



DRIVING
PERFORMANCE
ENRICHING LIVES

HEXAS

Hemas Holdings PLC
Interim Report - Q1 2013/14

CEO's Review

It gives me great pleasure to present to you the first quarter performance of your Company for the financial year 2013/14. The Group enjoyed an eventful quarter recording a consolidated revenue of Rs 7.2Bn, a growth of 14.5%. Whilst operating profits of the Group closed at Rs 490Mn in comparison to Rs. 451Mn recorded the previous year, posting a growth of 8.6%.

Group revenue was largely driven by the Healthcare, FMCG and Transportation sectors which recorded growths of 23.0% 25.3% and 57.3% respectively, whilst Group operating profits were boosted by Power, FMCG and Transportation sectors. However, Group suffered a drop in earnings of 17.2% to record Rs. 277Mn while profit after tax declined by 18.6% to Rs. 280Mn resulting from the startup losses at our new hospital at Thalawathugoda, and the closure of Hotel Dolphin and Sigiriya since early this year. Nevertheless the Group's underlying profits after tax adjusted for these events, posted a growth of 19.1%, over the previous year. Profitability for the quarter was also impacted by increased interest costs of Rs. 90Mn, primarily utilized to fund new investments during the period under review.

Our FMCG sector recorded a strong growth of 25.3%, to achieve revenues of Rs. 2.2Bn, whilst operating profits grew by 47.7% to Rs. 224Mn. Despite a general slowdown in the industry, the new financial year commenced with record sales; mainly driven by the Oral care, Personal wash and Homecare categories. After many months of extensive research the sector entered the adult skin care market with the launch of 'Cheramy Touch', a range of milk based skin care products with unique formulations. Our male fragrance brand 'Pro Sport' launched two variants of 'Eau De Toilette Spray' during the quarter tapping into the premium fragrances category. In conjunction with the launch, 'Pro Sport' was introduced with the new expression 'PRO', as part of the initiative to modernize the brand. Our homecare segment saw an increase in both value and volume with the 'Nidan ekka idam' activation of Diva detergent powder which was focused on giving back to our consumers.

The Healthcare sector registered revenues of Rs 2.7Bn, a growth of 23.0% over the same period last year. This was driven by the positive performance of both our Pharmaceutical distribution and Hospital businesses. Operating profit of the sector dropped by 23.2% to Rs 169Mn, mainly attributable to the startup losses at our new hospital at Thalawathugoda. Conversely our Pharmaceuticals business posted a 17.5% growth in revenue and 6.9% improvement in operating profits, backed by an increase in sales volumes during the quarter. The business was also successful in attracting a new principle, Aristo Pharma a leading pharmaceutical company in Bangladesh specializing in the manufacturing of a wide range of therapeutic classes. The performance of our Pharmaceutical business helped strengthen its market leadership position by increasing market share to 18.6% (Source: IMS).

During the month of June, Hemas Hospitals celebrated the grand opening of its newest 60 bed multi –specialty hospital at Thalawathugoda by His Excellency, President Mahinda Rajapakse. The Hospital is fully equipped with modern operating theaters, intensive care unit, high-tech 24 hour laboratory with the latest sophisticated MRI and CT scanners and a 24 hour emergency care unit. Over 200 leading consultants would be providing indoor and channeling services at this state-of-the-art hospital. The hospital saw a steady pick up in volumes since its inception and we are confident that the hospital will post encouraging results in months to come.

Our Leisure sector revenue dropped by 27.8% to Rs 209Mn, resulting from the closure of Club Hotel Dolphin and Hotel Sigiriya for refurbishments. The leisure industry recorded over 500,000 tourist arrivals for the year 2013, a growth of 13% in comparison to 19% recorded the previous year reflecting a slowdown since the end of war. However, the conversion of these arrivals to guest nights was not clearly visible in the occupancies recorded by the industry. Our operational hotels recorded an average occupancies in excess of 50%, despite this quarter being considered an 'off-peak' season. However, the drop in revenue during the quarter cascaded down to sector operating profit which posted a loss of Rs. 31Mn, a decline of Rs. 47Mn over last year. Profits for the sector were further impacted by Rs. 31Mn of unrealized losses recognized on

revalued foreign currency loans during the quarter. With the reopening of Hotel Sigiriya and Club Hotel Dolphin in time for the winter season, we are optimistic of ending the year on a positive note.

Transportation sector posted an impressive revenue growth of 57.3% and operating profit growth of 22.0% to record Rs. 357Mn and Rs. 108Mn respectively, led by the performance of Aviation and Logistics services. The growth by the Aviation arm was largely driven by increased cargo and passenger volumes, whilst our new business lines Haulage and Integrated Logistics performed well, during the period under review. The sector invested in an integrated logistics facility for shippers and shipping lines with the intention of broadening its presence in the logistics space. The ground breaking ceremony of the facility took place at Welisara, in June 2013.

Power sector recorded a drop in revenue of 4.6% to post Rs 1.4Bn and an operating profit growth of 326.8% to achieve Rs 147Mn for the first quarter. Revenue was largely impacted by the drop in generation at our thermal power plant Heladhanavi resulting from the curtailment of generation imposed by the CEB. In spite of this, the profitability of the sector improved due to higher rainfall experienced at our hydro power plants. In April 2013, Hemas Power acquired a 29.3% stake in Pan Asian Power PLC expanding its hydro power portfolio to include a capacity of 11.4MW. The performance of hydro power plants Rath Ganga and Manelwala of Pan Asian Power PLC has helped enhanced the sector's profitability during the period under review.

In the month of May the Group acquired 70.5% of voting shares and 50% of non-voting shares of J.L. Morison Sons and Jones (Ceylon) PLC for a consideration of Rs. 1.7 Bn. With the resulting mandatory offer the Company was able to increase its stake to 90% of voting and 85% non-voting shares. J.L. Morison has over 70 years of experience operating in consumer, pharmaceuticals and agro businesses. The Company has a well-established presence in the OTC and Consumer space, with some strong brands which we believe have significant potential for expansion. The acquisition also provides the Group a stepping stone into the Pharmaceutical manufacturing industry which is a key national priority. Today, the business is a leading supplier of generic pharmaceuticals to the state as well as the private market and going forward the business will work on improving both the quality and capacity in line with potential demand.

Our acquisition of the controlling stake in J.L. Morison and a 29.3% stake of Panasian Power PLC, commencement of operations at our new hospital and refurbishments of two of our hotels have made this an eventful quarter. We believe these investments provide the Group an excellent platform to grow our business in the future.



Husein Esufally
Chief Executive officer
Colombo
August 13, 2013

Consolidated Income Statement

<i>Rs '000</i>	Three Months Ended		Change %
	30.06.2013	30.06.2012	
Revenue	7,243,212	6,323,697	14.5
Cost of Sales	(5,022,119)	(4,486,160)	11.9
Gross Profit	2,221,093	1,837,537	20.9
Other Operating Income	66,381	80,234	(17.3)
Selling and Distribution Costs	(610,685)	(483,769)	26.2
Administrative Expenses	(1,186,412)	(983,130)	20.7
Share of profit of an Associate	(789)	-	
Operating Profit	489,588	450,872	8.6
Finance Cost	(169,773)	(79,725)	112.9
Finance Income	92,478	69,085	33.9
Profit Before Tax	412,293	440,232	(6.3)
Income Tax Expense	(131,931)	(95,692)	37.9
Profit for the Period	280,362	344,540	(18.6)
Attributable to:			
Equity Holders of the Parent	276,708	334,328	(17.2)
Non-Controlling Interests	3,654	10,212	(64.2)
	280,362	344,540	(18.6)
Earnings Per Share (Rs)	0.54	0.65	
Annualised Earnings Per Share (Rs)	2.15	2.60	

Statement of Comprehensive Income

<i>Rs '000</i>	Three Months Ended	
	30.06.2013	30.06.2012
Profit for the Period	280,362	344,540
Other Comprehensive Income		
Net (loss)/gain on available-for-sale financial assets	17,123	(668)
Exchange differences on translation of foreign operations	(583)	(273)
Net movement on cash flow hedges	(8,558)	(8,814)
Revaluation of land and buildings	-	-
Income Tax on other comprehensive income	-	-
Other Comprehensive Income for the period, net of tax	7,982	(9,755)
Total Comprehensive Income for the period, net of tax	288,344	334,785
Attributable to:		
Equity Holders of the Parent	285,536	318,439
Non-Controlling Interest	2,808	16,346
	288,344	334,785

The above figures are provisional and subject to audit.

Consolidated Statement of Financial Position

As at	30.06.2013	30.06.2012	31.03.2013
Rs '000			
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	12,972,291	10,205,466	11,293,957
Investment Properties	578,453	474,685	578,453
Leasehold Right	89,608	93,685	90,592
Intangible Assets	1,230,404	300,857	436,701
Investment in Associates	220,536	-	221,325
Other Non Current Financial Assets	321,260	652,177	399,147
Deferred Tax Assets	35,998	25,808	39,762
	15,448,550	11,752,678	13,059,937
Current Assets			
Inventories	3,078,608	1,977,372	2,425,137
Trade and Other Receivables	8,332,765	6,846,031	7,047,695
Tax Recoverable	71,255	150,152	78,590
Other Current Financial Assets	438,620	110,490	172,919
Cash and Short Term Deposits	2,101,794	2,592,538	3,223,380
	14,023,042	11,676,583	12,947,721
Total Assets	29,471,592	23,429,261	26,007,658
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	1,600,603	1,600,603	1,600,603
Other Capital and Revenue Reserves	366,082	452,233	409,751
Other Components of Equity	1,308,742	1,136,395	1,314,477
Retained Earnings	9,098,521	7,440,113	8,828,511
Equity attributable to equity holders of the parent	12,373,948	10,629,344	12,153,342
Non- Controlling Interest	3,292,798	2,073,053	2,259,037
Total Equity	15,666,746	12,702,397	14,412,379
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	2,723,708	1,833,635	2,182,887
Other Non Current Financial Liabilities	145,334	151,376	140,343
Deferred Tax Liabilities	221,224	165,884	193,313
Employee Benefit Liability	391,533	260,328	287,427
Other Non Current Liabilities	-	255,881	-
	3,481,799	2,667,104	2,803,970
Current Liabilities			
Trade and Other Payables	6,855,276	5,678,144	5,906,044
Income Tax Liabilities	179,949	129,801	141,591
Interest Bearing Loans and Borrowings	1,290,536	338,747	715,230
Bank Overdraft	1,997,286	1,913,068	2,028,444
	10,323,047	8,059,760	8,791,309
Total Equity and Liabilities	29,471,592	23,429,261	26,007,658
Net Asset per share - (Rs)	24.01	20.63	23.59

The above figures are provisional and subject to audit.

These financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



Malinga Arsakularatne
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the Board by,



Husein Esufally
Chief Executive Officer
Colombo
August 13, 2013



Lallith De Mel
Chairman

Consolidated Statement of Changes in Equity

	Attributable to Equity Holders of the Parent						Retained Earnings	Total	Non Controlling Interest	Total Equity
	Stated Capital	Other Capital & Revenue Reserves	Other Component Of Equity							
			Revaluation Reserve	Exchange Reserve	Available for sale Reserve	Cash flow hedge Reserve				
<i>Rs '000</i>										
Balance as at 1 April 2012	1,600,603	437,923	1,187,013	(1,451)	10,380	(43,658)	7,121,708	10,312,518	2,100,310	12,412,828
Profit for the period	-	-	-	-	-	-	334,328	334,328	10,212	344,540
Other comprehensive income	-	-	-	(273)	(9,006)	(6,610)	-	(15,889)	6,134	(9,755)
Total comprehensive income	-	-	-	(273)	(9,006)	(6,610)	334,328	318,439	16,346	334,785
Dividends Paid - Ordinary Shares	-	-	-	-	-	-	-	-	(43,820)	(43,820)
Transfer to/from during the period										
- Other Reserve	-	14,310	-	-	-	-	(14,310)	-	-	-
Differred tax attributable to revaluation surplus	-	-	-	-	-	-	-	-	52	52
Transaction cost on Issue of shares	-	-	-	-	-	-	(1,613)	(1,613)	(537)	(2,150)
Adjustment in respect of changes in Group Holding	-	-	-	-	-	-	-	-	702	702
Balance as at 30 June 2012	1,600,603	452,233	1,187,013	(1,724)	1,374	(50,268)	7,440,113	10,629,344	2,073,053	12,702,397
Balance as at 1 April 2013	1,600,603	409,751	1,302,730	(1,730)	29,042	(15,565)	8,828,511	12,153,342	2,259,037	14,412,379
Profit for the period	-	-	-	-	-	-	276,708	276,708	3,654	280,362
Other comprehensive income	-	-	-	(714)	15,961	(6,419)	-	8,828	(846)	7,982
Total comprehensive income	-	-	-	(714)	15,961	(6,419)	276,708	285,536	2,808	288,344
Transfer to/from during the period										
- Overhaul Reserve/ Heat and Lube oil Reserve	-	(43,669)	-	-	-	-	32,752	(10,917)	10,917	-
- Available for sale reserve	-	-	-	-	(14,563)	-	-	(14,563)	(4,854)	(19,417)
Dividends to Non- Controlling Interest	-	-	-	-	-	-	-	-	(5,000)	(5,000)
Adjustment in respect of changes in Group Holding	-	-	-	-	-	-	(39,450)	(39,450)	1,029,890	990,440
Balance as at 30 June 2013	1,600,603	366,082	1,302,730	(2,444)	30,440	(21,984)	9,098,521	12,373,948	3,292,798	15,666,746

Company Income Statement

<i>Rs '000</i>	Three Months Ended		Change %
	30.06.2013	30.06.2012	
Revenue	130,824	77,487	68.8
Cost of Sales	-	-	-
Gross Profit	130,824	77,487	68.8
Other Operating Income	1,867	136,204	(98.6)
Administrative Expenses	(107,653)	(80,204)	34.2
Operating Profit	25,038	133,487	(81.2)
Finance Cost	(88,036)	(33,617)	161.9
Finance Income	28,841	16,240	77.6
Profit Before Tax	(34,157)	116,110	(129.4)
Income Tax Expenses	(6,089)	(5,847)	4.1
Profit for the Period	(40,246)	110,263	(136.5)

Statement of Comprehensive Income

<i>Rs '000</i>	Three Months Ended	
	30.06.2013	30.06.2012
Profit for the Period	(40,246)	110,263
Other Comprehensive Income		
Net (loss)/gain on available-for-sale financial assets	12,471	(7,395)
Exchange differences on translation of foreign operations	-	-
Net movement on cash flow hedges	-	-
Revaluation of land and buildings	-	-
Income Tax on other comprehensive income	-	-
Other Comprehensive Income for the period, net of tax	12,471	(7,395)
Total Comprehensive Income for the period, net of tax	(27,775)	102,868

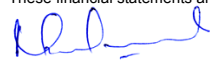
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Statement of Financial Position -Company

As at	30.06.2013	30.06.2012	31.03.2013
Rs '000			
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	149,173	103,978	153,730
Investment Properties	566,289	331,500	566,289
Intangible Assets	1,815	1,032	398
Investment in Subsidiaries	6,425,343	6,195,595	6,344,133
Investment in Joint Ventures	38,519	38,519	38,519
Other Non Current Financial Assets	240,211	213,034	224,924
	7,421,350	6,883,658	7,327,993
Current Assets			
Trade and Other Receivables	1,215,552	402,399	1,026,351
Tax Recoverable	5,324	8,729	5,323
Other Current Financial Assets	297,056	597,484	647,913
Cash and Short Term Deposits	148,288	123,472	85,301
	1,666,220	1,132,084	1,764,888
Total Assets	9,087,570	8,015,742	9,092,881
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	1,600,603	1,600,603	1,600,603
Other Capital Reserves	257,032	257,032	257,032
Other Components of Equity	30,260	340	17,789
Retained Earnings	4,318,432	4,358,678	4,590,472
Total Equity	6,206,327	6,216,653	6,465,896
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	1,434,896	886,018	1,288,566
Other Non Current Financial Liabilities	4,383	10,599	4,383
Deferred Tax Liabilities	57,285	45,904	51,196
Employee Benefit Liability	27,260	31,503	26,431
	1,523,824	974,024	1,370,576
Current Liabilities			
Trade and Other Payables	131,223	235,920	159,802
Income Tax Liabilities	-	5,577	-
Interest Bearing Loans and Borrowings	977,993	577,070	1,055,324
Bank Overdraft	16,409	6,498	41,283
	1,125,625	825,065	1,256,409
Total Equity and Liabilities	8,855,776	8,015,742	9,092,881
Net Asset per share - (Rs)	12.04	12.06	12.55

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Malinga Arakularatne

Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the Board by,



Husein Esufally

Chief Executive Officer

Colombo

August 13, 2013



Lalith De Mel

Chairman

Statement of Changes in Equity- Company

<i>Rs '000</i>	Other Component Of Equity				Total Equity
	Stated Capital	Other Capital Reserves	Available for Sale Reserve	Retained Earnings	
Balance as at 1 April 2012	1,600,603	257,032	7,735	4,248,415	6,113,785
Profit for the period	-	-	-	110,263	110,263
Other comprehensive income	-	-	(7,395)	-	(7,395)
Total comprehensive income	-	-	(7,395)	110,263	102,868
Balance as at 30 June 2012	1,600,603	257,032	340	4,358,678	6,216,653
Balance as at 1 April 2013	1,600,603	257,032	17,789	4,590,472	6,465,896
Profit for the period	-	-	-	(40,246)	(40,246)
Other comprehensive income	-	-	12,471	-	12,471
Total comprehensive income	-	-	12,471	(40,246)	(27,775)
Balance as at 30 June 2013	1,600,603	257,032	30,260	4,318,432	6,188,878

The above figures are provisional and subject to audit

Cash Flow Statement

For Three months ended 30 June

Rs '000

	Group		Company	
	2013	2012	2013	2012
Operating Activities				
Profit Before Taxation	412,293	440,232	(34,157)	116,110
Adjustments for				
Depreciation	211,431	166,380	8,885	6,039
(Gain)/Loss on Disposal of Property, Plant and Equipment	376	(12,595)	24	(1,452)
Amortisation/ Impairment of Intangibles	1,962	1,816	185	316
Amortisation of Leasehold Rights	984	770	-	-
Exchange gain or loss on foreign currency borrowings	31,090	18,702	-	-
Re-classification of Available for sale reserve to Profit and Loss	(19,417)	-	-	-
Finance Cost	169,773	79,725	88,036	33,617
Finance Income	(92,478)	(69,085)	(28,841)	(16,240)
Share of results of Associates	789	-	-	-
Investment Income	(55)	(1,893)	(3)	(132,834)
Movement in Employee Benefit Liability	17,417	14,888	828	952
Working Capital Adjustments				
(Increase)/Decrease in Inventories	(70,076)	26,492	-	-
(Increase)/Decrease in Trade and Other Receivables	(369,735)	(938,686)	(187,963)	(31,745)
(Increase)/Decrease in Other Current Financial Assets	939	(3,728)	1,828	(249,759)
Increase/(Decrease) in Trade and Other Payables	600,752	489,914	(28,579)	13,695
Increase/(Decrease) in Other Non Current Liabilities	-	(2,776)	-	-
Increase/(Decrease) in Other Non Current Financial Liabilities	4,992	1,767	-	-
Finance Cost Paid	(169,633)	(76,106)	(88,036)	(28,894)
Finance Income Received	81,805	59,190	24,003	13,115
Income Tax Paid	(65,089)	(41,712)	-	(2,567)
Employee Retirement Benefit Paid	(3,953)	(2,902)	-	-
Net Cash flows from/(Used in) Operating Activities	744,167	150,393	(243,790)	(279,647)
Investing Activities				
Purchase of Property, Plant and Equipment	(592,785)	(88,570)	(6,390)	(4,832)
Investment in Intangible Assets	(1,781)	(182)	(1,601)	(74)
Investment in Non current Financial Assets	(24,000)	-	(2,817)	-
Acquisition/ Disposal of Subsidiary	(2,082,483)	-	(81,211)	(1,298)
Investment Income Received	55	1,893	3	131,463
Proceeds from Disposal of Property, Plant and Equipment	9,753	21,002	2,038	1,452
Net Cash flows from/(Used in) Investing Activities	(2,691,241)	(65,857)	(89,978)	126,711
Financing Activities				
Interest Bearing Loans and Borrowings (Net)	861,087	(176,519)	421,629	226,991
Transaction cost on subsidiary share issue	-	(2,150)	-	-
Proceeds from Non-Controlling interest	-	702	-	-
Dividends Paid - Equity Holders of the Parent	-	-	-	-
- Non-Controlling Interest	(5,000)	(43,820)	-	-
Net Cash flows from/(Used in) Financing Activities	856,087	(221,787)	421,629	226,991
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,090,987)	(137,251)	87,861	74,055
Net Foreign Exchange Difference	560	(714)	-	-
Cash and Cash Equivalents at the beginning of the Year	1,194,935	817,435	44,018	42,919
Cash and Cash Equivalents at the end of the period	104,508	679,470	131,879	116,974

The above figures are provisional and subject to audit

Segmental Information

For Three months ended 30 June	FMCG		Healthcare		Leisure		Transportation		Power		Others		Group	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
<i>Rs '000</i>														
Revenue														
Segmental Revenue - Gross	2,236,951	1,785,402	2,776,480	2,250,525	209,098	289,626	357,166	227,108	1,434,298	1,503,555	441,348	397,713	7,455,341	6,453,929
Intra Segmental Revenue			(27,519)	(16,417)	-	-	-	-	-	-	(20,028)	(13,227)	(47,547)	(29,644)
Segmental Revenue	2,236,951	1,785,402	2,748,961	2,234,108	209,098	289,626	357,166	227,108	1,434,298	1,503,555	421,320	384,486	7,407,794	6,424,285
Inter Segmental Revenue	-	-	-	-	-	-	-	-	-	-	(164,582)	(100,588)	(164,582)	(100,588)
Total Revenue	2,236,951	1,785,402	2,748,961	2,234,108	209,098	289,626	357,166	227,108	1,434,298	1,503,555	256,738	283,898	7,243,212	6,323,697
Segmental Results	224,386	151,893	168,509	219,451	(31,099)	16,881	108,225	88,736	147,189	34,486	(126,833)	(60,575)	490,377	450,872
Finance Cost	(790)	(3)	(39,720)	(35,634)	(54,132)	(8,345)	(7,382)	(1,582)	(42,150)	(32,263)	(25,599)	(1,898)	(169,773)	(79,725)
Finance Income	27,797	19,346	5,101	2,247	2,867	5,546	14,592	7,356	36,268	30,440	5,853	4,150	92,478	69,085
Share of results of associate	-	-	-	-	(789)	-	-	-	-	-	-	-	(789)	-
Profit/(Loss) before Tax	251,393	171,236	133,890	186,064	(83,153)	14,082	115,435	94,510	141,307	32,663	(146,579)	(58,323)	412,293	440,232
Income Tax	(30,283)	(10,225)	(62,108)	(51,513)	1,774	1,201	(25,224)	(27,212)	(4,062)	(234)	(12,028)	(7,709)	(131,931)	(95,692)
Profit / (Loss) for the Period	221,110	161,011	71,782	134,551	(81,379)	15,283	90,211	67,298	137,245	32,429	(158,607)	(66,032)	280,362	344,540
Attributable to:														
Equity Holders of the Parent	220,173	161,011	92,550	140,720	(39,899)	6,297	87,053	67,298	76,549	25,034	(159,718)	(66,032)	276,708	334,328
Non-Controlling Interests	937	-	(20,768)	(6,169)	(41,480)	8,986	3,158	-	60,696	7,395	1,111	-	3,654	10,212
	221,110	161,011	71,782	134,551	(81,379)	15,283	90,211	67,298	137,245	32,429	(158,607)	(66,032)	280,362	344,540

The above figures are provisional and subject to audit

Notes to the Financial Statements

1 Basis of preparation

The condensed interim financial statements have been prepared in accordance with Sri Lanka Accounting Standard LKAS- 34, Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2013. Further, provisions of the Companies Act No. 7 of 2007 have been considered in preparing the interim financial statements.

The previous years'/periods' figures and phrases have been amended where relevant, for better presentation and to be comparable with those of the current period.

- 2 The Group invested a further Rs. 300Mn in Panasian Power PLC on 24 April 2013 thereby increasing the group stake in Panasian Power PLC to 29.3%.
- 3 The Group invested a further Rs. 81Mn in Peace Haven Resorts Ltd on 7 May 2013 thereby increasing the group stake in Peace Haven Resorts Ltd to 98.9%.
- 4 The Group purchased a 71.5% voting stake and 50% non-voting stake in J.L.Morison Son & Jones (Ceylon) PLC valued at Rs.1.7Bn on 30 May 2013.
- 5 The Company paid a final dividend of Rs.0.45 per share on 9 July 2013, for the financial year ending 31 March 2013. In accordance with the Sri Lanka Accounting Standard (LKAS 10)- Events after the reporting date, the final dividend has not been recognised as a liability in the financial statements as at 30 June 2013.
The Group further invested in J.L.Morison Son & Jones (Ceylon) PLC Rs. 394Mn for 18.5% in voting stake and Rs. 133Mn for 34.7% in non voting stake by closing the Mandatory offer and voluntary offer on 23 July 2013.
There have been no other events subsequent to the reporting date, which require disclosure in the interim financial statements.
- 6 There have been no significant changes in the nature of the contingent liabilities which were disclosed in the Audited Accounts for the year ended 31 March 2013.

Investor Information

	Three months Ended	
	30.06.2013	30.06.2012
Market Value of Shares		
Closing Price on 30 June (Rs)	34.50	22.10
Highest Price during the Period (Rs)	38.40	27.00
Lowest Price during the Period (Rs)	26.70	19.10
Market Capitalization on 30 June (Rs Mn)	17,778	11,388
Ratios		
Net Asset Per Share on 30 June (Rs)	24.01	20.63
Price Earnings Ratio on 30 June (times)	16.06	8.52
Share Trading		
No of transactions during the Period	2,966	936
No of shares traded during the Period	8,431,998	2,632,631
Value of shares traded during the Period (Rs Mn)	288	60
Number of Shares	515,290,620	515,290,620

Share Information

LIST OF 20 MAJOR SHAREHOLDERS	30.06.2013		30.06.2012	
	No. of Shares	%	No. of Shares	%
1 A Z Holdings (Pvt) Ltd.	90,762,875	17.61	90,762,875	17.61
2 Saraz Investments (Pvt) Ltd.	86,396,035	16.77	86,396,035	16.77
3 Bluberry Investments (Pvt) Ltd.	85,781,250	16.65	85,781,250	16.65
4 Amagroup (Pvt) Limited	85,780,665	16.65	85,780,665	16.65
5 Employees Provident Fund	27,309,276	5.30	26,650,875	5.17
6 HSBC Intl. Nom Ltd-SSBT-National Westminster Bank PLC as a depository of First State Indian Subcontinent	9,732,370	1.89	9,732,370	1.89
7 Sri Lanka Insurance Corporation Ltd. - Life Fund	6,635,700	1.29	6,635,700	1.29
8 Mr. I.A.H. Esufally	6,424,000	1.25	6,424,000	1.25
9 HSBC Intl. Nom Ltd-SSBT-National Westminster Bank PLC as a depository of First State Asia Pacific Susta	6,272,899	1.22	6,272,899	1.22
10 Mr. M.A.H. Esufally	5,946,500	1.15	5,946,500	1.15
11 Mr. H.N. Esufally	5,836,705	1.13	6,086,705	1.18
12 Jacey Trust Services (Pvt) Ltd -Account No 2	5,750,000	1.12	8,000,000	1.55
13 HSBC Intl. Nominees Ltd. - HSBC Bank PLC - CMG First State Global Umbrella Fund PLC CMG First State India	5,149,500	1.00	5,149,500	1.00
14 Lexinton Holdings (Pvt) Ltd.	4,947,500	0.96	4,740,600	0.92
15 Jacey Trust Services (Pvt) Ltd	4,613,750	0.90	4,613,750	0.90
16 Employees Trust Fund Board	4,438,386	0.86	2,795,100	0.54
17 Anverally and sons (pvt) Ltd A/C no 01	3,828,661	0.74	3,828,661	0.74
18 HSBC Intl Nom Ltd-JPMCB- Pacific Assests Trust PLC	3,051,800	0.59	3,051,800	0.59
19 Cocoshell Activated Carbon Company Ltd.	2,556,498	0.50	2,803,575	0.54
20 Mr. A. N. Esufally	2,283,585	0.44	2,283,585	0.44

DIRECTORS' SHAREHOLDING	30.06.2013	30.06.2012
	No. of Shares	No. of Shares

DIRECTORS' INDIRECT SHAREHOLDING

A Z Holdings (Pvt) Ltd.	90,762,875	90,762,875
Saraz Investments (Pvt) Ltd.	86,396,035	86,396,035
Blueberry Investments (Pvt) Ltd.	85,781,250	85,781,250
Amagroup (Pvt) Ltd.	85,780,665	85,780,665

DIRECTORS' DIRECT SHAREHOLDING

Mr. J. C. L. De Mel (Chairman)	87,500	87,500
Mr. H.N. Esufally (Chief Executive Officer)	5,836,705	6,086,705
Mr. A.N. Esufally	2,283,585	2,283,585
Mr. I.A.H. Esufally	6,424,000	6,424,000
Mr. M.E. Wickremesinghe	11,250	11,250
Mr. M. A. H. Esufally	5,946,500	5,946,500
Mr. Pradipta Kumar Mohapatra	-	-
Mr. R. Gopalakrishnan	-	-
	369,310,365	369,560,365

PUBLIC HOLDING	30.06.2013	30.06.2012
	No. of Shares	No. of Shares

Issued Share Capital	515,290,620	515,290,620
Less:Directors' Direct and Indirect Shareholding	369,310,365	369,560,365
Public Holding	145,980,255	145,730,255
Public Holding as a % of Issued Share Capital	28.33%	28.28%

Corporate Information

Legal Form

Quoted Public Company with limited liability listed on the Colombo Stock Exchange on 15 October 2003

Date of Incorporation

10 December 1948

Date of Re-Registration

30 May 2007

New Registration Number

PQ 6

Accounting year end

31 March

Registered Office

Hemas House
No. 75, Braybrooke Place, Colombo 2.

Website

www.hemas.com

Auditors

Ernst & Young
Chartered Accountants
No. 201, De Saram Place, Colombo 10.

Directors

Lalith De Mel (Chairman)
Husein Esufally (CEO)
Imtiaz Esufally
Murtaza Esufally
Abbas Esufally
Maithri Wickremesinghe
Pradipta Mohapatra
Ramabadran Gopalakrishnan

Secretaries & Registrars

Hemas Corporate Services (Pvt) Ltd.
No.75, Braybrooke Place, Colombo 02.
Telephone: 4 731731 (hunting)
Facsimile: 4 731777

Lawyers to the Company

D.L. & F De Saram
No. 47, Alexandra Place, Colombo 7

Bankers

Bank of Ceylon
Commercial Bank of Ceylon PLC
Citi Bank N.A
Deutsche Bank AG
Hong Kong & Shanghai Banking Corp. Ltd.
Hatton National Bank PLC
Standard Chartered Bank
Nations Trust Bank PLC
People's Bank
DFCC Bank PLC
National Development Bank PLC
Sampath Bank PLC