

CIEL INVESTMENT LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2011

UNAUDITED CONDENSED INCOME STATEMENTS

	THE GROUP				THE COMPANY			
	Unaudited 6 Months 30 Sep 11	Unaudited 6 Months 30 Sep 10	Unaudited Quarter 30 Sep 11	Unaudited Quarter 30 Sep 10	Unaudited 6 Months 30 Sep 11	Unaudited 6 Months 30 Sep 10	Unaudited Quarter 30 Sep 11	Unaudited Quarter 30 Sep 10
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Income	208,070	159,889	83,696	70,177	46,113	248,192	17,120	14,306
Gain in fair value of investment properties	424,663	-	-	-	-	-	-	-
Revenue	632,733	159,889	83,696	70,177	46,113	248,192	17,120	14,306
Expenditure	(133,601)	(125,039)	(64,756)	(63,324)	(14,114)	(18,469)	(7,567)	(6,856)
Finance costs	(14,148)	(23,566)	(7,220)	(11,469)	(5,579)	(13,020)	(2,561)	(5,674)
Share of results of joint ventures net of tax	(43,081)	49,333	15,494	36,196	-	-	-	-
Share of results of associates net of tax	(146,110)	3,578	(86,941)	(46,605)	-	-	-	-
Gain on fair value remeasurement / Disposal of investment	23,476	42,248	-	42,248	-	315,995	-	315,995
Profit before taxation	319,269	106,443	(59,727)	27,223	26,420	532,698	6,992	317,771
Taxation	(71,356)	(7,763)	(3,438)	(6,686)	(128)	(137)	(86)	(137)
Profit for the period	247,913	98,680	(63,165)	20,537	26,292	532,561	6,906	317,634
Profit attributable to:								
Owners of the Parent	131,883	86,671	(67,343)	20,322	26,292	532,561	6,906	317,634
Non controlling interests	116,030	12,009	4,178	215	-	-	-	-
	247,913	98,680	(63,165)	20,537	26,292	532,561	6,906	317,634
Earnings / (Loss) per share	Rs 0.15	0.10	(0.07)	0.02	0.03	0.59	0.01	0.35
Dividend per share	Rs -	-	-	-	0.05	0.05	0.05	0.05
Weighted average no. of ord shares (000) for EPS Calc	903,613	903,613	903,613	903,613	903,613	903,613	903,613	903,613

UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	Unaudited 30 Sep 11	Audited 31 Mar 11	Unaudited 30 Sep 11	Audited 31 Mar 11
	Rs'000	Rs'000	Rs'000	Rs'000
ASSETS				
Investments in subsidiary companies	-	-	1,243,298	952,375
Investments in joint ventures	865,999	911,251	937,719	1,333,313
Investments in associates	2,863,422	2,981,683	2,254,464	2,330,650
Investment in other financial assets	212,383	226,594	211,477	226,594
Investment properties	1,205,479	780,482	39,597	40,200
Deposits on investment	20,765	34,866	43,091	53,592
Other non current assets	809,251	728,115	9,210	10,180
Current assets	257,530	229,794	26,361	69,659
Total assets	6,234,829	5,892,785	4,765,217	5,016,563
EQUITY AND LIABILITIES				
Capital and reserves				
Owners' interests	5,207,825	5,123,625	4,615,419	4,889,894
Non controlling interest	320,770	205,342	-	-
Total equity	5,528,595	5,328,967	4,615,419	4,889,894
Non current liabilities	395,662	330,508	5,176	5,176
Current liabilities	310,572	233,310	144,622	121,493
Total equity and liabilities	6,234,829	5,892,785	4,765,217	5,016,563
Net asset value per share	Rs 5.76	5.67	5.11	5.41
No. of ord shares (000) for NAV Calc	903,613	903,613	903,613	903,613

UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

	THE GROUP				THE COMPANY			
	6 Months 30 Sep 11	6 Months 30 Sep 10	Quarter 30 Sep 11	Quarter 30 Sep 10	6 Months 30 Sep 11	6 Months 30 Sep 10	Quarter 30 Sep 11	Quarter 30 Sep 10
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Profit for the period	247,913	98,680	(63,165)	20,537	26,292	532,561	6,906	317,634
Other comprehensive income								
Revaluation & other reserves	11,452	13,757	16,063	14,156	1,274	2,422	1,677	217
Fair value of financial assets	(16,542)	(17,975)	(12,533)	(22,428)	(260,459)	(752,972)	(592,536)	(570,583)
Other comprehensive income for the period	(5,090)	(4,218)	3,530	(8,272)	(259,185)	(750,550)	(590,859)	(570,366)
Total comprehensive income for the period	242,823	94,462	(59,635)	12,265	(232,893)	(217,989)	(583,953)	(252,732)
Total comprehensive income attributable to:								
Owners of the Parent	126,962	82,895	(63,715)	14,252	(232,893)	(217,989)	(583,953)	(252,732)
Non-controlling interests	115,861	11,567	4,080	(1,987)	-	-	-	-
	242,823	94,462	(59,635)	12,265	(232,893)	(217,989)	(583,953)	(252,732)

SEGMENTAL INFORMATION

	THE GROUP			
	6 Months 30 Sep 11	6 Months 30 Sep 10	Quarter 30 Sep 11	Quarter 30 Sep 10
	Rs'000	Rs'000	Rs'000	Rs'000
PROFIT AFTER TAX				
Leisure and tourism	(151,230)	(15,697)*	(86,117)	(56,752)
Healthcare and life sciences	(60,987)	2,820	5,716	(222)
Property	342,466	10,967	(14,648)	8,875
Financial services and investment	74,901	89,940	31,666	40,327
Gain on fair value remeasurement from associate to subsidiary	23,476	-	-	-
Gain on disposal of investment	-	42,248	-	42,248
Consolidation adjustments	19,287	(31,598)	218	(13,939)
Group profit after tax	247,913	98,680	(63,165)	20,537

* Please refer to comments in Financial Highlights

UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS

	THE GROUP				THE COMPANY			
	6 Months 30 Sep 11	6 Months 30 Sep 10	Quarter 30 Sep 11	Quarter 30 Sep 10	6 Months 30 Sep 11	6 Months 30 Sep 10	Quarter 30 Sep 11	Quarter 30 Sep 10
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Net cash from/(used in) operating activities	6,580	(58,625)	(11,445)	136,087	(45,051)	214,716	(30,123)	240,916
Net cash (used in)/from investing activities	49,890	178,008	(45,181)	(45,181)	11,419	334,099	(86,749)	331,822
Net cash from/(used in) financing activities	58,211	(191,719)	(16,849)	(313,585)	11,419	334,099	(86,749)	331,822
Increase / (decrease) in cash and cash equivalents	114,661	(70,336)	(73,475)	(222,679)	77,887	748,914	(163,681)	904,560
Movement in cash and cash equivalents								
At April 1	1,918,354	(590,005)	1,328,349	1,328,349	1,918,354	(590,005)	1,328,349	1,328,349
At September 30	2,033,015	(660,341)	1,372,674	1,105,670	2,033,015	(660,341)	1,372,674	1,105,670

STATEMENTS OF CHANGES IN EQUITY

THE GROUP	Stated Capital	Treasury Shares	Share appreciation rights scheme	Revaluation and other Reserves	Retained Earnings	Total	Non-Controlling Interests	Total equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
	Balance at April 1, 2011	1,918,354	(590,005)	18,724	681,468	3,095,084	5,123,625	205,342
Total comprehensive income for the period	-	-	-	(4,921)	131,883	126,962	115,861	242,823
Share appreciation right scheme	-	-	3,599	-	-	3,599	-	3,599
Investment from associate to subsidiary	-	-	-	-	-	-	7,667	7,667
Movement in reserves of associates and joint ventures	-	-	-	(458)	(722)	(1,180)	-	(1,180)
Dividends	-	-	-	-	(45,181)	(45,181)	(8,100)	(53,281)
Balance at September 30, 2011	1,918,354	(590,005)	22,323	676,089	3,181,064	5,207,825	320,770	5,528,595
Balance at April 1, 2010	1,918,354	(590,005)	9,815	699,290	2,892,390	4,929,844	18,686	4,948,530
Total comprehensive income for the period	-	-	-	(3,776)	86,671	82,895	11,567	94,462
Share appreciation right scheme	-	-	4,455	-	-	4,455	-	4,455
Change in shareholding of subsidiaries	-	-	-	(89,445)	104,787	15,342	312,432	327,774
Sale of associates	-	-	-	(27,271)	27,271	-	-	-
Movement in reserves of associates and joint ventures	-	-	-	1,702	8,207	9,909	-	9,909
Dividends	-	-	-	-	(45,181)	(45,181)	(92,427)	(137,608)
Balance at September 30, 2010	1,918,354	(590,005)	14,270	580,501	3,074,145	4,997,265	250,259	5,247,524

THE COMPANY	Stated Capital	Treasury Shares	Share Appreciation Rights Scheme Reserve	Retained Earnings	Hedge Reserve	Fair value Reserves	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
	Balance at April 1, 2011	1,918,354	(590,005)	18,725	2,463,579	1,993	1,077,248
Total comprehensive income for the period	-	-	-	26,292	1,274	(260,459)	(232,893)
Dividends	-	-	-	(45,181)	-	-	(45,181)
Share appreciation right scheme	-	-	3,599	-	-	-	3,599
Balance as at September 30, 2011	1,918,354	(590,005)	22,324	2,444,690	3,267	816,789	4,615,419
Balance at April 1, 2010	1,918,354	(590,005)	9,815	1,953,978	(1,112)	1,742,991	5,034,021
Total comprehensive income for the period	-	-	-	532,561	2,422	(752,972)	(217,989)
Dividends	-	-	-	(45,181)	-	-	(45,181)
Share appreciation right scheme	-	-	4,455	-	-	-	4,455
Balance as at September 30, 2010	1,918,354	(590,005)	14,270	2,441,358	1,310	990,019	4,775,306

	THE COMPANY	
	30 Sep 11	30 Sep 10
	Rs'000	Rs'000
TOTAL ASSETS		
Portfolio valuation		
Leisure and tourism	1,914,246	2,078,294
Healthcare and life sciences	285,382	447,930
Property	1,135,683	914,667
Financial services and investment	1,174,711	964,230
Other investments	136,936	108,568
	4,646,958	4,513,689
Deposits on investment	43,091	182,750
Other assets	75,168	513,199
Total assets	4,765,217	5,209,638

FINANCIAL HIGHLIGHTS

CIEL Investment Limited ("CIL" or "the Company") Group profit after tax stood at Rs 247.9m (2010: Rs 98.7m) for the 6 months to 30 September 2011. The Group posted a loss of Rs 63.1m for the quarter ended 30 September 2011 against a profit of Rs 20.5m for the corresponding period last year.

The difficult environment in which the tourism and leisure cluster currently operates, together with the seasonality of the business, negatively impacted the results of the Group for its first semester.

It is to be noted that as from 1 April 2011, the Group reports its investments in associates on a co-terminous basis instead of 3-months in arrears. The first semester of CIL thus corresponds with the low season of the hotel industry. Had the same treatment been applied, the share of results of associates would have shown a loss of Rs 106.4m for the six months ended 30 September 2010, as against Rs 146.1m for the current period.

The share of results of joint ventures is lower than the corresponding period last year due to the results of the life sciences business that was affected by a stock write down impacting the group results by Rs 66.5m as well as strong Asian competition.

The results were however positively impacted by the revaluation of part of Ferney Ltd land which is classified as investment property by an amount of Rs 424.7m.

The financial services sector continues to perform well and shows an improvement over last year corresponding period which included an exceptional item of Rs 24.9m.

The Company's profit after tax for the same period was Rs 26.3m (2010: Rs 532.5m). The profits for the quarter ended 30 September 2011 were Rs 6.9m against Rs 317.6m last year but the latter included a profit of Rs 316m on sale of GCC group of companies.

The NAV of the Company as at 30 September 2011 stood at Rs 5.11 (31 March 2011: Rs 5.41), a decrease of 5.6%. The decrease is mainly due to falling stock prices of the hospitality sector, namely Sun Resorts Ltd and Constance Hotel Services Ltd.

By order of the Board
CIEL Corporate Services Ltd
Secretaries

November 15, 2011

The condensed financial statements of CIEL Investment Limited are issued pursuant to DEM rule 17 and the Securities Act 2005.

Copies of the unaudited Financial Statements are available, free of charge, at the registered office of the Company, 5th Floor, Ebène Skies, rue de l'Institut, Ebène.

The statement of direct and indirect interests of Insiders, pursuant to Rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, is available free of charge, at the registered office of the Company.