-	-	-	-	545,058	545,058	144,288	689,346
Loss on revaluation of long-term investments	-	-	-	(2,159,810)	-	(2,159,810)	(564,888)	(2,724,698)
Movement in associate company's reserves	-	(220,998)	-	-	-	(220,998)	-	(220,998)
Transfers	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	(35,411)	(35,411)	(31,850)	(67,261)
Balance as at 31st December 2008 (Unaudited)	672,811	714,685	57,573	(81,517)	2,781,405	4,144,957	758,260	4,903,217

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Cash Flow Statement - Group

For the nine months ended 31st December	2009	2008	Year ended 31.03.09 (Audited)
(All figures in Sri Lankan Rupees '000)			
Net cash generated from / (used in) operating activities	(177,975)	295,083	1,383,420
Net cash generated from / (used in) investing activities	(113)	(19,338)	707,908
Net cash used in financing activities	(1,847,175)	(65,718)	(63,051)
Net increase / (decrease) in cash & cash equivalents	(2,025,263)	210,027	2,028,277
Cash & cash equivalents at the beginning of the period	1,977,486	(50,791)	(50,791)
Cash & cash equivalents at the end of the period	(47,777)	159,236	1,977,486

Statement of Cash & Cash Equivalents

Short-term deposits	2,449	156,271	1,974,584
Cash at bank	57,286	3,489	60,643
Bank overdrafts	59,735	159,760	2,035,227
	(107,512)	(524)	(57,741)
	(47,777)	159,236	1,977,486

Figures in brackets indicate deductions.

Ceylon Guardian Investment Trust PLC
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Quarter ended
31st December

Nine months ended
31st December

Income Statement - Company

(All figures in Sri Lankan Rupees '000)	Note	2009	2008	Change %	2009	2008	Change %	Year ended 31.03.09 (Audited)
Revenue		759,166	30,536	2,386	1,497,117	592,955	152	1,284,028
Carrying value of investments disposed		(178,787)	(42,464)	321	(338,082)	(180,002)	88	(989,934)
		580,379	(11,928)	4,966	1,159,035	412,953	181	294,094
Other income / (expenses)	2	9,049	35,157	(74)	239,001	(41,015)	683	114,797
Administrative expenses		(3,905)	(1,372)	185	(10,272)	(7,469)	38	(9,837)
Profit from operations		585,523	21,857	2,579	1,387,764	364,469	281	399,054
Finance costs		(333)	(102)	226	(338)	(12,012)	(97)	(12,013)
Profit before taxation		585,190	21,755	2,590	1,387,426	352,457	294	387,041
Taxation		(1,921)	-	100	(6,305)	-	100	(624)
Profit for the period		583,269	21,755	2,581	1,381,121	352,457	292	386,417
Earnings per ordinary/deferred share - Basic (Rs.)		33.54	1.08		79.41	17.42		19.10
Dividend per ordinary share (Rs.)		11.50	1.75		11.50	1.75		11.50

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

Figures in brackets indicate deductions/negative changes.

Ceylon Guardian Investment Trust PLC
Interim Report for the nine months ended 31st December 2009

Balance Sheet - Company

As at 31st December	2009	2008 Restated	As at 31.03.09 (Audited)
(All figures in Sri Lankan Rupees '000)			
ASSETS			
Non-Current Assets			
Investments in subsidiaries	277,217	346,500	346,500
Other investments	2,618,661	1,418,075	978,161
	2,895,878	1,764,575	1,324,661
Current Assets			
Trade and other receivables	2,552	140	2,885
Income tax recoverable	2,842	5,126	4,610
Short-term investments	59,066	56,609	54,619
Short-term deposits	-	26,676	46,806
Cash at bank	22,047	1,739	280,209
	86,507	90,290	389,129
Total assets	2,982,385	1,854,865	1,713,790
EQUITY and LIABILITIES			
Stated Capital & Reserves			
Stated capital	672,811	672,811	672,811
Capital reserves	208,660	208,660	208,660
Revenue reserves	1,971,111	581,677	828,334
Total equity	2,852,582	1,463,148	1,709,805
Current Liabilities			
Trade and other creditors	1,334	3,921	1,120
Amounts due from related companies	-	387,272	-
Unclaimed Dividends	20,957	-	2,520
Bank overdraft	107,512	524	345
	129,803	391,717	3,985
Total equity and liabilities	2,982,385	1,854,865	1,713,790
Net assets per ordinary/deferred share (Rs.)	164.02	72.31	84.50
Net assets per share - Market value (Rs.)	540.57	209.19	185.53

The Balance Sheet of the Company as at 31st December 2009 and the Statements of Income, Changes in Equity and Cash Flow for the nine months then ended as disclosed in pages 7 to 9, 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

8th February 2010

(Sgd.)

I. Paulraj

Chairman

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D.C.R. Gunawardena

Director

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Statement of Changes in Equity - Company

(All figures in Sri Lankan Rupees '000)	Stated Capital	Capital Reserve	Revenue Reserve	Total Equity
Balance as at 31st March 2008 (Audited)	672,811	208,660	1,305,117	2,186,588
Profit for the year	-	-	386,417	386,417
Loss on revaluation of long-term investments	-	-	(827,789)	(827,789)
Dividend paid	-	-	(35,411)	(35,411)
Balance as at 31st March 2009 (Audited)	672,811	208,660	828,334	1,709,805
Profit for the period	-	-	1,381,121	1,381,121
Repurchase of shares	-	-	(1,116,991)	(1,116,991)
Surplus on revaluation of long-term investments	-	-	1,111,349	1,111,349
Dividend paid	-	-	(232,702)	(232,702)
Balance as at 31st December 2009 (Unaudited)	672,811	208,660	1,971,111	2,852,582
Balance as at 31st March 2008 (Audited)	672,811	208,660	1,305,117	2,186,588
Profit for the period	-	-	352,457	352,457
Loss on revaluation of long-term investments	-	-	(1,040,486)	(1,040,486)
Dividend paid	-	-	(35,411)	(35,411)
Balance as at 31st December 2008 (Unaudited)	672,811	208,660	581,677	1,463,148

Ceylon Guardian Investment Trust PLC
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Cash Flow Statement - Company

For the nine months ended 31st December	2009	2008	Year ended 31.03.09 (Audited)
(All figures in Sri Lankan Rupees '000)			
Net cash generated from operating activities	849,838	156,985	456,248
Net cash generated from investing activities	69,283	-	-
Net cash generated used in financing activities	(1,331,256)	(34,981)	(35,465)
Net increase/(decrease) in cash & cash equivalents	(412,135)	122,004	420,783
Cash & cash equivalents at the beginning of the period	326,670	(94,113)	(94,113)
Cash & cash equivalents at the end of the period	(85,465)	27,891	326,670

Statement of Cash & Cash Equivalents

Short-term deposits	-	26,676	46,806
Cash at bank	22,047	1,739	280,209
	22,047	28,415	327,015
Bank overdrafts	(107,512)	(524)	(345)
	(85,465)	27,891	326,670

Figures in brackets indicate deductions.

Ceylon Guardian Investment Trust PLC
Interim Report for the nine months ended 31st December 2009

Notes to the Interim Financial Statements

1 Basis of Preparation of Interim Financial Statements

The Interim Financial Statements of the Company and the Group have been prepared in consistence with the accounting policies and methods applied for the year ended 31st March 2009

These Interim Financial Statements are in compliance with Sri Lanka Accounting Standard 35 - Interim Financial Reporting. Further, provision of the Companies Act No. 7 of 2007 have been considered in preparing the Interim Financial Statements of the Company & the

2 Other Income / (Expenses)

	Group (Rs'000)		Company (Rs'000)	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Reversal of Mark to market value loss for long-term investments in prior year	206,817	-	162,364	-
Mark to market value adjustment for carrying value of short-term investments	213,144	(91,347)	58,286	(41,015)
Realization of revaluation profit on disposed investment	20,802	-	18,351	-
	440,763	(91,347)	239,001	(41,015)

3 Gain on repurchase of shares in subsidiaries

The net profit for the period of the Company of Rs.1,381mn includes the gain resulting from repurchase of shares by the subsidiary companies. amounting to Rs.793 mn.

4 Events Occurring after the Balance Sheet date

There were no events which require disclosure or adjustment in these Financial Statements.

5 Contingent Liabilities

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

6 Valuation of Investment Portfolio

Company

	Market Value as at 31.12.09	Market Value as at 31.03.09
(Rs. '000)		

6.1 Summary of Investment Portfolio

Long-term (6.1.1)	2,618,661	978,161
Short-term (6.1.2)	59,066	54,619
	2,677,727	1,032,780

6.1.1 Long-Term Investments

Sector

(Rs. '000)

	Market Value as at 31.12.09	Market Value as at 31.03.09
Bank, Finance & Insurance	387,226	1,887
Beverage, Food & Tobacco	1,139,555	521,616
Diversified	830,378	271,732
Hotels & Travels	107,700	13,880
Telecommunications	-	15,586
Total Equity Securities - Quoted	2,464,859	824,701
Unquoted Investments	153,802	153,460
Total Long Term Investment Portfolio	2,618,661	978,161

6.1.2 Short-Term Investments

Sector

(Rs. '000)

	Market Value as at 31.12.09	Market Value as at 31.03.09
Bank, Finance & Insurance	8,783	-
Beverage, Food & Tobacco	13,376	47,343
Chemicals & Pharmaceuticals	6,300	-
Diversified	30,607	7,276
Total Short Term Investment Portfolio	59,066	54,619

Ceylon Guardian Investment Trust PLC
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Notes to the Interim Financial Statements

6 Valuation of Investment Portfolio Group

	Market Value as at	Market Value as at
(Rs. '000)	31.12.09	31.03.09
6.2 Summary of Investment Portfolio		
Long-term (6.2.1)	6,323,832	2,463,564
Short-term (6.2.2)	558,722	114,044
	6,882,554	2,577,608

6.2.1 Long-Term Investments

Sector

(Rs. '000)

	Market Value as at	Market Value as at
(Rs. '000)	31.12.09	31.03.09
Bank, Finance & Insurance	916,301	25,979
Beverage, Food & Tobacco	1,470,733	658,895
Diversified	3,390,642	1,214,292
Hotels & Travels	215,400	77,403
Manufacturing	-	8,046
Telecommunications	-	170,107
Healthcare	50,619	29,003
Total Equity Securities - Quoted	6,043,695	2,183,725
Unquoted Investments	280,137	279,839
Total Long Term Investment Portfolio	6,323,832	2,463,564

6.2.2 Short-Term Investments

Sector

(Rs. '000)

	Market Value as at	Market Value as at
(Rs. '000)	31.12.09	31.03.09
Bank, Finance & Insurance	335,031	523
Beverage, Food & Tobacco	19,927	92,941
Chemicals & Pharmaceuticals	26,338	-
Construction & Engineering	6,853	-
Diversified	95,400	17,955
Hotels & Travels	70,823	-
Land & Property	4,350	-
Power & Energy	-	2,625
Total Short Term Investment Portfolio	558,722	114,044

	As at	As at
(Rs. '000)	31.12.09	31.03.09
6.3 Price Index Movements		
ASPI	3,385	1,638
Milanka	3,849	1,736

7 Investor Information

	31.12.09	31.12.08	31.03.09
Market Performance - Ordinary Shares			
	Rs.	Rs.	Rs.
Market value per share	450.00	82.00	104.25
Highest price per share	450.00	187.50	115.00
Lowest price per share	103.25	78.00	82.00
Market capitalization (Rs. mn)	8,522	1,553	1,974

Ceylon Guardian Investment Trust PLC
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Notes to the Interim Financial Statements

8 Stated Capital as at 31st December 2009

Rs.672,811,410/- consisting of 18,938,112 Ordinary Shares, 10,199 fully paid Deferred shares and 3,050 Partly paid Deferred Shares. (Rs.908/- paid)

The Company Repurchased 2,840,716 ordinary shares, 1,530 Fully paid Deferred Shares and 457 partly paid Deferred shares from its shareholders and these have been cancelled on 11th January 2010. Hence, as at 11th January 2010 the Stated Capital of the Company Rs.672,811,410/- would consist of 16,097,396 Ordinary Shares, 8,669 Fully paid Deferred shares and 2,593 Partly paid Deferred shares. (Rs.908/- paid)

9 Public Holding

The percentage of Ordinary Shares held by the Public as at 30th December 2009 was 42.92%.

The above public holding amounted to 8,127,995 shares of which 2,840,716 shares were repurchased by the Company and were subsequently cancelled on 11th January 2010. As a result the Public Holding as at 11th January 2010 was 32.85%.

10 Directors Shareholding as at 31.03.2009

	No. of shares as at
	31.03.09
Mr. I Paulraj	50
Mr. D C R Gunawardena	50
Mr. A De Z Gunasekera	50
Mr. V M Fernando	-

11 Comparative Figures

Comparative figures have been re-arranged where necessary to conform to the current period's presentation.

Ceylon Guardian Investment Trust PLC
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12. Twenty Major Shareholders as at 30th December 2009

Name of the Shareholder	No. of Shares as at 30.12.2009 *	%	No. of Shares as at 11.01.2010	%
1 CARSON CUMBERBATCH PLC A/C NO. 01	10,809,967	57.08	10,809,967	67.15
2 THURSTON INVESTMENTS LIMITED	1,065,299	5.63	1,065,799	6.62
3 MR. M. RADHAKRISHNAN	398,664	2.11	398,664	2.48
4 PERSHING LLC S/A AVERBACH GRAUSON & CO.	381,600	2.01	381,600	2.37
5 THE GILPIN FUND LIMITED	308,424	1.63	308,424	1.92
6 MR. G.J.W. DE SILVA	186,000	0.98	186,000	1.16
7 MISS G.I.A. DE SILVA	170,250	0.90	170,250	1.06
8 MRS. M.L. DE SILVA	168,160	0.89	168,160	1.04
9 MISS R.H. ABDULHUSSEIN	110,585	0.58	110,585	0.69
10 MR. K.C. VIGNARAJAH	104,735	0.55	104,735	0.65
11 WALDOCK MACKENZIE LTD/MR. H.M.S. ABDULHUSSEIN	89,767	0.47	89,567	0.56
12 THE CEYLON DESICCATED COCONUT & OIL COMPANY LIMITED	74,988	0.40	74,988	0.47
13 MISS G.N.A. DE SILVA	70,685	0.37	70,685	0.44
14 WALDOCK MACKENZIE LTD/MR. M.A.N. YOOSUFALI	57,764	0.31	58,264	0.36
15 J.B. COCOSHELL (PVT) LTD	55,279	0.29	55,279	0.34
16 MR. O.D. LIYANAGE	51,492	0.27	51,492	0.32
17 DFCC BANK A/C 1	48,318	0.26	48,318	0.30
18 G N RUSSEL	45,568	0.24	45,568	0.28
19 JANASHAKTHI INSURANCE PLC (SHARE HOLDERS)	45,000	0.24	45,000	0.28
20 MRS. S. VIGNARAJAH	42,236	0.22	42,236	0.26

* The total number of ordinary shares in issue as at 30th December 2009 amounts to 18,938,112 Ordinary shares and includes 2,840,716 Shares Repurchased by the Company (amounting to 15%) which were held under Share Repurchase Account, pending cancellation. Subsequently, on 11th January 2010, the 2,840,716 number of shares were cancelled after completing all Statutory and Regulatory requirements.

Corporate Information

Name of Company

Ceylon Guardian Investment Trust PLC
(A Carson Cumberbatch Company)

Domicile and Legal Form

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

The Company was incorporated in Sri Lanka in 1951.

Company Registration No.

PQ 52

Principal Activity and Nature of Operations

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

Parent Enterprise and Ultimate Parent Enterprise

The Company's ultimate holding company and controlling entity is Carson Cumberbatch PLC, which is incorporated in Sri Lanka.

Directors

I. Paulraj (Chairman)
D. C. R. Gunawardena
Asoka De Z. Gunasekera
V. Manilal Fernando

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.

Investment Managers

Guardian Fund Management Limited
No. 61, Janadhipathi Mawatha,
Colombo 1.
Tele: +94-11-4739200
Fax: +94-11-4739385

Managers & Secretaries

Carsons Management Services (Private) Limited
No. 61, Janadhipathi Mawatha,
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Tele: +94-11-4739200
Fax: +94-11-4739300

Registered Office and Principal Place of Business

No. 61, Janadhipathi Mawatha,
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Corporate Website

www.carsoncumberbatch.com
