

**Interim Financial Statement**  
**Nine Months Ended 31st December 2012**

**Ceylon Hotels Corporation PLC**  
A Member of the Galle Face Hotel Group

# Ceylon Hotels Corporation PLC



## CORPORATE INFORMATION

### Stock Exchange Listing

The Ordinary Shares of the Corporation are listed with the  
Colombo Stock Exchange of Sri Lanka

### Directors

Mr. Lakshman Samarasinghe - Chairman  
Mr. Sanjeev Gardiner  
Dr. Dennis Aloysius  
Mr. Priyantha Maddumage  
Dr. Chrisantha Nonis  
Mr. Kuvera De Zoysa  
Mr. G.T.Kuttiarachchi  
Mr. E.M.Mangala Boyagoda

### Secretaries

Accounting Systems Secretarial Services (Pvt) Limited  
02, Castle Lane, Colombo 04.

### Registered Office

Ceylon Hotels Corporation PLC  
327 Union Place Colombo 02.  
Company Registration No PB 3283  
Telephone:- 011 2449168/ 011 2421847 /011 5634573 / 011 5634649  
Fax : 011 5345875

### Auditors

KPMG Ford, Rhodes, Thornton & Co.  
32A, Sir Mohamed Macan Markar Mw., Colombo 03.

### Hotel Reservations

Ceylon Hotels Corporation PLC  
Regency Wing - Galle Face Hotel  
02, Galle Road, Colombo 3  
Tel: 011 5585858 Fax : 011 5345882  
Email : sales@ceylonhotels.net  
Website : www.ceylonhotels.lk

## Ceylon Hotels Corporation PLC

### BALANCE SHEET



As at	Group		Company	
	31.12.2012 (Rs. '000')	31.03.2012 (Rs. '000')	31.12.2012 (Rs. '000')	31.03.2012 (Rs. '000')
<b>ASSETS</b>				
<b>Non- Current Assets</b>				
Property, Plant & Equipment	7,940,587	7,866,201	580,150	551,959
Investments in Subsidiary Companies	-	-	41,956	41,956
Investment Property	-	-	986,561	986,561
Intangible Assets	518,383	518,383	518,383	518,383
	<b>8,458,971</b>	<b>8,384,584</b>	<b>2,127,051</b>	<b>2,098,860</b>
<b>Current Assets</b>				
Inventories	67,813	59,330	-	-
Trade & Other Receivables	362,586	199,224	268,597	188,500
Investment	22,031	851	-	-
Cash & Cash Equivalents	100,004	65,343	9,514	7,444
	<b>552,434</b>	<b>324,748</b>	<b>278,112</b>	<b>195,944</b>
<b>TOTAL ASSETS</b>	<b>9,011,405</b>	<b>8,709,333</b>	<b>2,405,162</b>	<b>2,294,804</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital &amp; Reserves</b>				
Stated Capital	1,220,426	1,220,426	1,220,426	1,220,426
Reserves	4,832,718	4,880,416	590,477	606,512
Accumulated Losses	(187,049)	(191,765)	(405,233)	(390,758)
	<b>5,866,095</b>	<b>5,909,077</b>	<b>1,405,671</b>	<b>1,436,179</b>
Minority Interest	1,361,902	1,336,242	-	-
	<b>1,361,902</b>	<b>1,336,242</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>7,227,997</b>	<b>7,245,320</b>	<b>1,405,671</b>	<b>1,436,179</b>
<b>Non Current Liabilities</b>				
Interest Bearing Borrowings	699,613	443,175	495,503	238,570
Deferred Tax Liabilities	257,884	257,111	5,859	6,898
Employee Benefits	10,373	8,246	6,640	6,181
	<b>967,870</b>	<b>708,531</b>	<b>508,002</b>	<b>251,649</b>
<b>Current Liabilities</b>				
Trade and Other Payables	606,603	558,156	326,873	437,946
Interest Bearing Borrowings	89,599	89,599	76,439	76,439
Non Interest Bearing Borrowings	1,802	1,802	1,522	1,522
Bank Overdrafts	117,535	105,926	86,656	91,068
	<b>815,540</b>	<b>755,483</b>	<b>491,489</b>	<b>606,976</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>9,011,405</b>	<b>8,709,333</b>	<b>2,405,162</b>	<b>2,294,804</b>
<b>Net Assets per Share (Rs.)</b>	<b>34.14</b>	<b>34.39</b>	<b>8.18</b>	<b>8.36</b>

Note : The above figures for the Nine Months ended 31st December 2012 are provisional and subject to Audit

Figures in brackets indicate deductions.

All values are in Rupees Thousands unless otherwise stated.

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

**Financial Controller**

**Lakshman Samarasinghe**  
Chairman

**Priyantha Maddumage**  
Director

Colombo, 05 January 2013

# Ceylon Hotels Corporation PLC



## INCOME STATEMENT

	Group				Company				Variance Year (Group) %
	Three Months Ended 31st December		Nine Months Ended 31st December		Three Months Ended 31st December		Nine Months Ended 31st December		
	2012 (Rs.'000')	2011 (Rs.'000')	2012 (Rs.'000')	2011 (Rs.'000')	2012 (Rs.'000')	2011 (Rs.'000')	2012 (Rs.'000')	2011 (Rs.'000')	
Revenue	245,239	223,176	669,051	589,128	10,893	70,944	34,489	203,630	14
Cost of Sales	(57,688)	(62,465)	(165,605)	(169,873)	-	(23,049)	-	(71,349)	3
<b>Gross Profit</b>	<b>187,551</b>	<b>160,711</b>	<b>503,445</b>	<b>419,256</b>	<b>10,893</b>	<b>47,896</b>	<b>34,489</b>	<b>132,282</b>	<b>20</b>
Other Operating Income	3,697	4,706	7,804	9,681	11,486	4,484	39,092	9,420	(19)
Administration Expenses	(162,705)	(127,658)	(448,972)	(365,574)	(25,666)	(43,179)	(80,987)	(113,258)	(23)
Marketing Expenses	(7,451)	(6,966)	(22,341)	(18,049)	-	(2,597)	(3)	(6,392)	(24)
Other Operating Expenses	3,689	842	17,160	12,554	-	(1,933)	(2)	(6,491)	37
<b>Profit/(Loss)from Operations</b>	<b>24,782</b>	<b>31,634</b>	<b>57,097</b>	<b>57,868</b>	<b>(3,287)</b>	<b>4,671</b>	<b>(7,412)</b>	<b>15,560</b>	<b>(1)</b>
Finance Expenses	(27,779)	(14,159)	(57,652)	(31,676)	(15,915)	(10,574)	(24,136)	(27,160)	(82)
<b>Profit/( Loss) before Taxation</b>	<b>(2,997)</b>	<b>17,475</b>	<b>(555)</b>	<b>26,192</b>	<b>(19,203)</b>	<b>(5,903)</b>	<b>(31,548)</b>	<b>(11,600)</b>	<b>(102)</b>
Income Tax Expenses	(3,810)	(3,311)	(14,735)	(8,372)	1,039	-	1,039	-	(76)
<b>Net Profit/(Loss) after Tax</b>	<b>(6,807)</b>	<b>14,164</b>	<b>(15,289)</b>	<b>17,820</b>	<b>(18,164)</b>	<b>(5,903)</b>	<b>(30,509)</b>	<b>(11,600)</b>	<b>(186)</b>
Minority Interest	(9,521)	(3,831)	(27,692)	(10,287)	-	-	-	-	169
<b>Net Profit/(Loss)</b>	<b>(16,327)</b>	<b>10,334</b>	<b>(42,982)</b>	<b>7,533</b>	<b>(18,164)</b>	<b>(5,903)</b>	<b>(30,509)</b>	<b>(11,600)</b>	<b>(671)</b>
<b>Earnings/(Loss) per Share</b>	<b>(0.10)</b>	<b>0.06</b>	<b>(0.25)</b>	<b>0.04</b>	<b>(0.11)</b>	<b>(0.03)</b>	<b>(0.18)</b>	<b>(0.07)</b>	<b>(5)</b>

Note : The above figures for the Nine Months ended 31st December 2012 are provisional and subject to Audit

Figures in brackets indicate deductions.

All values are in Rupees Thousands unless otherwise stated.

# Ceylon Hotels Corporation PLC



## STATEMENT OF CHANGES IN EQUITY - COMPANY

	Stated Capital (Rs.'000')	Capital Reserves (Rs.'000')	Revaluation Reserves (Rs.'000')	General Reserves (Rs.'000')	Accumulated Losses (Rs.'000')	Total Equity (Rs.'000')
<b>Balance as at 31st March 2010</b>	<b>1,220,426</b>	<b>8,128</b>	<b>462,152</b>	<b>166,718</b>	<b>(330,207)</b>	<b>1,527,217</b>
Surplus on Revaluation of Investment Property	-	-	-	-	2,350	2,350
Deferred Tax impact due to reduction in tax rate	-	-	12,274	-	-	12,274
Transfers	-	-	(21,380)	-	21,380	-
Net Profit / (Loss) for the Year	-	-	-	-	(59,664)	(59,664)
<b>Balance as at 31st March 2011</b>	<b>1,220,426</b>	<b>8,128</b>	<b>453,045</b>	<b>166,718</b>	<b>(366,142)</b>	<b>1,482,176</b>
Transfers	-	-	(21,380)	-	21,380	-
Net Profit / (Loss) for the Period	-	-	-	-	(45,996)	(45,996)
<b>Balance as at 31st March 2012</b>	<b>1,220,426</b>	<b>8,128</b>	<b>431,666</b>	<b>166,718</b>	<b>(390,758)</b>	<b>1,436,179</b>
Transfers	-	-	(16,035)	-	16,035	-
Net Profit / (Loss) for the Period	-	-	-	-	(30,509)	(30,509)
<b>Balance as at 31st December 2012</b>	<b>1,220,426</b>	<b>8,128</b>	<b>415,631</b>	<b>166,718</b>	<b>(405,233)</b>	<b>1,405,671</b>

## STATEMENT OF CHANGES IN EQUITY - COMPANY

	Stated Capital (Rs.'000')	Capital Reserves (Rs.'000')	Revaluation Reserves (Rs.'000')	General Reserves (Rs.'000')	Accumulated Losses (Rs.'000')	Total Equity (Rs.'000')
<b>Balance as at 31st March 2009</b>	<b>1,220,426</b>	<b>8,128</b>	<b>518,476</b>	<b>166,718</b>	<b>(399,085)</b>	<b>1,514,663</b>
Prior Period Adjustment	-	-	(33,051)	-	84,796	51,745
<b>Balance as at 31st March 2009 (restated)</b>	<b>1,220,426</b>	<b>8,128</b>	<b>485,424</b>	<b>166,718</b>	<b>(314,288)</b>	<b>1,566,408</b>
Net Profit / (Loss) for the Year	-	-	-	-	(39,192)	(39,192)
Transfers	-	-	(21,165)	-	21,165	-
Adjustment on Disposal of Assets	-	-	(2,108)	-	2,108	-
<b>Balance as at 31st March 2010</b>	<b>1,220,426</b>	<b>8,128</b>	<b>462,152</b>	<b>166,718</b>	<b>(330,207)</b>	<b>1,527,216</b>
Surplus on Revaluation of Investment Property	-	-	-	-	2,350	2,350
Transfers	-	-	(21,380)	-	21,380	-
Net Profit/(Loss) for the Period	-	-	-	-	(59,664)	(59,664)
Deferred Tax Effect due to reduction in tax rate	-	-	12,274	-	-	12,274
<b>Balance as at 31st March 2011</b>	<b>1,220,426</b>	<b>8,128</b>	<b>453,045</b>	<b>166,718</b>	<b>(366,141)</b>	<b>1,482,176</b>
Transfers	-	-	(16,035)	-	16,035	-
Net Profit / (Loss) for the Period	-	-	-	-	(11,600)	(11,600)
<b>Balance as at 30th December 2011</b>	<b>1,220,426</b>	<b>8,128</b>	<b>437,011</b>	<b>166,718</b>	<b>(361,707)</b>	<b>1,470,576</b>

Note : The above figures for the Nine Months ended 31st December 2012 are provisional and subject to Audit  
 Figures in brackets indicate deductions.  
 All values are in Rupees Thousands unless otherwise stated.

## Ceylon Hotels Corporation PLC



### STATEMENT OF CHANGES IN EQUITY - GROUP

	Stated Capital (Rs.'000')	Capital Reserves (Rs.'000')	Revaluation Reserves (Rs.'000')	General Reserves (Rs.'000')	Accumulated Losses (Rs.'000')	Total (Rs.'000')	Minority Interest (Rs.'000')	Total Equity (Rs.'000')
<b>Balance as at 31st March 2010</b>	<b>1,220,426</b>	<b>8,128</b>	<b>3,752,609</b>	<b>170,019</b>	<b>(362,694)</b>	<b>4,788,487</b>	<b>989,355</b>	<b>5,777,842</b>
Surplus on Revaluation of Property, Plant & Equipment	-	-	1,082,159	-	-	1,082,159	331,493	1,413,651
Change in fair value on investment Property	-	-	-	-	2,350	2,350	-	2,350
Deferred Tax on Revaluation	-	-	(64,526)	-	-	(64,526)	(19,766)	(84,292)
Transfers	-	-	(36,594)	-	36,594	-	-	-
Deferred Tax impact due to reduction in tax rate	-	-	29,613	-	-	29,613	5,312	34,925
Net Profit / (Loss) for the Year	-	-	-	-	40,615	40,615	10,928	51,543
Acquisition of Subsidiary	-	-	-	-	-	-	0	0
Preference Share Dividends Paid	-	-	-	-	-	-	(33)	(33)
<b>Balance as at 31st March 2011</b>	<b>1,220,426</b>	<b>8,128</b>	<b>4,763,261</b>	<b>170,019</b>	<b>(283,136)</b>	<b>5,878,699</b>	<b>1,317,287</b>	<b>7,195,985</b>
Transfers to Retained Earnings	-	-	(63,597)	-	63,597	-	-	-
Deferred Tax effect on rate change	-	-	2,605	-	-	2,605	-	2,605
Net Profit / (Loss) for the Period	-	-	-	-	27,774	27,774	19,607	47,381
Ordinary Share Dividend paid	-	-	-	-	-	-	(619)	(619)
Preference Share Dividend paid	-	-	-	-	-	-	(33)	(33)
<b>Balance as at 31st March 2012</b>	<b>1,220,426</b>	<b>8,128</b>	<b>4,702,269</b>	<b>170,019</b>	<b>(191,765)</b>	<b>5,909,077</b>	<b>1,336,242</b>	<b>7,245,320</b>
Transfers to Retained Earnings	-	-	(47,698)	-	47,698	-	-	-
Net Profit / (Loss) for the Period	-	-	-	-	(42,982)	(42,982)	27,692	(15,289)
Ordinary Share Dividend paid	-	-	-	-	-	-	(2,032)	(2,032)
<b>Balance as at 31st December 2012</b>	<b>1,220,426</b>	<b>8,128</b>	<b>4,654,571</b>	<b>170,019</b>	<b>(187,049)</b>	<b>5,866,094</b>	<b>1,361,902</b>	<b>7,227,997</b>

### STATEMENT OF CHANGES IN EQUITY - GROUP

	Stated Capital (Rs.'000')	Capital Reserves (Rs.'000')	Revaluation Reserves (Rs.'000')	General Reserves (Rs.'000')	Accumulated Losses (Rs.'000')	Total Equity (Rs.'000')	Minority Interest (Rs.'000')	Total Equity (Rs.'000')
<b>Balance as at 31st March 2009 (restated)</b>	<b>1,220,426</b>	<b>8,128</b>	<b>3,791,697</b>	<b>170,119</b>	<b>(361,390)</b>	<b>4,828,978</b>	<b>988,518</b>	<b>5,817,496</b>
Net Profit / (Loss) for the Year	-	-	-	-	(39,973)	(39,973)	855	(39,118)
Reversal of Revaluation Reserve Disposed Assets	-	-	(2,108)	-	2,108	-	-	-
Transfer to / (from) Reserves	-	-	(36,980)	(100)	36,618	(461)	-	(461)
Preference Share Dividends	-	-	-	-	(57)	(57)	(18)	(75)
<b>Balance as at 31st March 2010</b>	<b>1,220,426</b>	<b>8,128</b>	<b>3,752,609</b>	<b>170,019</b>	<b>(362,694)</b>	<b>4,788,487</b>	<b>989,355</b>	<b>5,777,842</b>
Surplus on Revaluation of PPE	-	-	1,082,159	-	-	1,082,159	331,493	1,413,652
Deferred Tax on Revaluation	-	-	(64,526)	-	0	(64,526)	(19,766)	(84,292)
Transfers	-	-	(36,594)	-	36,594	-	-	-
Deferred Tax Effect due to reduction in tax rate	-	-	29,613	-	-	29,613	5,312	34,925
Changes in fair value on Investment Property	-	-	0	-	2,350	2,350	-	2,350
Net Profit / (Loss) for the Period	-	-	-	-	40,615	40,615	10,928	51,543
Acquisition of Subsidiary	-	-	-	-	-	-	-	-
Preference Share Dividend paid	-	-	-	-	-	-	(33)	(33)
<b>Balance as at 31st March 2011</b>	<b>1,220,426</b>	<b>8,128</b>	<b>4,763,261</b>	<b>170,019</b>	<b>(283,135)</b>	<b>5,878,697</b>	<b>1,317,289</b>	<b>7,195,985</b>
Transfers to Retained Earnings	-	-	(27,445)	-	27,445	-	-	-
Net Profit / (Loss) for the Period	-	-	-	-	7,533	7,533	10,287	17,820
<b>Balance as at 30th December 2011</b>	<b>1,220,426</b>	<b>8,128</b>	<b>4,735,816</b>	<b>170,019</b>	<b>(248,157)</b>	<b>5,886,229</b>	<b>1,327,576</b>	<b>7,213,805</b>

Note : The above figures for the Nine Months ended 31st December 2012 are provisional and subject to Audit  
Figures in brackets indicate deductions.  
All values are in Rupees Thousands unless otherwise stated.

# Ceylon Hotels Corporation PLC

## Cash Flow Statement



For the Period Ended 31st December	Group		Company	
	2012 (Rs. '000')	2011 (Rs. '000')	2012 (Rs. '000')	2011 (Rs. '000')
<b>Net Profit / (Loss) before Taxation</b>	<b>(555)</b>	<b>26,192</b>	<b>(31,548)</b>	<b>(11,600)</b>
Adjustments for:				
Depreciation	107,784	113,973	38,856	43,716
Provision for Gratuity	2,595	1,391	749	931
Finance Cost	57,652	31,676	24,136	27,160
Amortisation of Government Grant	-	(540)	-	(540)
Loss on Disposal of Property Plant & Equipment	1,148	-	1,148	-
Other Operating Income	(7,804)	(4,706)	(39,092)	(9,420)
<b>Operating Profit before Working Capital Changes</b>	<b>160,819</b>	<b>167,986</b>	<b>(5,752)</b>	<b>50,247</b>
(Increase) / Decrease in Inventories	(8,483)	(6,416)	-	6,232
(Increase) / Decrease in Debtors & Other Receivables	(163,362)	(116,951)	(80,098)	(68,442)
Increase / (Decrease) in Trade Creditors & Other Payables	48,447	101,357	(111,073)	49,560
<b>Cash Generated from Operations</b>	<b>37,422</b>	<b>145,976</b>	<b>(196,923)</b>	<b>37,597</b>
Income Tax Paid	(12,312)	(10,942)	-	(49)
Finance Expenses Paid	(57,652)	(31,676)	(24,136)	(27,160)
Other Operating Income	7,804	4,706	39,092	9,420
Gratuity Paid	(468)	(353)	(291)	(268)
<b>Net Cash Inflow from Operating Activities</b>	<b>(25,206)</b>	<b>107,712</b>	<b>(182,258)</b>	<b>19,539</b>
<b>Cash Flow from/(used in) Investing Activities</b>				
Acquisition of Property, Plant & Equipment	(185,286)	(106,490)	(68,512)	(56,262)
Proceeds From Disposal of Property Plant & Equipment	319	-	319	-
Investment in Shares / Deposits	(21,180)	-	-	(34,564)
<b>Net Cash flow from/(used in) Investing Activities</b>	<b>(206,147)</b>	<b>(106,490)</b>	<b>(68,193)</b>	<b>(56,262)</b>
<b>Net Cash Inflow/(Outflow) before Financing Activities</b>	<b>(231,353)</b>	<b>1,222</b>	<b>(250,451)</b>	<b>(36,723)</b>
<b>Cash Flow from/(used in) Financing Activities</b>				
Dividend paid to minority	(2,032)	-	-	-
Repayment of Interest Bearing Borrowings	(43,562)	(23,961)	(43,067)	(26,293)
Increase in Interest Bearing Borrowings	300,000	216,500	300,000	216,500
<b>Net Cash flow from (used in) Financing Activities</b>	<b>254,406</b>	<b>192,539</b>	<b>256,933</b>	<b>190,207</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>23,052</b>	<b>193,760</b>	<b>6,482</b>	<b>153,484</b>
<b>Net Cash &amp; Cash Equivalents at the beginning of the Period</b>	<b>(40,583)</b>	<b>(234,343)</b>	<b>(83,624)</b>	<b>(237,108)</b>
<b>Net Cash &amp; Cash Equivalents as at 31st December</b>	<b>(17,531)</b>	<b>(40,582)</b>	<b>(77,142)</b>	<b>(83,624)</b>
Analysis of Net Cash & Cash Equivalents as at 31st December				
Cash & Cash Equivalents	100,004	65,343	9,514	7,444
Bank Overdraft	(117,535)	(105,926)	(86,656)	(91,068)
<b>Net Cash &amp; Cash Equivalents as at 31st December</b>	<b>(17,531)</b>	<b>(40,582)</b>	<b>(77,142)</b>	<b>(83,624)</b>

Note : The above figures for the Nine Months ended 31st December 2012 are provisional and subject to Audit

Figures in brackets indicate deductions.

All values are in Rupees Thousands unless otherwise stated.

# Ceylon Hotels Corporation PLC

## SHARE INFORMATION



1. The Public Share Holding as at 31st December 2012 17.65%
2. Directors Share Holding as at 31st December 2012

Name of Director	Ledger	CDS	Total
Mr. Lakshman Samarasinghe - Chairman	131	2,894	3,025
Mr. Sanjeev Gardiner	Nil	Nil	Nil
Dr. Dennis Aloysius	Nil	10,069	10,069
Mr. Priyantha Maddumage	Nil	1	1
Dr. Chrisantha Nonis	Nil	Nil	Nil
Mr. Kuvera De Zoysa	Nil	Nil	Nil
Mr. Gunapala Tissakuttiarachchi	Nil	Nil	Nil
Mr. E.M.Mangala Boyagoda	Nil	Nil	Nil

3. Top 20 Ordinary Shareholders as at 31st December 2012

Name	Position	No of Shares	%
Ceylon Hotels Holdings (Pvt) Ltd	1	120,944,925	70.38
Employees Provident Fund	2	20,538,515	11.95
Seylan Bank Ltd/The Galle Face Hotel Co .Ltd	3	9,893,056	5.76
Bank of Ceylon - No 2	4	5,975,000	3.48
National Savings Bank	5	3,304,900	1.92
Mr Hamish Winston Mcdonald Woodward	6	723,173	0.42
Sampath Bank PLC/Capital Trust Holdings (Pvt) Ltd	7	359,881	0.21
Seylan Bank PLC/Mr.Arunasalam Sithampalam	8	320,800	0.19
Mr.Kanishka Nuwan Karunaratne	9	274,500	0.16
Associated Electrical Corporation Limited	10	254,000	0.15
Sithlanka (Pvt) Ltd	11	199,500	0.12
Seylan Bank PLC/Capital Trust Holdings (Pvt) Ltd	12	162,268	0.09
Mr.Vivendra Lintotawela	13	150,300	0.09
Mr.S.M.H.Mohamed	14	132,804	0.08
Cocoshell Activated Carbon Company Ltd	15	127,500	0.07
Waldock Mackenzie Ltd / Mr.M.S.F.Haqqe	16	126,300	0.07
Mr.Piyadasa Guruge	17	125,000	0.07
Premapala Pitipanaarachchi	18	125,000	0.07
Mc Larens Holdings Ltd	19	115,000	0.07
Mr.Derek Joseph De Silva Wijeyeratne	20	112,600	0.07
<b>Sub total</b>		<b>163,965,022</b>	<b>95.42</b>
Balance held by others		7,860,379	4.57
Total number of shares		<b>171,825,401</b>	<b>100.00</b>



## NOTES

Market Price per Share for the quarter ended 31st December.

1)

	<b>2012</b> <b>(Rs.)</b>	<b>2011</b> <b>(Rs.)</b>
Highest Market Price	27.60	34.00
Lowest Market Price	19.80	25.50
Last Traded Price	22.80	27.70

- 2) The Number of Shares representing the Stated Capital is 171,825,401 Ordinary Shares and 1,200,000 6% non cumulative Preference Shares.
- 3) The Financial Statements have been prepared on the basis of the same Accounting Policies and the Methods applied for the Year Ended 31st March 2012, and are in compliance with SLAS 35.
- 4) The Kandy Hotels Company (1938) PLC, United Hotels Co (Pvt) Ltd, CHC Foods (Pvt) Ltd, Air Line Services Ltd, Tissa Resort (Pvt) Ltd and CHC Rest Houses (Pvt) Ltd are the Subsidiary Companies of the Company.
- 5) The Institute of Chartered Accountants of Sri Lanka has issued a new volume of Sri Lanka Accounting Standards which have become applicable for financial periods beginning on or after 1st January 2012. However in accordance with the ruling issued by the Institute of Chartered Accountants of Sri Lanka on 'Comparative figures in the Interim Financial Statements', the company has adopted the second(2) alternative option as given in such ruling where by these Interim Financial Statements were prepared in accordance with the Sri Lanka Accounting Standards which existed immediately prior to 1st January 2012. The Company is in the process of adopting the new Sri Lanka Accounting Standards (SLFRS/LKAS) with effect from 1st April 2012 and the impact to the Statement of Comprehensive Income and Net Assets has not been determined yet due to the assessment in progress.
- 6) There have not been any significant changes in the nature of Contingent Liabilities which were disclosed in the Annual Report for the Year Ended 31st March 2012.
- 7) There were no material events taken place after the Balance Sheet date which would require adjustments or disclosure in the Interim Financial Statement.
- 8) A segment is a distinguishable component of an enterprise that is engaged in either providing products or services (Business Segment) or in providing products or services within a particular economic environment (Geographical Segment), which is subject to risks & rewards that are different from those of the segment. However, there are no distinguishable components to be identified as segment for the company.
- 9) The assets of The Kandy Hotels Company (1938) PLC were revalued as at 31st March 2011, on an open market value for existing use basis by Mr.K.Arthur Perera, A.M.I.V (Sri Lanka), Incorporated Valuer. The surplus arising from the revaluation was transferred to the Revaluation Reserve.