

**Interim Financial Statement
Three Months Ended 30th June 2013**

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
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		
	30.06.2013 (Rs. '000')	30.06.2012 (Rs. '000')	31.03.2013 (Rs. '000')	30.06.2013 (Rs. '000')	30.06.2012 (Rs. '000')	31.03.2013 (Rs. '000')
ASSETS						
Non- Current Assets						
Property, Plant & Equipment	8,541,494	7,846,488	8,572,240	487,374	544,318	493,988
Investments in Subsidiary Companies	-	-	(0)	41,956	41,956	41,956
Investments in Joint Venture	137,086	-	137,086	-	-	-
Lease hold right over land	14,695	-	15,333	-	-	-
Investment Property	(0)	-	(0)	531,989	986,561	531,989
Intangible Assets	526,103	518,383	526,399	518,383	518,383	518,383
	9,219,377	8,364,871	9,251,057	1,579,702	2,091,218	1,586,316
Current Assets						
Inventories	65,117	62,041	64,189	-	-	-
Trade & Other Receivables	264,225	197,203	317,708	279,004	169,486	265,106
Investments	37,528	-	32,243	-	-	-
Cash & Cash Equivalents	273,208	102,787	276,679	2,587	17,503	4,092
	640,078	362,031	690,818	281,591	186,989	269,198
TOTAL ASSETS	9,859,456	8,726,902	9,941,875	1,861,293	2,278,207	1,855,515
EQUITY AND LIABILITIES						
Capital & Reserves						
Stated Capital	1,220,426	1,220,426	1,220,426	1,220,426	1,220,426	1,220,426
Reserves	5,441,482	4,864,516	5,457,382	584,505	601,166	589,849
Accumulated Losses	(537,689)	(201,793)	(465,656)	(708,947)	(397,427)	(694,972)
	6,124,218	5,883,149	6,212,151	1,095,983	1,424,165	1,115,303
Minority Interest	1,372,671	1,342,546	1,368,951	-	-	-
	1,372,671	1,342,546	1,368,951	-	-	-
Total Equity	7,496,889	7,225,695	7,581,102	1,095,983	1,424,165	1,115,303
Non Current Liabilities						
Interest Bearing Borrowings	223,550	475,159	228,130	-	263,136	-
Deferred Tax Liabilities	316,635	257,262	317,528	6,898	6,898	6,898
Employee Benefits	10,867	8,979	9,766	6,934	6,367	6,956
	551,052	741,400	555,423	13,832	276,401	13,854
Current Liabilities						
Trade and Other Payables	763,994	622,447	745,470	346,316	467,091	323,427
Interest Bearing Borrowings	935,550	40,222	939,256	319,000	39,562	319,000
Non Interest Bearing Borrowings	1,802	1,802	1,802	1,522	1,522	1,522
Bank Overdrafts	110,168	95,336	118,822	84,640	69,466	82,409
	1,811,514	759,807	1,805,350	751,478	577,641	726,358
TOTAL EQUITY AND LIABILITIES	9,859,456	8,726,902	9,941,875	1,861,293	2,278,207	1,855,515
Net Assets per Share (Rs.)	35.64	34.24	36.15	6.38	8.29	6.49

Note : The above figures for the Three Months ended 30th June 2012 and 2013 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, 09th August 2013

Ceylon Hotels Corporation PLC



INCOME STATEMENT

	Group				Company				Variance
	Three Months Ended 30th June		Three Months Ended 30th June		Three Months Ended 30th June		Three Months Ended 30th June		1st Quarter
	2013 (Rs.'000')	2012 (Rs.'000')	2013 (Rs.'000')	2012 (Rs.'000')	2013 (Rs.'000')	2012 (Rs.'000')	2013 (Rs.'000')	2012 (Rs.'000')	(Group) %
Revenue	210,341	195,746	210,341	195,746	-	-	-	-	7
Cost of Sales	(56,521)	(55,164)	(56,521)	(55,164)	-	-	-	-	(2)
Gross Profit	153,819	140,582	153,819	140,582	-	-	-	-	9
Other Income	10,559	16,964	10,559	16,964	14,138	9,999	14,138	9,999	(38)
Distribution Expenses	(12,463)	(6,746)	(12,463)	(6,746)	-	-	-	-	(85)
Administration Expenses	(192,159)	(151,679)	(192,159)	(151,679)	(18,329)	(21,502)	(18,329)	(21,502)	(27)
Other Operating Expenses	(204)	(3,989)	(204)	(3,989)	(204)		(204)		95
Profit/(Loss)from Operations	(40,448)	(4,868)	(40,447)	(4,868)	(4,394)	(11,503)	(4,394)	(11,503)	(731)
Finance Income	216	-	216	-	67		67		#DIV/0!
Finance Cost	(42,122)	(11,263)	(42,122)	(11,263)	(14,993)	(512)	(14,993)	(512)	(274)
Net Finance Cost	(41,906)	(11,263)	(41,906)	(11,263)	(14,926)	(512)	(14,926)	(512)	(272)
Loss before Taxation	(82,353)	(16,131)	(82,353)	(16,131)	(19,320)	(12,015)	(19,320)	(12,015)	(411)
Income Tax Reversal	(1,859)	(3,493)	(1,859)	(3,493)	-	-	-	-	47
Minority Interest	(3,720)	(6,304)	(3,720)	(6,304)	-	-	-	-	41
Loss for the Year	(87,932)	(25,928)	(87,932)	(25,928)	(19,320)	(12,015)	(19,320)	(12,015)	(239)
Earnings/(Loss) per Share	(0.51)	(0.15)	(0.51)	(0.15)	(0.11)	(0.07)	(0.11)	(0.07)	(239)

Note : The above figures for the Three Months ended 30th June 2012 and 2013 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 COMPREHENSIVE INCOME

	Group				Company			
	Three Months Ended 30th June		Three Months Ended 30th June		Three Months Ended 30th June		Three Months Ended 30th June	
	2013 (Rs. '000')	2012 (Rs. '000')	2013 (Rs. '000')	2012 (Rs. '000')	2013 (Rs. '000')	2012 (Rs. '000')	2013 (Rs. '000')	2012 (Rs. '000')
Loss for the year	(87,932)	(25,928)	(87,932)	(25,928)	(19,320)	(12,015)	(19,320)	(12,015)
Other Comprehensive Income								
Revaluation of property, plant and equipment								
Other Comprehensive Income for the year, net of tax	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year, net of tax	(87,932)	(25,928)	(87,932)	(25,928)	(19,320)	(12,015)	(19,320)	(12,015)
Loss per Share	(0.51)	(0.15)	(0.51)	(0.15)	(0.11)	(0.07)	(0.11)	(0.07)

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')
Balance as at 31st March 2011	1,220,426	8,128	453,045	166,718	(366,142)	1,482,176
Transfer to Retained Earnings	-	-	(21,380)	-	21,380	-
Net Profit / (Loss) for the Period	-	-	-	-	(45,996)	(45,996)
Balance as at 31st March 2012	1,220,426	8,128	431,666	166,718	(390,758)	1,436,180
Profit for the Year	-	-	-	-	(325,594)	(325,594)
Other Comprehensive Income	-	-	4,717	-	-	4,717
Total Comprehensive Income	1,220,426	8,128	436,383	166,718	(716,352)	1,115,303
Transfer to Retained Earnings	-	-	(21,380)	-	21,380	-
Balance as at 31st March 2013	1,220,426	8,128	415,003	166,718	(694,972)	1,115,303
Profit for the Year	-	-	-	-	(19,320)	(19,320)
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	1,220,426	8,128	415,003	166,718	(714,292)	1,095,983
Transfer to Retained Earnings	-	-	(5,345)	-	5,345	-
Balance as at 30th June 2013	1,220,426	8,128	409,658	166,718	(708,947)	1,095,983

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')
Balance as at 31st March 2010	1,220,426	8,128	462,152	166,718	(330,207)	1,527,216
Surplus on Revaluation of Investment Property	-	-	-	-	2,350	2,350
Net Profit/(Loss) for the Period	-	-	-	-	(59,664)	(59,664)
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	1,220,426	8,128	462,152	166,718	(387,521)	1,469,902
Transfer to Retained Earnings	-	-	(21,380)	-	21,380	-
Deferred Tax Effect due to reduction in tax rate	-	-	12,274	-	-	12,274
Balance as at 31st March 2011	1,220,426	8,128	453,045	166,718	(366,141)	1,482,175
Net Profit / (Loss) for the Period	-	-	-	-	(45,996)	(45,996)
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	1,220,426	8,128	453,045	166,718	(412,137)	1,436,179
Transfer to Retained Earnings	-	-	(21,380)	-	21,380	-
Balance as at 31st March 2012	1,220,426	8,128	431,666	166,718	(390,758)	1,436,179
Net Profit / (Loss) for the Period	-	-	-	-	(12,015)	(12,015)
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	1,220,426	8,128	431,666	166,718	(402,773)	1,424,165
Transfer to Retained Earnings	-	-	(5,345)	-	5,345	-
Balance as at 30th June 2012	1,220,426	8,128	426,320	166,718	(397,427)	1,424,165

Note : The above figures for the Three Months ended 30th June 2012 and 2013 are provisional and subject to Audit
 Figures in brackets indicate deductions.
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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')
Balance as at 31st March 2011	1,220,426	8,128	4,763,261	170,019	(283,136)	5,878,699	1,317,287	7,195,985
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)
Balance as at 31st March 2012	1,220,426	8,128	4,702,269	170,019	(191,765)	5,909,077	1,336,242	7,245,319
Profit for the Year	-	-	-	-	(328,002)	(328,002)	32,709	(295,293)
Other Comprehensive Income	-	-	645,079	-	-	645,079	-	645,079
Total Comprehensive Income	1,220,426	8,128	5,347,348	170,019	(519,767)	6,226,153	1,368,951	7,595,104
Transfers to Retained Earnings	-	-	(63,597)	-	63,597	-	-	-
Revaluation of property plant & equipment	-	-	-	-	-	-	-	-
Revaluation of disposal	-	-	(4,516)	-	-	(4,516)	-	(4,516)
Ordinary Share Dividend paid	-	-	-	-	(9,486)	(9,486)	-	(9,486)
Balance as at 31st March 2013	1,220,426	8,128	5,279,235	170,019	(465,656)	6,212,151	1,368,951	7,581,102
Profit for the Year	-	-	-	-	(87,932)	(87,932)	3,720	(84,212)
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total Comprehensive Income	1,220,426	8,128	5,279,235	170,019	(553,589)	6,124,218	1,372,671	7,496,889
Transfer to Retained Earnings	-	-	(15,899)	-	15,899	-	-	-
Balance as at 30th June 2013	1,220,426	8,128	5,263,335	170,019	(537,689)	6,124,218	1,372,671	7,496,889

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')
Balance as at 31st March 2010	1,220,426	8,128	3,752,609	170,019	(362,694)	4,788,487	989,355	5,777,842
Net Profit / (Loss) for the Year	-	-	-	-	40,615	40,615	10,928	51,543
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total Comprehensive Income	1,220,426	8,128	3,752,609	170,019	(322,078)	4,829,102	1,000,283	5,829,385
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)
Transfer to Retained Earnings	-	-	(36,594)	-	36,594	-	-	-
Deferred Tax impact due to reduction in tax rate	-	-	29,613	-	-	29,613	5,312	34,925
Acquisition of Subsidiary	-	-	-	-	-	-	0	0
Preference Share Dividends Paid	-	-	-	-	-	-	(33)	(33)
Balance as at 31st March 2011	1,220,426	8,128	4,763,261	170,019	(283,135)	5,878,697	1,317,287	7,195,984
Net Profit / (Loss) for the Period	-	-	-	-	27,774	27,774	19,607	47,381
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total Comprehensive Income	1,220,426	8,128	4,763,261	170,019	(255,361)	5,906,471	1,336,894	7,243,365
Transfers to Retained Earnings	-	-	(63,597)	-	63,597	-	-	-
Deferred Tax effect on rate change	-	-	2,605	-	-	2,605	-	2,605
Ordinary Share Dividend paid	-	-	-	-	-	-	(619)	(619)
Preference Share Dividend paid	-	-	-	-	-	-	(33)	(33)
Balance as at 31st March 2012	1,220,426	8,128	4,702,269	170,019	(191,764)	5,909,076	1,336,242	7,245,319
Profit for the Period	-	-	-	-	(25,928)	(25,928)	6,304	(19,624)
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total Comprehensive Income	1,220,426	8,128	4,702,269	170,019	(217,692)	5,883,148	1,342,546	7,225,695
Transfer to Retained Earnings	-	-	(15,899)	-	15,899	-	-	-
Balance as at 30th June 2012	1,220,426	8,128	4,686,369	170,019	(201,793)	5,883,148	1,342,546	7,225,695

Note : The above figures for the Three Months ended 30th June 2012 and 2013 are provisional and subject to Audit.
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Ceylon Hotels Corporation PLC

Cash Flow Statement



For the Year Ended 30th June 2013	Group		Company	
	2013 (Rs.'000')	2012 (Rs. '000')	2013 (Rs.'000')	2012 (Rs. '000')
Net Profit /(Loss) before Taxation	(82,353)	(16,131)	(19,320)	(12,015)
Adjustments for:				
Depreciation	43,260	36,544	6,284	15,007
Provision for Gratuity	1,175	798	6	250
Finance Cost	42,122	11,263	14,993	512
Amortization of lease hold right over land	638	-	-	-
Loss on Disposal of Property Plant & Equipment	204	809	204	809
Other Operating Income	(10,559)	(16,964)	(14,138)	(9,999)
Operating Profit before Working Capital Changes	(5,513)	16,319	(11,971)	(5,436)
(Increase) / Decrease in Inventories	(928)	(2,710)	-	-
(Increase) / Decrease in Trade Debtors & Other Receivables	53,483	2,021	(13,898)	19,014
Increase / (Decrease) in Trade Creditors & Other Payables	19,196	64,290	22,890	29,144
Cash Generated from Operations	66,238	79,920	(2,979)	42,722
Income Tax Paid	(3,128)	(1,877)	-	-
Finance Expenses Paid	(42,122)	(11,263)	(14,993)	(512)
Other Operating Income	10,559	16,964	14,138	9,999
Gratuity Paid	(73)	(65)	(28)	(65)
Net Cash Inflow from Operating Activities	31,474	83,679	(3,862)	52,145
Cash Flow from/(used in) Investing Activities				
Acquisition of Property, Plant & Equipment	(13,519)	(19,263)	-	(8,333)
Proceeds From Disposal of Property Plant & Equipment	800	160	126	160
Investment in Shares / Deposits/Assets	(5,286)	-	-	-
Net Cash flow from/(used in) Investing Activities	(18,004)	(19,103)	126	(8,173)
Net Cash Inflow/(Outflow) before Financing Activities	13,470	64,576	(3,736)	43,972
Cash Flow from/(used in) Financing Activities				
Dividend paid to Minority	-	-	-	-
Repayment / Increase in Interest Bearing Borrowings	(8,286)	(17,393)	-	(12,311)
Net Cash flow from (used in) Financing Activities	(8,286)	(17,393)	-	(12,311)
Net Increase/(Decrease) in Cash & Cash Equivalents	5,184	47,183	(3,736)	31,661
Net Cash & Cash Equivalents at the beginning of the Period	157,857	(39,732)	(78,317)	(83,624)
Net Cash & Cash Equivalents as at 30th June	163,040	7,451	(82,053)	(51,963)
Analysis of Net Cash & Cash Equivalents as at 30th June				
Cash & Cash Equivalents	273,208	102,787	2,587	17,503
Bank Overdraft	(110,168)	(95,336)	(84,640)	(69,466)
Net Cash & Cash Equivalents as at 30th June	163,040	7,451	(82,053)	(51,963)

Note : The above figures for the Three Months ended 30th June 2012 and 2013 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 30th June 2013 17.65%
2. Directors Share Holding as at 30th June 2013

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 30th June 2013

Name	Position	No of Shares	%
Ceylon Hotels Holdings (Pvt) Ltd	1	120,944,925	70.40
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	376,464	0.22
Associated Electrical Corporation Limited	8	350,000	0.20
Seylan Bank PLC/Mr. Arunasalam Sithampalam	9	320,800	0.19
Mr. Kanishka Nuwan Karunaratne	10	280,000	0.16
Seylan Bank PLC/Capital Trust Holdings (Pvt) Ltd	11	211,897	0.12
Sithlanka (Pvt) Ltd	12	199,500	0.12
Mr. Vivendra Lintotawela	13	150,300	0.09
Mr. Derek Joseph De Silva Wijeyeratne	14	135,398	0.08
Mr. S.M.H. Mohamed	15	132,804	0.08
Cocoshell Activated Carbon Company Ltd	16	127,500	0.07
Waldock Mackenzie Ltd / Mr. M.S.F. Haqqe Waldock Mackenzie	17	126,300	0.07
Mr. Piyadasa Guruge	18	125,000	0.07
Mr. Premapala Pitipanaarachchi	19	125,000	0.07
Mc Larens Holdings Ltd	20	115,000	0.07
Sub total		164,155,532	95.54
Balance held by others		7,669,869	4.46
Total number of shares		171,825,401	100.00

NOTES

Market Price per Share for the quarter ended 30th June 2013.

1)

	2013 (Rs.)	2012 (Rs.)
Highest Market Price	23.50	25.00
Lowest Market Price	16.90	16.00
Last Traded Price	18.20	19.20

- 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 is a subsidiary company of the company, United Hotels Co (Pvt) Ltd, CHC Foods (Pvt) Ltd, Tissa Resort (Pvt) Ltd and CHC Rest Houses (Pvt) Ltd are wholly owned subsidiary companies of the company.
- 5) 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.
- 6) There were no material events taken place after the Balance Sheet date which would require adjustments or disclosure in the Interim Financial Statement.
- 7) 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.