

**Interim Financial Statement**  
**Six Months Ended 30th September 2013**

**The Kandy Hotels Company (1938) PLC**  
A Member of the Galle Face Hotel Group

# **The Kandy Hotels Company (1938) PLC**

## **CORPORATE INFORMATION**

### **Stock Exchange Listing**

The Ordinary Shares of the Company are listed on the  
Colombo Stock Exchange of Sri Lanka

### **Directors**

Sanjeev Gardiner - Chairman  
Lakshman Samarasinghe  
Priyantha Maddumage  
Charitha Ratwatte  
Lakshman Sirimanne  
Nahil Wijesuriya  
Chandra Mohotti  
Pradeep Nilanga Dela  
Ranjith Gunatilleke

### **Secretaries**

Managers & Secretaries (Pvt) Limited  
08, Tickell Road, Colombo 08.

### **Auditors**

Ernst & Young  
Chartered Accountants  
201, De Saram Place, Colombo 10

### **Registered Office**

The Kandy Hotels Company (1938) PLC  
Hotel Suisse,  
30, Sangaraja Mawatha, Kandy  
Company Registration No. PQ 201

### **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](mailto:sales@ceylonhotels.net)  
Website : [www.ceylonhotels.lk](http://www.ceylonhotels.lk)

## The Kandy Hotels Company (1938) PLC

### INCOME STATEMENT

|  | Group                             |                   |                                 |                   | Company                           |                   |                                 |                   | Variance<br>Group<br>% |
|--|-----------------------------------|-------------------|---------------------------------|-------------------|-----------------------------------|-------------------|---------------------------------|-------------------|------------------------|
|  | Three Months Ended 30th September |                   | Six Months Ended 30th September |                   | Three Months Ended 30th September |                   | Six Months Ended 30th September |                   |                        |
|  | 2013<br>Rs. '000'                 | 2012<br>Rs. '000' | 2013<br>Rs. '000'               | 2012<br>Rs. '000' | 2013<br>Rs. '000'                 | 2012<br>Rs. '000' | 2013<br>Rs. '000'               | 2012<br>Rs. '000' |                        |
| <b>Revenue</b>                           | 137,388                           | 125,863           | 231,821                         | 221,288           | 137,388                           | 125,863           | 231,821                         | 221,288           | 5                      |
| Cost of Sales                            | (26,658)                          | (24,390)          | (49,421)                        | (46,220)          | (26,658)                          | (24,390)          | (49,421)                        | (46,220)          | (7)                    |
| <b>Gross Profit</b>                      | 110,730                           | 101,473           | 182,400                         | 175,068           | 110,730                           | 101,473           | 182,400                         | 175,068           | 4                      |
| Other Operating Income                   | 13,273                            | 13,305            | 18,226                          | 19,583            | 13,273                            | 13,305            | 18,226                          | 19,583            | (7)                    |
| Administrative Expenses                  | (61,347)                          | (53,900)          | (117,351)                       | (101,544)         | (61,347)                          | (53,900)          | (117,351)                       | (101,544)         | (16)                   |
| Selling & Distribution Expenses          | (6,648)                           | (2,671)           | (11,920)                        | (4,768)           | (6,648)                           | (2,671)           | (11,920)                        | (4,768)           | (150)                  |
| <b>Results from Operating Activities</b> | 56,008                            | 58,206            | 71,355                          | 88,340            | 56,008                            | 58,206            | 71,355                          | 88,340            | (19)                   |
| Finance Expenses                         | 904                               | (122)             | 572                             | (211)             | 904                               | (122)             | 572                             | (211)             | 371                    |
| Finance Income                           | 598                               | 205               | 744                             | 205               | 598                               | 205               | 744                             | 205               | 263                    |
| Net Finance Cost                         | 1,502                             | 83                | 1,317                           | (6)               | 1,502                             | 83                | 1,317                           | (6)               | 22,047                 |
| Share of Profit of Joint Venture         | (2,190)                           | -                 | (2,190)                         | -                 | -                                 | -                 | -                               | -                 | 0                      |
| <b>Profit before Tax</b>                 | 55,320                            | 58,289            | 70,482                          | 88,334            | 57,510                            | 58,289            | 72,672                          | 88,334            | (20)                   |
| Income Tax Expenses                      | (6,530)                           | (7,703)           | (8,389)                         | (10,876)          | (6,530)                           | (7,703)           | (8,389)                         | (10,876)          | 23                     |
| <b>Profit for the Year</b>               | 48,790                            | 50,586            | 62,093                          | 77,458            | 50,980                            | 50,586            | 64,283                          | 77,458            | (20)                   |
| <b>Attributable to:</b>                  |                                   |                   |                                 |                   |                                   |                   |                                 |                   |                        |
| Equity Holders of the Parent             | 0                                 | 0                 | 0                               | 0                 | 0                                 | 0                 | 0                               | 0                 | 0                      |
| Non Controlling Interest                 |                                   |                   |                                 |                   |                                   |                   |                                 |                   |                        |
|  | 48,790                            | 50,586            | 62,093                          | 77,458            | 50,980                            | 50,586            | 64,283                          | 77,458            | (20)                   |
| <b>Basic Earnings per Share (Rs)</b>     | 0.08                              | 0.09              | 0.11                            | 0.13              | 0.09                              | 0.09              | 0.11                            | 0.13              | (20)                   |
| <b>Dividend per Share (Rs)</b>           | 0.08                              | 0.09              | 0.11                            | 0.13              | 0.09                              | 0.09              | 0.11                            | 0.13              | (20)                   |

Note : The above figures for the Six Months ended 30th September 2013 are provisional and subject to Audit.

Figures in brackets indicate deductions.

All values are in Rupees Thousands unless otherwise stated.



## The Kandy Hotels Company (1938) PLC

### BALANCE SHEET

As at 30th September 2013

|                                     | Group                   |                         |                         | Company                 |                         |                         |
|-------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                     | 30.09.2013<br>Rs. '000' | 30.09.2012<br>Rs. '000' | 31.03.2013<br>Rs. '000' | 30.09.2013<br>Rs. '000' | 30.09.2012<br>Rs. '000' | 31.03.2013<br>Rs. '000' |
| <b>ASSETS</b>                       |                         |                         |                         |                         |                         |                         |
| <b>Non Current Assets</b>           |                         |                         |                         |                         |                         |                         |
| Property, Plant & Equipment         | 5,825,476               | 5,761,451               | 5,827,755               | 5,825,476               | 5,761,451               | 5,827,755               |
| Intangible Assets                   | 3,230                   |                         | 3,040                   | 3,230                   |                         | 3,040                   |
| Investment in Subsidiary            |                         | -                       |                         | 0                       | -                       | 0                       |
| Investment in Joint Venture         | 134,896                 |                         | 137,086                 |                         |                         |                         |
| <b>Current Assets</b>               |                         |                         |                         |                         |                         |                         |
| Inventories                         | 24,578                  | 24,155                  | 20,814                  | 24,578                  | 24,155                  | 20,814                  |
| Trade and Other Receivables         | 478,209                 | 265,775                 | 262,650                 | 478,209                 | 265,775                 | 403,680                 |
| Investments                         | 913                     | 851                     | 32,243                  | 913                     | 851                     | 32,243                  |
| Cash and Cash Equivalents           | 13,875                  | 24,741                  | 25,651                  | 13,825                  | 24,741                  | 25,601                  |
|                                     | <b>517,575</b>          | <b>315,522</b>          | <b>341,358</b>          | <b>517,525</b>          | <b>315,522</b>          | <b>482,337</b>          |
| <b>TOTAL ASSETS</b>                 | <b>6,481,177</b>        | <b>6,076,973</b>        | <b>6,309,238</b>        | <b>6,346,231</b>        | <b>6,076,973</b>        | <b>6,313,132</b>        |
| <b>EQUITY AND LIABILITIES</b>       |                         |                         |                         |                         |                         |                         |
| <b>Capital and Reserves</b>         |                         |                         |                         |                         |                         |                         |
| Stated Capital                      | 16,750                  | 16,750                  | 16,750                  | 16,750                  | 16,750                  | 16,750                  |
| Reserves                            | 5,595,416               | 5,478,746               | 5,611,327               | 5,595,416               | 5,478,746               | 5,611,326               |
| Retained Earnings                   | 427,134                 | 271,007                 | 349,131                 | 433,527                 | 271,007                 | 353,335                 |
| <b>Total Equity</b>                 | <b>6,039,300</b>        | <b>5,766,504</b>        | <b>5,977,207</b>        | <b>6,045,694</b>        | <b>5,766,504</b>        | <b>5,981,411</b>        |
| <b>Non Current Liabilities</b>      |                         |                         |                         |                         |                         |                         |
| Interest Bearing Borrowings         | -                       | 275                     | -                       | -                       | 275                     | -                       |
| Retirement Benefit Obligations      | 2,420                   | 1,937                   | 1,911                   | 2,420                   | 1,937                   | 1,911                   |
| Deferred Taxation                   | 249,215                 | 243,616                 | 250,759                 | 249,215                 | 243,616                 | 250,759                 |
|                                     | <b>251,635</b>          | <b>245,828</b>          | <b>252,670</b>          | <b>251,635</b>          | <b>245,828</b>          | <b>252,670</b>          |
| <b>Current Liabilities</b>          |                         |                         |                         |                         |                         |                         |
| Interest Bearing Borrowings         | 275                     | 660                     | 605                     | 275                     | 660                     | 605                     |
| Trade and Other Payables            | 177,459                 | 55,441                  | 58,336                  | 36,119                  | 55,441                  | 58,027                  |
| Income Tax Payable                  | 3,933                   | 4,029                   | 14,637                  | 3,933                   | 4,029                   | 14,637                  |
| Bank Overdraft                      | 8,576                   | 4,511                   | 5,782                   | 8,576                   | 4,511                   | 5,782                   |
|                                     | <b>190,242</b>          | <b>64,641</b>           | <b>79,361</b>           | <b>48,903</b>           | <b>64,641</b>           | <b>79,052</b>           |
| <b>TOTAL EQUITY AND LIABILITIES</b> | <b>6,481,177</b>        | <b>6,076,973</b>        | <b>6,309,238</b>        | <b>6,346,231</b>        | <b>6,076,973</b>        | <b>6,313,132</b>        |
| <b>Net Assets per Share (Rs)</b>    | <b>10.46</b>            | <b>9.99</b>             | <b>10.35</b>            | <b>10.47</b>            | <b>9.99</b>             | <b>10.36</b>            |

The above figures for the Six Months ended 30th September 2013 are provisional and subject to Audit.  
 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.

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**Financial Controller**

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

Approved & signed for and on behalf of the Board,

Lakshman Samarasinghe  
**Director**

Priyantha Maddumage  
**Director**

Kandy 06th November 2013.

## The Kandy Hotels Company (1938) PLC

### STATEMENT OF CHANGES IN EQUITY

| Group  | Stated Capital<br>Rs. '000' | Revaluation Reserves<br>Rs. '000' | Other Reserves<br>Rs. '000' | Retained Earnings<br>Rs. '000' | Total Equity<br>Rs. '000' |
|--|-----------------------------|-----------------------------------|-----------------------------|--------------------------------|---------------------------|
| <b>Balance as at 31st March 2012</b>         | <b>16,750</b>               | <b>5,490,531</b>                  | <b>3,840</b>                | <b>186,587</b>                 | <b>5,697,709</b>          |
| Profit for the year                          | -                           | -                                 | -                           | 139,425                        | 139,425                   |
| Other comprehensive income                   | -                           | 153,290                           | -                           | -                              | 153,290                   |
| <b>Total Comprehensive Income</b>            | <b>-</b>                    | <b>153,290</b>                    | <b>-</b>                    | <b>139,425</b>                 | <b>292,715</b>            |
| Transfer on revaluation of building          | -                           | (4,516)                           | -                           | -                              | (4,516)                   |
| Dividends-(15% Cumulative preference shares) | -                           | -                                 | -                           | (38)                           | (38)                      |
| Deferred tax on revaluation surplus          | -                           | -                                 | -                           | -                              | -                         |
| Transfer to retained earnings                | -                           | (31,820)                          | -                           | 31,820                         | -                         |
| Dividends paid (2011 & 2012)                 | -                           | -                                 | -                           | (8,663)                        | (8,663)                   |
| <b>Balance as at 31st March 2013</b>         | <b>16,750</b>               | <b>5,607,486</b>                  | <b>3,840</b>                | <b>349,131</b>                 | <b>5,977,207</b>          |
| Profit for the period                        | -                           | -                                 | -                           | 62,093                         | 62,093                    |
| Other Comprehensive Income                   | -                           | -                                 | -                           | -                              | -                         |
| <b>Total Comprehensive Income</b>            | <b>-</b>                    | <b>-</b>                          | <b>-</b>                    | <b>62,093</b>                  | <b>62,093</b>             |
| Transfer to Retained Earnings                | -                           | (15,910)                          | -                           | 15,910                         | -                         |
| <b>Balance as at 30th September 2013</b>     | <b>16,750</b>               | <b>5,591,576</b>                  | <b>3,840</b>                | <b>427,134</b>                 | <b>6,039,300</b>          |

### STATEMENT OF CHANGES IN EQUITY

| Company                                      | Stated Capital<br>Rs. '000' | Revaluation Reserves<br>Rs. '000' | Other Reserves<br>Rs. '000' | Retained Earnings<br>Rs. '000' | Total Equity<br>Rs. '000' |
|--|-----------------------------|-----------------------------------|-----------------------------|--------------------------------|---------------------------|
| <b>Balance as at 31st March 2012</b>         | <b>16,750</b>               | <b>5,490,531</b>                  | <b>3,840</b>                | <b>186,587</b>                 | <b>5,697,709</b>          |
| Profit for the year                          | -                           | -                                 | -                           | 143,628                        | 143,628                   |
| Other comprehensive income                   | -                           | 153,290                           | -                           | -                              | 153,290                   |
| <b>Total Comprehensive Income</b>            | <b>-</b>                    | <b>153,290</b>                    | <b>-</b>                    | <b>143,628</b>                 | <b>296,918</b>            |
| Transfer on revaluation of building          | -                           | (4,516)                           | -                           | -                              | (4,516)                   |
| Dividends-(15% Cumulative preference shares) | -                           | -                                 | -                           | (38)                           | (38)                      |
| Deferred tax on revaluation surplus          | -                           | -                                 | -                           | -                              | -                         |
| Transfer to retained earnings                | -                           | (31,820)                          | -                           | 31,820                         | -                         |
| Dividends paid (2011 & 2012)                 | -                           | -                                 | -                           | (8,663)                        | (8,663)                   |
| <b>Balance as at 31st March 2013</b>         | <b>16,750</b>               | <b>5,607,486</b>                  | <b>3,840</b>                | <b>353,335</b>                 | <b>5,981,411</b>          |
| Profit for the period                        | -                           | -                                 | -                           | 64,283                         | 64,283                    |
| Other Comprehensive Income                   | -                           | -                                 | -                           | -                              | -                         |
| <b>Total Comprehensive Income</b>            | <b>-</b>                    | <b>-</b>                          | <b>-</b>                    | <b>64,283</b>                  | <b>64,283</b>             |
| Transfer to Retained Earnings                | -                           | (15,910)                          | -                           | 15,910                         | -                         |
| <b>Balance as at 30th September 2013</b>     | <b>16,750</b>               | <b>5,591,576</b>                  | <b>3,840</b>                | <b>433,527</b>                 | <b>6,045,694</b>          |

Note : The above figures for the Six Months ended 30th September 2013 are provisional and subject to Audit.

Figures in brackets indicate deductions.

All values are in Rupees Thousands unless otherwise stated.

## The Kandy Hotels Company (1938) PLC

### STATEMENT OF CHANGES IN EQUITY

| Group  | Stated Capital<br>Rs. '000' | Revaluation Reserves<br>Rs. '000' | Other Reserves<br>Rs. '000' | Retained Earnings<br>Rs. '000' | Total Equity<br>Rs. '000' |
|--|-----------------------------|-----------------------------------|-----------------------------|--------------------------------|---------------------------|
| <b>Balance as at 31st March 2011</b>           | <b>16,750</b>               | <b>5,521,782</b>                  | <b>3,840</b>                | <b>74,503</b>                  | <b>5,616,876</b>          |
| Profit for the Year                            | -                           | -                                 | -                           | 83,510                         | 83,510                    |
| Other Comprehensive Income                     | -                           | -                                 | -                           | -                              | -                         |
| Total Comprehensive Income                     | -                           | -                                 | -                           | 83,510                         | 83,510                    |
| Dividends Paid (2010 & 2011)                   | -                           | -                                 | -                           | (2,640)                        | (2,640)                   |
| Dividends - (15% Cumulative preference shares) | -                           | -                                 | -                           | (38)                           | (38)                      |
| Transfers to Retained Earnings                 | -                           | (31,251)                          | -                           | 31,251                         | -                         |
| <b>Balance as at 31st March 2012</b>           | <b>16,750</b>               | <b>5,490,531</b>                  | <b>3,840</b>                | <b>186,587</b>                 | <b>5,697,709</b>          |
| Profit for the period                          | -                           | -                                 | -                           | 77,458                         | 77,458                    |
| Other Comprehensive Income                     | -                           | -                                 | -                           | -                              | -                         |
| Total Comprehensive Income                     | -                           | -                                 | -                           | 77,458                         | 77,458                    |
| Dividends Paid (2011 & 2012)                   | -                           | -                                 | -                           | (8,663)                        | (8,663)                   |
| Transfers to Retained Earnings                 | -                           | (15,625)                          | -                           | 15,625                         | -                         |
| <b>Balance as at 30th September 2012</b>       | <b>16,750</b>               | <b>5,474,906</b>                  | <b>3,840</b>                | <b>271,007</b>                 | <b>5,766,504</b>          |

### STATEMENT OF CHANGES IN EQUITY

| Company  | Stated Capital<br>Rs. '000' | Revaluation Reserves<br>Rs. '000' | Other Reserves<br>Rs. '000' | Retained Earnings<br>Rs. '000' | Total Equity<br>Rs. '000' |
|--|-----------------------------|-----------------------------------|-----------------------------|--------------------------------|---------------------------|
| <b>Balance as at 31st March 2011</b>           | <b>16,750</b>               | <b>5,521,782</b>                  | <b>3,840</b>                | <b>74,503</b>                  | <b>5,616,876</b>          |
| Profit for the Year                            | -                           | -                                 | -                           | 83,510                         | 83,510                    |
| Other Comprehensive Income                     | -                           | -                                 | -                           | -                              | -                         |
| Total Comprehensive Income                     | -                           | -                                 | -                           | 83,510                         | 83,510                    |
| Dividends Paid (2010 & 2011)                   | -                           | -                                 | -                           | (2,640)                        | (2,640)                   |
| Dividends - (15% Cumulative preference shares) | -                           | -                                 | -                           | (38)                           | (38)                      |
| Transfers to Retained Earnings                 | -                           | (31,251)                          | -                           | 31,251                         | -                         |
| <b>Balance as at 31st March 2012</b>           | <b>16,750</b>               | <b>5,490,531</b>                  | <b>3,840</b>                | <b>186,587</b>                 | <b>5,697,709</b>          |
| Profit for the period                          | -                           | -                                 | -                           | 77,458                         | 77,458                    |
| Other Comprehensive Income                     | -                           | -                                 | -                           | -                              | -                         |
| Total Comprehensive Income                     | -                           | -                                 | -                           | 77,458                         | 77,458                    |
| Dividends Paid (2011 & 2012)                   | -                           | -                                 | -                           | (8,663)                        | (8,663)                   |
| Transfers to Retained Earnings                 | -                           | (15,625)                          | -                           | 15,625                         | -                         |
| <b>Balance as at 30th September 2012</b>       | <b>16,750</b>               | <b>5,474,906</b>                  | <b>3,840</b>                | <b>271,007</b>                 | <b>5,766,504</b>          |

Note : The above figures for the SixMonths ended 30th September 2013 are provisional and subject to Audit.

Figures in brackets indicate deductions.

All values are in Rupees Thousands unless otherwise stated.

## The Kandy Hotels Company (1938) PLC

### CASH FLOW STATEMENT

For the Six Months ended 30th September 2013

#### Cash Flows from/(used in) Operating Activities

Profit before tax

#### Adjustments for:

Finance income

Finance expenses

Share of results of equity accounted investee

Depreciation of property, plant and equipment

Gratuity provision and related costs

Operating profit before working capital changes

(Increase)/decrease in inventories

(Increase)/decrease in trade and other receivables

Increase/(decrease) in trade and other creditors

**Cash generated from/ (used in) operations**

Finance expenses paid

Income tax paid

Gratuity paid

**Net cash flow from/(used in) operating activities**

#### Cash flows from/ (used in) investing activities

Interest received

Purchase and construction of property, plant and equipment

Acquisition of intangible assets

Investment in joint venture

(Investments)/ Withdrawal of Fixed Deposits

Proceeds from Disposal of Property, Plant and Equipment

**Net cash flow from/(used in) investing activities**

#### Cash flows from/ (used in) financing activities

Dividend paid

Repayment of long term borrowings

**Net cash flow from/(used in) financing activities**

**Net Increase/(Decrease) in Cash and Cash Equivalents**

**Cash and Cash Equivalents at the Beginning of the Year**

**Cash and Cash Equivalents at the End of the Year**

|   | Group            |                  | Company          |                  |
|---|------------------|------------------|------------------|------------------|
|   | 2013<br>Rs.'000' | 2012<br>Rs.'000' | 2013<br>Rs.'000' | 2012<br>Rs.'000' |
| Profit before tax   | 70,482           | 88,334           | 72,672           | 88,334           |
| <b>Adjustments for:</b>                                       |                  |                  |                  |                  |
| Finance income  | (598)            | (205)            | (598)            | (205)            |
| Finance expenses  | (904)            | 211              | (904)            | 211              |
| Share of results of equity accounted investee                 | 2,190            | -                | -                | -                |
| Depreciation of property, plant and equipment                 | 27,794           | 26,541           | 27,794           | 26,541           |
| Gratuity provision and related costs                          | 613              | 265              | 613              | 265              |
| Operating profit before working capital changes               | 99,577           | 115,145          | 99,577           | 115,145          |
| (Increase)/decrease in inventories                            | (3,763)          | (5,918)          | (3,763)          | (5,918)          |
| (Increase)/decrease in trade and other receivables            | (74,529)         | (96,782)         | (74,529)         | (96,782)         |
| Increase/(decrease) in trade and other creditors              | (21,908)         | 2,799            | (21,908)         | 2,799            |
| <b>Cash generated from/ (used in) operations</b>              | <b>(623)</b>     | <b>15,244</b>    | <b>(623)</b>     | <b>15,244</b>    |
| Finance expenses paid   | 904              | (211)            | 904              | (211)            |
| Income tax paid   | (20,637)         | (10,982)         | (20,637)         | (10,982)         |
| Gratuity paid   | (105)            | (177)            | (105)            | (177)            |
| <b>Net cash flow from/(used in) operating activities</b>      | <b>(20,461)</b>  | <b>3,874</b>     | <b>(20,461)</b>  | <b>3,874</b>     |
| <b>Cash flows from/ (used in) investing activities</b>        |                  |                  |                  |                  |
| Interest received   | 598              | 205              | 598              | 205              |
| Purchase and construction of property, plant and equipment    | (25,706)         | (19,823)         | (25,706)         | (19,823)         |
| Acquisition of intangible assets                              | -                | -                | -                | -                |
| Investment in joint venture                                   | -                | -                | -                | -                |
| (Investments)/ Withdrawal of Fixed Deposits                   | 31,330           | -                | 31,330           | -                |
| Proceeds from Disposal of Property, Plant and Equipment       | -                | -                | -                | -                |
| <b>Net cash flow from/(used in) investing activities</b>      | <b>6,222</b>     | <b>(19,618)</b>  | <b>6,222</b>     | <b>(19,618)</b>  |
| <b>Cash flows from/ (used in) financing activities</b>        |                  |                  |                  |                  |
| Dividend paid   | -                | (8,663)          | -                | (8,663)          |
| Repayment of long term borrowings                             | (330)            | (330)            | (330)            | (330)            |
| <b>Net cash flow from/(used in) financing activities</b>      | <b>(330)</b>     | <b>(8,993)</b>   | <b>(330)</b>     | <b>(8,993)</b>   |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>   | <b>(14,568)</b>  | <b>(24,737)</b>  | <b>(14,568)</b>  | <b>(24,737)</b>  |
| <b>Cash and Cash Equivalents at the Beginning of the Year</b> | <b>19,868</b>    | <b>44,967</b>    | <b>19,818</b>    | <b>44,967</b>    |
| <b>Cash and Cash Equivalents at the End of the Year</b>       | <b>5,300</b>     | <b>20,230</b>    | <b>5,250</b>     | <b>20,230</b>    |

Note : The above figures for the Six Months ended 30th September 2013 are provisional and subject to Audit.

Figures in brackets indicate deductions.

All values are in Rupees Thousands unless otherwise stated.



**NOTES :**

- 1) Market Price per Share for the quarter ended 30th September 2013

|                      | <b>2013</b>  | <b>2012</b>  |
|----------------------|--------------|--------------|
|                      | <b>(Rs.)</b> | <b>(Rs.)</b> |
| Highest Market Price | 9.50         | 12.70        |
| Lowest Market Price  | 7.30         | 5.60         |
| Last Traded Price    | 8.00         | 10.90        |

- 2) The Number of Shares representing the Stated Capital 577,500,000 Ordinary Shares and 50,000 fully paid Preference Shares @ 15%
- 3) The Financial Statements of the Company and those consolidated with such for the interim period have been prepared using same accounting policies and methods of computations as in the most recent audited financial statements and are in compliance with LKAS 34- Interim Financial Reporting.
- 4) There has not been any significant changes in the nature of Contingent Liabilities which were disclosed in the Annual Report for the Year Ended 31st March 2013.
- 5) There were no material events taken place after the Balance Sheet date which would require adjustments or disclosure in the Interim Financial Statement.
- 6) 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.

## The Kandy Hotels Company (1938) PLC

### SHARE INFORMATION

1. The Public Holdings as at 30th September 2013 - 9.05%
2. Directors Share Holding as at 30th September 2013

| Directors Share Holdings | 30th September 2013 |          |
|--------------------------|---------------------|----------|
|                          | Preference          | Ordinary |
| 1 S Gardiner             | 9,500               | 87,500   |
| 2 J C Ratwatte           | Nil                 | 175,000  |
| 3 M W A D J N Wijesuriya | Nil                 | Nil      |
| 4 S C Mohotti            | Nil                 | Nil      |
| 5 D P M L Samarasinghe   | Nil                 | 5500     |
| 6 P P Maddumage          | Nil                 | Nil      |
| 7 P N Dela               | Nil                 | Nil      |
| 8 C L Sirimanne          | Nil                 | 3,500    |
| 9 M D R Gunatilleke      | Nil                 | Nil      |

3. Top 20 Ordinary Shareholders as at 30th September 2013.

|    | Name  | No. of shares      | %             |
|----|---|--------------------|---------------|
| 1  | Ceylon Hotels Corporation PLC                 | 441,992,250        | 76.54         |
| 2  | Ceylon Hotels Holdings (Pvt) Ltd              | 56,485,454         | 9.78          |
| 3  | Hotel International Ltd                       | 17,866,628         | 3.09          |
| 4  | Cyril Gardiner Ltd                            | 8,120,000          | 1.41          |
| 5  | N.V.S. Saackville -Deceased                   | 4,368,000          | 0.76          |
| 6  | P.R.Frossard ,C/o.Executor Mr.C.Keith. Collas | 1,965,250          | 0.34          |
| 7  | Mrs. L.R. Sirimanne                           | 1,848,250          | 0.32          |
| 8  | Mrs. M.F. Gunasekera                          | 1,750,000          | 0.30          |
| 9  | P.V. Gunasekera                               | 1,750,000          | 0.30          |
| 10 | Ms. Helene Sauties                            | 1,496,250          | 0.26          |
| 11 | Edonard -Dec`d- Laravoire                     | 1,496,250          | 0.26          |
| 12 | John Paul Sauties                             | 1,496,250          | 0.26          |
| 13 | Ms. Martha Chevallaz                          | 1,496,250          | 0.26          |
| 14 | Jeane Laravoire                               | 1,496,250          | 0.26          |
| 15 | Paul Chevallaz                                | 1,496,250          | 0.26          |
| 16 | Albert Chevallaz                              | 1,496,250          | 0.26          |
| 17 | Mrs. Areenie Upendra Ratwatte Pethiyagoda     | 1,490,750          | 0.26          |
| 18 | Rosanth Percival Leo Eheliyagoda              | 1,293,929          | 0.22          |
| 19 | J.E.I Perera-Deceased                         | 1,050,000          | 0.18          |
| 20 | Francis David Micheal Badcock                 | 1,034,250          | 0.18          |
|    | <b>Sub Total</b>                              | <b>551,488,511</b> | <b>95.50</b>  |
|    | Balance held by Others                        | 26,011,489         | 4.50          |
|    | <b>Total number of Shares</b>                 | <b>577,500,000</b> | <b>100.00</b> |