

EQUITY TWO PLC

Income Statement

(All figures are in Sri Lankan Rupees '000)

	Quarter ended 31st March			For the year ended 31st March		
	2010	2009	Change %	2010	2009	Change %
Revenue	3,943	4,338	(9)	15,563	18,073	(14)
Direct cost	<u>(2,274)</u>	<u>(2,325)</u>	(2)	<u>(7,937)</u>	<u>(8,027)</u>	(1)
	1,669	2,013	(17)	7,626	10,046	(24)
Other income	1,200	1,404	(15)	4,136	4,208	(2)
Fair value adjustment - Investment properties	<u>-</u>	<u>(90,020)</u>	(100)	<u>-</u>	<u>(90,020)</u>	(100)
	2,869	(86,603)	103	11,762	(75,766)	116
Administrative and other operating expenses	<u>(933)</u>	<u>(775)</u>	20	<u>(3,030)</u>	<u>(3,109)</u>	(3)
Profit/(loss) from operations	1,936	(87,378)	102	8,732	(78,875)	111
Finance expenses	<u>(12)</u>	<u>(43)</u>	(72)	<u>(93)</u>	<u>(212)</u>	(56)
Profit/(loss) before taxation	1,924	(87,421)	102	8,639	(79,087)	111
Income tax expenses	<u>(2,607)</u>	<u>(1,916)</u>	36	<u>(4,019)</u>	<u>(4,093)</u>	(2)
Profit/(loss) for the period	(683)	(89,337)	(99)	4,620	(83,180)	106
Earnings/(loss) per ordinary share (Rs.)	(0.02)	(2.88)		0.15	(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

	2010	2009
As at 31st March		
(All figures are in Sri Lankan Rupees '000)		
ASSETS		
Non-Current Assets		
Property, plant & equipment	445	646
Investment properties	<u>520,000</u>	<u>520,000</u>
	520,445	520,646
Current Assets		
Trade & other receivables	4,457	4,044
Amounts due from related companies	31,720	29,406
Cash at bank & in hand	<u>6,079</u>	<u>6,141</u>
	42,256	39,591
Total Assets	562,701	560,237
EQUITY & LIABILITIES		
Equity		
Stated capital	444,092	444,092
Capital reserves	750	750
Revenue reserves	<u>43,008</u>	<u>38,388</u>
Total Equity	487,850	483,230
Non-Current Liabilities		
Long-term borrowings	-	532
Rental and other deposits	1,795	1,942
Retirement benefit obligations	1,149	966
Deferred taxation	<u>69,149</u>	<u>67,722</u>
	72,093	71,162
Current Liabilities		
Trade & other payables	924	1,173
Current tax liabilities	3	101
Long-term borrowings repayable within one year	<u>1,831</u>	<u>4,571</u>
	2,758	5,845
Total Liabilities	74,851	77,007
Total Equity & Liabilities	562,701	560,237
Net assets per share (Rs.)	15.74	15.59

The Balance Sheet as at 31st March 2010 and the Statements of Income, Changes in Equity and Cash Flow for the fourth quarter ended as disclosed in pages 1 to 3 have been drawn up from audited 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.) (Sgd.)
D. C. R. Gunawardena **K. C. N. Fernando**
Chairman Director

Carsons Management Services (Private) Limited
2nd June, 2010

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	444,092	750	148,062	(25,254)	567,650
Loss for the period	-	-	-	(83,180)	(83,180)
Transfers	-	-	(90,020)	90,020	-
Dividend - First & Final	-	-	-	(1,240)	(1,240)
Balance as at 31st March 2009 (Audited)	444,092	750	58,042	(19,654)	483,230
Profit for the period	-	-	-	4,620	4,620
Balance as at 31st March 2010 (Audited)	444,092	750	58,042	(15,034)	487,850

Cash Flow Statement

	2010	2009
For the year ended 31st March		
(All figures are in Sri Lankan Rupees '000.)		
Net cash generated from operating activities		3,493
Net cash generated from / (used in) investing activities		12
Net cash used in financing activities		(3,567)
Net decrease in cash and cash equivalents		(62)
Cash and cash equivalents at the beginning of the period		6,141
Cash and cash equivalents at the end of the period		6,079
Statement of cash and cash equivalents		
Cash at bank and in hand		6,079
		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 2010 and are in compliance with Sri Lanka Accounting Standards 35 - "Interim Financial Reporting". Provisions of the Companies Act No. 07 of 2007 have been considered in preparing these 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 disclosures in the Interim Financial Statements.

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 31st March 2010 was 11.17%.

7. Investor Information

Share Valuation	31.03.10
Market value per share (Rs.)	16.50
Highest price per share for the period (Rs.)	19.50
Lowest price per share for the period (Rs.)	15.00

8. Directors shareholdings

	No. of Shares
	As at 31st
	March 2010
Mr. D.C.R. Gunawardena	-
Mr. K.C.N. Fernando	3,600
Mr. A.P. Weeratunge	-
Mr. E. H. Wijenaikie (Appointed w.e.f 24.03.2010)	-
Mr. P. D. D. Fernando (Appointed w.e.f. 24.03.2010)	-

EQUITY TWO PLC**Notes to the Interim Financial Statements****9. Twenty Major shareholders as at 31st March 2010**

Name of the Shareholder	No. of Shares	%
Equity One PLC	27,532,525	88.81
Bank of Ceylon A/C Ceybank Unit Trust	1,040,100	3.36
Mr. S.N.C.W.M.B.C. Kandedgedara	627,400	2.02
Miss J. Aloysius	79,500	0.26
Mr. I. Paulraj	51,000	0.16
Mr. C.S. Kariyawasan	40,000	0.13
Dr. C.A. Twerenbold	29,800	0.10
Mr. U.G. Bulumulle	29,000	0.09
Mr. M.N. Alawdeen	26,900	0.09
Mrs. H.I.P. Fernando	25,000	0.08
Mr. A.A. Noordeen	23,900	0.08
Merchant Bank of Sri Lanka Limited/Union Investments Limited	20,200	0.07
Miss. C.M. Wickramasekera	19,800	0.06
Mr. E.K. Premaratne	17,200	0.06
Mr. L.L. Hettiarachchi	16,900	0.05
Tranz Dominion LLC	16,600	0.05
Mr. D.C. Wimalasena	16,000	0.05
Mr. J.B. Hirdaramani	16,000	0.05
Dr. M.M. Rinoza	16,000	0.05
Mrs. J. Aloysius	15,900	0.05

EQUITY TWO PLC**Interim Financial Statements
for the fourth quarter
ended
31st March 2010**

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 E. H. Wijenaikie (Appointed w.e.f 24.03.2010) P. D. D. Fernando (Appointed w.e.f. 24.03.2010)
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